Next Ord: 2077-24
Next Res:1150-24

**CITY COUNCIL AGENDA**
**July 10, 2024**
**6:00 PM**
**Sedro-Woolley Municipal Building**
**Council Chambers**
**325 Metcalf Street**

**a. Call to Order**

**b. Pledge of Allegiance**

**c. Roll Call**

**d. Approval of Agenda**

**e. Consent Agenda**

Note: Items on the Consent Agenda 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 Agenda.

1. Check Register - Regular
2. Grant Agreement - Wa Military Department - State and Local Cybersecurity Grant Program

**f. Introduction of Special Guests and Presentation**

**g. City Administrator Report**

1. Olmsted Park Update
2. Climate Planning Grant and Stormwater Plan Follow-Up

**h. Councilmember and Mayor's Report**

**i. Proclamation(s)**

**j. Public Comments**

Please keep comments to three minutes or less. Because State law prohibits the use of city facilities for the purpose of supporting or opposing a campaign or ballot proposition, we respectfully request that public comment not make reference to such matters.

Written comments will be accepted by letter or via email at finance@sedro-woolley.gov Attn: 'Public Comment.'

**k. Public Hearing(s)**

**l. Unfinished Business**

1. Draft 2025-2026 City Council Goals and Work Plan
2. Professional Services Agreement - Volunteers of America - Regarding House Bill 1590 Housing Funds

**m. New Business**

1. Guiding Principles for Fire District 8 Service Contract Negotiation

**n. Information Only Items**

**o. Executive Session**

**p. Adjournment**

Next Meeting - City Council - July 24, 2024

The City of Sedro-Woolley complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, limited English proficiency, age, disability, or sex. The City of Sedro-Woolley doesn't exclude people or treat them differently because of race, color, national origin, limited English proficiency, age, disability, or sex.

The City of Sedro-Woolley also complies with applicable state laws and doesn't discriminate on the basis of creed, gender, gender expression or identity, sexual orientation, marital status, religion, honorably discharged veteran or military status, or the use of a trained dog guide or service animal by a person with a disability.

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+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 929 205 6099 US (New York)
+1 301 715 8592 US (Washington DC)
+1 312 626 6799 US (Chicago)

Meeting ID: 917 8685 0179
Passcode: 091845

City Council Agenda Item

**Agenda Item No.:** e.1.

**Date:** July 10, 2024

**From:** Kelly Kohnken, Finance Director / City Clerk

**Subject:** Check Register - Regular

**RECOMMENDED ACTION:**
Motion to approve check register, EFTs, surcharges and payroll as described.

**ISSUE:**

**BACKGROUND/SUMMARY INFORMATION:**
Claims Checks #202408 through #202487, plus EFTs. Payroll totaling $581,852.22 including associated benefits checks #61214-61224. Surcharges not included on the check register of $401,312.09.

**FISCAL IMPACT, IF APPROPRIATE:**
Claims Checks, plus EFTs, totaling $327,085.86
Surcharges totaling $401,312.09
Payroll totaling $581,852.22

**ATTACHMENTS:**
1. 2024-07-10 Check Register
2. 2024_06_SrCharge

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| **6839** | **07/10/2024** | **Claims** | **2** | **EFT** | **Comcast Holdings Corp** | | **470.71** | |
| | | 001 - 518 80 42 021 - Internet Services | | | | 470.71 | | |
| **6840** | **07/10/2024** | **Claims** | **2** | **EFT** | **FirstNET/AT&T Mobility** | | **635.08** | |
| | | 001 - 522 20 42 020 - Telephone | | | | 635.08 | | |
| **6841** | **07/10/2024** | **Claims** | **2** | **EFT** | **Cellco Partnershp dba Verizon Wireless** | | **3,214.24** | |
| | | 001 - 513 10 42 020 - Telephone | | | | 154.30 | | |
| | | 001 - 514 23 42 020 - Telephone | | | | 84.38 | | |
| | | 001 - 518 80 42 020 - Telephone | | | | 84.38 | | |
| | | 001 - 521 20 42 020 - Telephone | | | | 922.07 | | |
| | | 001 - 524 20 42 020 - Telephone | | | | 124.39 | | |
| | | 401 - 535 80 42 030 - Cell Phones | | | | 513.01 | | |
| | | 102 - 536 20 42 020 - Telephone | | | | 82.20 | | |
| | | 412 - 537 80 42 025 - Cell Phones | | | | 379.71 | | |
| | | 103 - 542 30 42 020 - Telephone | | | | 233.68 | | |
| | | 001 - 558 60 42 020 - Telephone | | | | 42.19 | | |
| | | 101 - 576 80 42 020 - Telephone | | | | 342.97 | | |
| | | 001 - 595 10 42 025 - Cell Phones | | | | 250.96 | | |
| **6842** | **07/10/2024** | **Claims** | **2** | **EFT** | **Cellco Partnershp dba Verizon Wireless** | | **1,041.22** | |
| | | 001 - 521 20 42 020 - Telephone | | | | 880.77 | | |
| | | 001 - 522 20 42 020 - Telephone | | | | 120.44 | | |
| | | 101 - 576 80 42 020 - Telephone | | | | 40.01 | | |
| **6843** | **07/10/2024** | **Claims** | **2** | **202408** | **Amazon Capital Svcs, Inc** | | **2,097.00** | |
| | | 001 - 514 23 31 000 - Supplies | | | | 177.36 | | |
| | | 001 - 518 80 35 000 - Small Tools/Minor Equip | | | | 118.92 | | |
| | | 001 - 521 20 31 002 - Office/Operating Supplies | | | | 761.23 | | |
| | | 001 - 521 20 31 002 - Office/Operating Supplies | | | | 48.86 | | |
| | | 001 - 521 20 31 002 - Office/Operating Supplies | | | | 8.57 | | |
| | | 001 - 521 20 31 002 - Office/Operating Supplies | | | | 78.35 | | |
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 50.96 | | |
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 43.41 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 38.73 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 93.38 | | |
| | | 401 - 535 80 35 010 - Safety Equipment | | | | 47.16 | | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 393.47 | | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 149.78 | | |
| | | 103 - 542 30 31 000 - Operating Supplies | | | | 43.43 | | |
| | | 001 - 558 60 31 000 - Supplies/Books | | | | 9.76 | | |
| | | 101 - 576 80 48 005 - Senior Center | | | | 20.62 | | |
| | | 001 - 595 10 31 000 - Supplies | | | | 13.01 | | |
| **6844** | **07/10/2024** | **Claims** | **2** | **202409** | **Seth Bass** | | **138.25** | |
| | | 001 - 521 40 43 000 - Travel | | | | 138.25 | | |
| **6845** | **07/10/2024** | **Claims** | **2** | **202410** | **Boulder Park Inc** | | **15,475.62** | |
| | | 401 - 535 80 35 020 - Solids Handling | | | | 15,475.62 | | |
| **6846** | **07/10/2024** | **Claims** | **2** | **202411** | **C.Hlth130, dba Cardinal Health 112 LLC** | | **1,275.92** | |
| | | 001 - 522 21 31 000 - Operating Supplies - Medical | | | | 408.34 | | |
| | | 001 - 522 21 31 000 - Operating Supplies - Medical | | | | 867.58 | | |
| **6847** | **07/10/2024** | **Claims** | **2** | **202412** | **Carl's Towing** | | **275.84** | |
| | | 001 - 521 20 41 001 - Professional Services | | | | 275.84 | | |
| **6848** | **07/10/2024** | **Claims** | **2** | **202413** | **Cascade Learning** | | **244.57** | |
| | | 001 - 558 70 00 513 - Economic Development | | | | 244.57 | | |
| **6849** | **07/10/2024** | **Claims** | **2** | **202414** | **City of Port Townsend** | | **4,000.00** | |
| | | 001 - 517 95 41 001 - Employee Training Programs | | | | 4,000.00 | | |

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| **6850** | **07/10/2024** | **Claims** | **2** | **202415** | **Consumer Rental, LLC** | | **718.08** | |
| | | 101 - 594 76 63 014 - Memorial Park | | | | 718.08 | | |
| **6851** | **07/10/2024** | **Claims** | **2** | **202416** | **Dalco Inc** | | **91.50** | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 91.50 | | |
| **6852** | **07/10/2024** | **Claims** | **2** | **202417** | **Donald Coggins** | | **70.59** | |
| | | 001 - 517 90 43 001 - Employee Recognition | | | | 70.59 | | |
| **6853** | **07/10/2024** | **Claims** | **2** | **202418** | **Dwayne Lanes Skagit, Inc** | | **535.83** | |
| | | 001 - 521 20 48 010 - Repair & Maint - Auto | | | | 535.83 | | |
| **6854** | **07/10/2024** | **Claims** | **2** | **202419** | **A. Dykstra, dba Dykstra Farms LLC** | | **945.00** | |
| | | 412 - 537 60 47 020 - Site Yard Waste Disposal | | | | 420.00 | | Site grass |
| | | 412 - 537 60 47 020 - Site Yard Waste Disposal | | | | 525.00 | | Site grass |
| **6855** | **07/10/2024** | **Claims** | **2** | **202420** | **E & E Lumber, Inc.** | | **1,281.24** | |
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 56.81 | | |
| | | 001 - 522 50 48 010 - Repairs/Maint-Dorm | | | | -57.63 | | Credit on Stmt |
| | | 001 - 522 50 48 020 - Repair/Maint-Garage | | | | 13.86 | | |
| | | 401 - 535 50 48 010 - Maintenance Of Lines | | | | 9.37 | | |
| | | 401 - 535 80 41 000 - Professional Services | | | | -67.00 | | |
| | | 102 - 536 20 31 010 - Operating Supplies | | | | 72.52 | | |
| | | 103 - 542 30 31 000 - Operating Supplies | | | | 58.51 | | |
| | | 103 - 542 64 31 001 - Painting & Striping Supplies | | | | 119.79 | | |
| | | 103 - 542 64 31 004 - Street Sign Materials | | | | 132.36 | | |
| | | 101 - 576 80 31 001 - Operating Sup - Riverfront | | | | 97.72 | | |
| | | 101 - 576 80 31 006 - Operating Sup - City Hall | | | | 627.49 | | |
| | | 101 - 576 80 31 009 - Operating Sup - Bingham Park | | | | 14.57 | | |
| | | 101 - 576 80 35 000 - Small Tools & Minor Equip | | | | 30.40 | | |
| | | 101 - 576 80 48 001 - Riverfront | | | | 21.21 | | |
| | | 101 - 576 80 48 002 - RV Park | | | | 21.86 | | |
| | | 101 - 576 80 48 006 - Memorial Park | | | | 89.15 | | |
| | | 101 - 576 80 48 006 - Memorial Park | | | | -15.58 | | |
| | | 101 - 576 80 48 009 - Hammer Square | | | | 20.83 | | Plungers for Hammer Sq. |
| | | 101 - 576 80 48 016 - City Hall | | | | 35.00 | | |
| **6856** | **07/10/2024** | **Claims** | **2** | **202421** | **Robby Eckroth** | | **100.00** | |
| | | 101 - 582 10 01 101 - Community Center Deposit Ref | | | | 100.00 | | |
| **6857** | **07/10/2024** | **Claims** | **2** | **202422** | **Econ Development Alliance of Skagit Co** | | **1,875.00** | |
| | | 001 - 558 70 41 000 - EDASC | | | | 1,875.00 | | |
| **6858** | **07/10/2024** | **Claims** | **2** | **202423** | **Edge Analytical Inc** | | **190.00** | |
| | | 401 - 535 80 41 000 - Professional Services | | | | 190.00 | | |
| **6859** | **07/10/2024** | **Claims** | **2** | **202424** | **Epic Land Solutions Inc** | | **3,957.04** | |
| | | 104 - 595 20 63 084 - RW - SR20 Cascade Trail - Phas | | | | 3,957.04 | | |
| **6860** | **07/10/2024** | **Claims** | **2** | **202425** | **Facet NW, Inc** | | **27,473.69** | |
| | | 001 - 558 60 41 000 - Professional Services | | | | 27,473.69 | | |
| **6861** | **07/10/2024** | **Claims** | **2** | **202426** | **Fastenal Company** | | **458.35** | |
| | | 401 - 535 80 35 000 - Small Tools & Minor Equip | | | | 159.09 | | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 64.98 | | |
| | | 103 - 542 30 31 000 - Operating Supplies | | | | 234.28 | | |
| **6862** | **07/10/2024** | **Claims** | **2** | **202427** | **Fremarek, Inc dba** | | **1,252.24** | |
| | | 401 - 535 80 31 010 - Operating Supplies | | | | 1,252.24 | | |
| **6863** | **07/10/2024** | **Claims** | **2** | **202428** | **Glen Gardner dba Gardner Electronics** | | **4,159.36** | |
| | | 501 - 594 21 64 501 - Equip & Vehicles - Police | | | | 1,770.16 | | |

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| | | 501 - 594 21 64 501 - Equip & Vehicles - Police | | | | 1,194.60 | | |
| | | 501 - 594 31 64 501 - Equip & Vehicles - Storm | | | | 1,194.60 | | |
| **6864** | **07/10/2024** | **Claims** | **2** | **202429** | **Good to Go!** | | **13.00** | |
| | | 001 - 521 40 43 000 - Travel | | | | 13.00 | | |
| **6865** | **07/10/2024** | **Claims** | **2** | **202430** | **Groeneveld-Beka USA Inc** | | **957.64** | |
| | | 412 - 537 50 48 000 - Repairs/maint-equip | | | | 597.15 | | Unit 520 |
| | | 501 - 548 30 31 000 - Operating Supplies | | | | 360.49 | | |
| **6866** | **07/10/2024** | **Claims** | **2** | **202431** | **Guardian Security Systems, Inc.** | | **3,671.92** | |
| | | 001 - 521 20 41 001 - Professional Services | | | | 35.84 | | |
| | | 001 - 522 50 49 050 - Fire/Theft Protection | | | | 48.87 | | |
| | | 401 - 535 50 48 000 - Maintenance Contracts | | | | 10.86 | | |
| | | 101 - 576 80 41 010 - Alarm Monitoring | | | | 258.47 | | |
| | | 101 - 576 80 48 004 - Community Center | | | | 87.68 | | |
| | | 101 - 576 80 48 004 - Community Center | | | | 1,414.19 | | |
| | | 101 - 576 80 48 005 - Senior Center | | | | 1,816.01 | | |
| **6867** | **07/10/2024** | **Claims** | **2** | **202432** | **Hach Company** | | **76.23** | |
| | | 401 - 535 80 31 020 - Op Supplies-Chemicals | | | | 76.23 | | |
| **6868** | **07/10/2024** | **Claims** | **2** | **202433** | **Home Depot Credit Services** | | **260.61** | |
| | | 101 - 576 80 31 001 - Operating Sup - Riverfront | | | | 86.42 | | |
| | | 101 - 576 80 48 005 - Senior Center | | | | 174.19 | | |
| **6869** | **07/10/2024** | **Claims** | **2** | **202434** | **Hughes Fire Equip Inc** | | **1,385.31** | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 371.74 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 371.74 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 641.83 | | |
| **6870** | **07/10/2024** | **Claims** | **2** | **202435** | **Justice Fam Ent. Inc, dba IMS Alliance** | | **58.92** | |
| | | 001 - 522 20 31 010 - Office Supplies | | | | 58.92 | | |
| **6871** | **07/10/2024** | **Claims** | **2** | **202436** | **Insight Direct USA, Inc.** | | **773.23** | |
| | | 001 - 521 20 31 010 - Printing/Publications | | | | 773.23 | | |
| **6872** | **07/10/2024** | **Claims** | **2** | **202437** | **Janicki Industries** | | **100.00** | |
| | | 101 - 582 10 01 101 - Community Center Deposit Ref | | | | 100.00 | | |
| **6873** | **07/10/2024** | **Claims** | **2** | **202438** | **Johnson, Ginger** | | **100.00** | |
| | | 101 - 582 10 01 101 - Community Center Deposit Ref | | | | 100.00 | | |
| **6874** | **07/10/2024** | **Claims** | **2** | **202439** | **Kennedy, Ralph** | | **150.00** | |
| | | 401 - 535 80 41 000 - Professional Services | | | | 150.00 | | |
| **6875** | **07/10/2024** | **Claims** | **2** | **202440** | **Carole A. Knipper** | | **1,284.24** | |
| | | 001 - 514 23 41 011 - Professional Services | | | | 642.12 | | |
| | | 001 - 514 23 41 011 - Professional Services | | | | 642.12 | | |
| **6876** | **07/10/2024** | **Claims** | **2** | **202441** | **Larry Skonord Jr. dba** | | **750.00** | |
| | | 101 - 576 80 48 500 - Contracted Heavy Duty Cleanir | | | | 750.00 | | |
| **6877** | **07/10/2024** | **Claims** | **2** | **202442** | **Lauts Inc dba Lautenbach Industries** | | **2,283.75** | |
| | | 412 - 537 60 47 015 - Construction Demolition Land | | | | 1,117.50 | | 820 Trail Rd |
| | | 412 - 537 60 47 015 - Construction Demolition Land | | | | 387.50 | | BYK Brickyard. |
| | | 412 - 537 60 47 015 - Construction Demolition Land | | | | 288.75 | | BYK Bucko |
| | | 412 - 537 60 47 015 - Construction Demolition Land | | | | 490.00 | | BYK Trail |
| **6878** | **07/10/2024** | **Claims** | **2** | **202443** | **Law Offices of Alex Sidles PLLC** | | **4,287.50** | |
| | | 001 - 521 10 48 001 - Code Enforcement Misc | | | | 4,287.50 | | |
| **6879** | **07/10/2024** | **Claims** | **2** | **202444** | **Les Schwab Tire Center** | | **136.73** | |
| | | 103 - 542 30 48 010 - Repair/Maintenance-Equip | | | | 136.73 | | Unit 336 |

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| **6880** | **07/10/2024** | **Claims** | **2** | **202445** | **Life Assist Inc.** | | **1,531.15** | |
| | | 001 - 522 21 31 000 - Operating Supplies - Medical | | | | 124.54 | | |
| | | 001 - 522 21 31 000 - Operating Supplies - Medical | | | | 1,406.61 | | |
| **6881** | **07/10/2024** | **Claims** | **2** | **202446** | **Loggers & Contractors** | | **116.64** | |
| | | 104 - 595 10 63 087 - Eng - Sch A Pvt & Ped | | | | 116.64 | | |
| **6882** | **07/10/2024** | **Claims** | **2** | **202447** | **McLoughlin & Eardley Corp** | | **152.85** | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 32.30 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 120.55 | | |
| **6883** | **07/10/2024** | **Claims** | **2** | **202448** | **Murray Monroe** | | **1,050.00** | |
| | | 101 - 582 10 01 101 - Community Center Deposit Ref | | | | 1,050.00 | | |
| **6884** | **07/10/2024** | **Claims** | **2** | **202449** | **Mountain Law, PLLC** | | **80.00** | |
| | | 001 - 512 50 41 040 - Language Interpreter | | | | 80.00 | | |
| **6885** | **07/10/2024** | **Claims** | **2** | **202450** | **Walter E Nelson Co. of N. WA** | | **1,474.63** | |
| | | 401 - 535 80 31 010 - Operating Supplies | | | | 278.74 | | |
| | | 101 - 576 80 31 004 - Operating Sup - Comm Center | | | | 595.89 | | |
| | | 101 - 576 80 31 005 - Operating Sup - Senior Ctr | | | | 600.00 | | |
| **6886** | **07/10/2024** | **Claims** | **2** | **202451** | **National Testing Network Inc** | | **7,000.00** | |
| | | 001 - 522 20 41 030 - Investigation | | | | 7,000.00 | | |
| **6887** | **07/10/2024** | **Claims** | **2** | **202452** | **Nelson Dist, Inc. dba Nelson-Reisner** | | **80.62** | |
| | | 001 - 522 20 32 000 - Auto Fuel/Diesel | | | | 80.62 | | |
| **6888** | **07/10/2024** | **Claims** | **2** | **202453** | **Pape' Group, dba Pape' Machinery Inc.** | | **577.53** | |
| | | 102 - 536 20 48 040 - Repair/Maint-Equip & Bldg | | | | 577.53 | | |
| **6889** | **07/10/2024** | **Claims** | **2** | **202454** | **Kamryne Presgrove** | | **106.00** | |
| | | 401 - 535 80 49 030 - Misc-Tuition/Registration | | | | 106.00 | | |
| **6890** | **07/10/2024** | **Claims** | **2** | **202455** | **Puget Sound Energy, Inc.** | | **21,585.82** | |
| | | 001 - 521 20 47 000 - Public Utilities | | | | 197.50 | | |
| | | 001 - 521 20 47 000 - Public Utilities | | | | 36.42 | | |
| | | 001 - 522 50 47 000 - Public Utilities | | | | 555.72 | | |
| | | 425 - 531 50 47 000 - Public Utilities | | | | 30.25 | | |
| | | 425 - 531 50 47 000 - Public Utilities | | | | 119.88 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 86.67 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 186.87 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 13,721.36 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 125.58 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 380.73 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 106.89 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 71.39 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 241.91 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 171.73 | | |
| | | 401 - 535 80 47 000 - Public Utilities | | | | 472.32 | | |
| | | 102 - 536 20 47 000 - Public Utilities | | | | 43.65 | | |
| | | 412 - 537 80 47 000 - Public Utilities | | | | 101.26 | | |
| | | 103 - 542 63 47 000 - Public Utilities | | | | 70.21 | | |
| | | 103 - 542 63 47 000 - Public Utilities | | | | 28.97 | | |
| | | 103 - 542 63 47 000 - Public Utilities | | | | 73.12 | | |
| | | 103 - 542 63 47 000 - Public Utilities | | | | 72.98 | | |
| | | 101 - 576 80 47 000 - Riverfront | | | | 182.02 | | |
| | | 101 - 576 80 47 000 - Riverfront | | | | 10.86 | | |
| | | 101 - 576 80 47 000 - Riverfront | | | | 16.56 | | |
| | | 101 - 576 80 47 010 - Community Center | | | | 311.05 | | |
| | | 101 - 576 80 47 020 - Senior Center | | | | 383.38 | | |
| | | 101 - 576 80 47 030 - Museum Apartments | | | | 28.23 | | |
| | | 101 - 576 80 47 030 - Museum Apartments | | | | 11.48 | | |

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| | | 101 - 576 80 47 030 - Museum Apartments | | | | 26.25 | | |
| | | 101 - 576 80 47 040 - Train | | | | 14.48 | | |
| | | 101 - 576 80 47 050 - Hammer Square | | | | 131.08 | | |
| | | 101 - 576 80 47 051 - Bingham / Memorial | | | | 114.81 | | |
| | | 101 - 576 80 47 051 - Bingham / Memorial | | | | 19.35 | | |
| | | 101 - 576 80 47 052 - Bingham Caretaker | | | | 155.53 | | |
| | | 101 - 576 80 47 053 - Other Utilities | | | | 23.66 | | |
| | | 101 - 576 80 47 053 - Other Utilities | | | | 10.86 | | |
| | | 101 - 576 80 47 070 - City Hall | | | | 3,188.45 | | |
| | | 104 - 595 20 63 082 - RW Trail Road Extension | | | | 62.36 | | |
| **6891** | **07/10/2024** | **Claims** | **2** | **202456** | **Red's Mobile 24-Hour Truck & Equip Repai** | | **1,568.92** | |
| | | 412 - 537 50 48 000 - Repairs/maint-equip | | | | 1,089.99 | | Unit 520 |
| | | 412 - 537 50 48 000 - Repairs/maint-equip | | | | 478.93 | | |
| **6892** | **07/10/2024** | **Claims** | **2** | **202457** | **Rick's Refrigeration Inc** | | **414.00** | |
| | | 412 - 537 60 47 011 - Site Recycling Disposal | | | | 414.00 | | Site recycle fridges |
| **6893** | **07/10/2024** | **Claims** | **2** | **202458** | **Ricoh USA, Inc** | | **24,115.49** | |
| | | 001 - 521 20 48 000 - Repairs & Maintenance | | | | 487.80 | | |
| | | 001 - 522 20 45 000 - Equipment Lease | | | | 487.80 | | |
| | | 001 - 591 80 70 517 - Leases + Subscription IT (SBITA | | | | 23,139.89 | | |
| **6894** | **07/10/2024** | **Claims** | **2** | **202459** | **Ricoh USA, Inc** | | **57.24** | |
| | | 101 - 576 80 48 010 - Office Equip | | | | 57.24 | | |
| **6895** | **07/10/2024** | **Claims** | **2** | **202460** | **Max Rosser** | | **138.25** | |
| | | 001 - 521 40 43 000 - Travel | | | | 138.25 | | |
| **6896** | **07/10/2024** | **Claims** | **2** | **202461** | **SBA Structures, LLC** | | **609.29** | |
| | | 001 - 591 28 70 001 - Lease + Subscription IT (SBITA) | | | | 304.65 | | |
| | | 401 - 591 28 70 401 - Leases + Subscription IT (SBITA | | | | 304.64 | | |
| **6897** | **07/10/2024** | **Claims** | **2** | **202462** | **Sea-Western, Inc.** | | **2,802.97** | |
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 2,802.97 | | |
| **6898** | **07/10/2024** | **Claims** | **2** | **202463** | **Sedro-Woolley Auto Parts Inc** | | **355.53** | |
| | | 103 - 542 30 31 000 - Operating Supplies | | | | 162.89 | | |
| | | 103 - 542 30 48 010 - Repair/Maintenance-Equip | | | | 181.91 | | Unit 332 |
| | | 101 - 576 80 31 008 - Operating Sup - Memorial | | | | 5.53 | | |
| | | 101 - 576 80 48 008 - North Township | | | | 5.20 | | |
| **6899** | **07/10/2024** | **Claims** | **2** | **202464** | **M.T. Gehring dba Sedro-Woolley Auto** | | **143.22** | |
| | | 001 - 521 20 48 010 - Repair & Maint - Auto | | | | 143.22 | | |
| **6900** | **07/10/2024** | **Claims** | **2** | **202465** | **Sedro-Woolley Rotary Foundation** | | **225.00** | |
| | | 001 - 513 10 49 010 - Dues & Subscriptions | | | | 225.00 | | |
| **6901** | **07/10/2024** | **Claims** | **2** | **202466** | **Vanessa Serrano** | | **100.00** | |
| | | 101 - 582 10 01 101 - Community Center Deposit Ref | | | | 100.00 | | |
| **6902** | **07/10/2024** | **Claims** | **2** | **202467** | **Showcase Your Shine LLC** | | **2,000.00** | |
| | | 001 - 517 95 41 001 - Employee Training Programs | | | | 2,000.00 | | |
| **6903** | **07/10/2024** | **Claims** | **2** | **202468** | **Skagit 911** | | **66,498.00** | |
| | | 001 - 521 20 41 055 - 911 Contracted Services | | | | 61,607.00 | | |
| | | 001 - 522 20 41 020 - Central Dispatch | | | | 4,891.00 | | |
| **6904** | **07/10/2024** | **Claims** | **2** | **202469** | **Skagit Cnty Treasurer** | | **63,150.87** | |
| | | 114 - 523 60 41 022 - Jail Sales Tax Pass Through 2/1( | | | | 63,150.87 | | |
| **6905** | **07/10/2024** | **Claims** | **2** | **202470** | **Skagit Farmers Supply** | | **2,286.76** | |
| | | 001 - 521 20 31 002 - Office/Operating Supplies | | | | 8.45 | | |

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 28.06 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 64.10 | | |
| | | 425 - 531 50 31 000 - Operating Supplies | | | | 108.59 | | |
| | | 401 - 535 50 48 010 - Maintenance Of Lines | | | | 32.57 | | |
| | | 401 - 535 50 48 010 - Maintenance Of Lines | | | | 18.98 | | |
| | | 401 - 535 50 48 060 - Maintenance Of Buildings | | | | 30.79 | | |
| | | 401 - 535 80 31 010 - Operating Supplies | | | | 21.69 | | |
| | | 401 - 535 80 35 000 - Small Tools & Minor Equip | | | | 79.22 | | |
| | | 401 - 535 80 35 000 - Small Tools & Minor Equip | | | | 78.44 | | |
| | | 401 - 535 80 35 000 - Small Tools & Minor Equip | | | | 48.85 | | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 4.33 | | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 83.12 | | |
| | | 412 - 537 80 31 000 - Operating Supplies | | | | 46.65 | | |
| | | 103 - 542 30 31 000 - Operating Supplies | | | | 35.83 | | |
| | | 103 - 542 30 31 010 - Operating Supplies-Propane | | | | 83.13 | | |
| | | 103 - 542 30 31 020 - Operating Supplies - Herbicide | | | | 380.06 | | |
| | | 103 - 542 30 31 020 - Operating Supplies - Herbicide | | | | 57.54 | | |
| | | 103 - 542 30 31 020 - Operating Supplies - Herbicide | | | | 195.46 | | |
| | | 501 - 548 30 31 000 - Operating Supplies | | | | 74.83 | | Forklift propane |
| | | 101 - 576 80 31 000 - Operating Sup - Tesarik Park | | | | 39.83 | | 1 |
| | | 101 - 576 80 31 001 - Operating Sup - Riverfront | | | | 23.88 | | |
| | | 101 - 576 80 31 001 - Operating Sup - Riverfront | | | | 62.97 | | |
| | | 101 - 576 80 31 001 - Operating Sup - Riverfront | | | | 65.14 | | |
| | | 101 - 576 80 31 003 - Operating Sup - Parks Shop | | | | 20.62 | | |
| | | 101 - 576 80 31 006 - Operating Sup - City Hall | | | | 43.42 | | |
| | | 101 - 576 80 31 007 - Operating Sup - Library | | | | 116.57 | | |
| | | 101 - 576 80 31 013 - Operating Sup - Flowers-Holid. | | | | 35.05 | | |
| | | 101 - 576 80 31 100 - Fertilizer/Herbicide | | | | 69.48 | | |
| | | 101 - 576 80 31 100 - Fertilizer/Herbicide | | | | 218.50 | | |
| | | 101 - 576 80 48 001 - Riverfront | | | | 48.85 | | |
| | | 101 - 576 80 48 001 - Riverfront | | | | 4.21 | | |
| | | 101 - 576 80 48 008 - North Township | | | | 57.55 | | |
| **6906** | **07/10/2024** | **Claims** | **2** | **202471** | **PNG Media LLC, dba Skagit Publishing** | | **2,121.90** | |
| | | 001 - 514 23 41 011 - Professional Services | | | | 375.00 | | |
| | | 001 - 518 10 27 000 - Publication | | | | 375.00 | | |
| | | 401 - 535 80 41 030 - Legal Publications | | | | 398.12 | | |
| | | 001 - 558 60 41 010 - Advertising | | | | 129.12 | | |
| | | 001 - 558 60 41 011 - Advertising Reimbuseable | | | | 263.62 | | |
| | | 001 - 558 60 41 011 - Advertising Reimbuseable | | | | 182.92 | | |
| | | 104 - 595 10 63 089 - Eng - John Liner Rd Arterial | | | | 398.12 | | |
| **6907** | **07/10/2024** | **Claims** | **2** | **202472** | **Skagit Regional Health** | | **604.00** | |
| | | 001 - 522 20 41 010 - Prof Service-Medical Exams | | | | 50.00 | | |
| | | 001 - 522 20 41 010 - Prof Service-Medical Exams | | | | 380.00 | | |
| | | 401 - 535 80 41 000 - Professional Services | | | | 174.00 | | |
| **6908** | **07/10/2024** | **Claims** | **2** | **202473** | **Staples, Inc.** | | **44.30** | |
| | | 401 - 535 80 31 000 - Office Supplies | | | | 44.30 | | |
| **6909** | **07/10/2024** | **Claims** | **2** | **202474** | **Todhunter Brothers Glass Inc.** | | **636.50** | |
| | | 101 - 576 80 48 005 - Senior Center | | | | 636.50 | | |
| **6910** | **07/10/2024** | **Claims** | **2** | **202475** | **Transportation Solutions, Inc.** | | **1,604.25** | |
| | | 001 - 595 10 41 000 - Professional Services | | | | 1,604.25 | | |
| **6911** | **07/10/2024** | **Claims** | **2** | **202476** | **Tri-Tec Communications Inc** | | **2,310.79** | |
| | | 001 - 518 80 49 000 - Software Maint & Support | | | | 2,310.79 | | |
| **6912** | **07/10/2024** | **Claims** | **2** | **202477** | **UniFirst Corp.** | | **1,006.94** | |
| | | 001 - 522 20 26 000 - Uniforms | | | | 346.45 | | |
| | | 001 - 522 20 26 000 - Uniforms | | | | 333.53 | | |
| | | 001 - 522 20 26 000 - Uniforms | | | | 326.96 | | |

| Trans | Date | Type | Acct # | Chk # | Claimant | | Amount | Memo |
|---|---|---|---|---|---|---|---|---|
| **6913** | **07/10/2024** | **Claims** | **2** | **202478** | **Util Underground Loc Ctr** | | **130.31** | |
| | | 401 - 535 80 31 010 - Operating Supplies | | | | 130.31 | | |
| **6914** | **07/10/2024** | **Claims** | **2** | **202479** | **Valvoline Instnt Oil Chg** | | **402.59** | |
| | | 001 - 521 20 48 010 - Repair & Maint - Auto | | | | 54.71 | | |
| | | 001 - 521 20 48 010 - Repair & Maint - Auto | | | | 108.47 | | |
| | | 001 - 521 20 48 010 - Repair & Maint - Auto | | | | 108.47 | | |
| | | 001 - 522 20 48 000 - Repairs/Maint-Equip | | | | 130.94 | | |
| **6915** | **07/10/2024** | **Claims** | **2** | **202480** | **Vestis Group, Inc** | | **18.67** | |
| | | 401 - 535 80 49 000 - Laundry | | | | 6.64 | | |
| | | 412 - 537 80 49 000 - Misc-Laundry | | | | 7.19 | | |
| | | 103 - 542 30 49 000 - Misc-Laundry | | | | 4.84 | | |
| **6916** | **07/10/2024** | **Claims** | **2** | **202481** | **West Coast Fire & Rescue** | | **2,847.49** | |
| | | 501 - 594 22 64 501 - Vehicles - Fire | | | | 2,847.49 | | |
| **6917** | **07/10/2024** | **Claims** | **2** | **202482** | **Witmer Public Safety Group Inc.** | | **7,039.05** | |
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 6,882.68 | | |
| | | 001 - 522 20 31 000 - Operating Supplies | | | | 156.37 | | |
| **6918** | **07/10/2024** | **Claims** | **2** | **202483** | **Woods Acquisition Corp** | | **486.55** | |
| | | 401 - 535 50 48 010 - Maintenance Of Lines | | | | 23.89 | | |
| | | 103 - 542 30 32 000 - Auto Fuel/Diesel | | | | 349.72 | | |
| | | 103 - 542 30 32 000 - Auto Fuel/Diesel | | | | 56.47 | | |
| | | 401 - 594 35 64 001 - Portable Equipment | | | | 56.47 | | |
| **6919** | **07/10/2024** | **Claims** | **2** | **202484** | **World Kinect Energy Services, dba** | | **10,895.22** | |
| | | 001 - 518 20 32 000 - Auto Fuel | | | | 36.33 | | |
| | | 001 - 521 20 32 000 - Auto Fuel | | | | 2,998.06 | | |
| | | 001 - 522 20 32 000 - Auto Fuel/Diesel | | | | 1,590.02 | | |
| | | 425 - 531 50 32 000 - Vehicle Fuel | | | | 144.08 | | |
| | | 425 - 531 50 32 000 - Vehicle Fuel | | | | 332.81 | | |
| | | 425 - 531 50 32 000 - Vehicle Fuel | | | | 71.52 | | |
| | | 401 - 535 80 32 000 - Auto Fuel/Diesel | | | | 49.94 | | |
| | | 102 - 536 20 32 000 - Auto Fuel/Diesel | | | | 176.23 | | |
| | | 412 - 537 80 32 000 - Auto Fuel/Diesel | | | | 2,524.22 | | |
| | | 412 - 537 80 32 000 - Auto Fuel/Diesel | | | | 2,053.50 | | |
| | | 412 - 537 80 32 000 - Auto Fuel/Diesel | | | | 544.25 | | |
| | | 412 - 537 80 32 000 - Auto Fuel/Diesel | | | | 123.47 | | Fuel 514 & 525 |
| | | 103 - 542 30 32 000 - Auto Fuel/Diesel | | | | 166.56 | | |
| | | 101 - 576 80 32 000 - Auto Fuel/Diesel | | | | 84.23 | | |
| **6920** | **07/10/2024** | **Claims** | **2** | **202485** | **Yzaguirre, Esmeralda** | | **1,000.00** | |
| | | 101 - 582 10 01 101 - Community Center Deposit Ref | | | | 1,000.00 | | |
| **6921** | **07/10/2024** | **Claims** | **2** | **202486** | **Zachor, Stock & Krepps, Inc PS** | | **8,840.00** | |
| | | 001 - 515 41 41 001 - Ext Legal-Prosecutor | | | | 8,840.00 | | |
| **6922** | **07/10/2024** | **Claims** | **2** | **202487** | **Zoll Medical Corporation** | | **611.07** | |
| | | 001 - 522 21 31 000 - Operating Supplies - Medical | | | | 162.90 | | |
| | | 001 - 522 21 31 000 - Operating Supplies - Medical | | | | 448.17 | | |

| | |
|---|---|
| 001 Current Expense Fund | 183,159.06 |
| 101 Parks & Facilities Fund | 16,520.00 |
| 102 Cemetery Fund | 952.13 |
| 103 Street Fund | 2,878.47 |
| 104 Arterial Street Fund | 4,534.16 |
| 114 Law Enforcement Sales Tax | 63,150.87 |
| 401 Sewer Operations Fund | 35,265.62 |
| 412 Solid Waste Operations Fund | 12,376.25 |
| 425 Stormwater Operations | 807.13 |
| 501 Equipment Replacement Fund | 7,442.17 |

| Trans | Date | Type | Acct # | Chk # | Claimant | Amount | Memo |
|---|---|---|---|---|---|---|---|
| | | | | | | 327,085.86 | Claims: 327,085.86 |

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

Finance Director Date

Finance Committee Member Date

Finance Committee Member Date

Finance Committee Member Date

# TRANSACTION JOURNAL

City Of Sedro-Woolley

Time: 16:18:40 Date: 07/03/2024

06/01/2024 To: 06/30/2024

Page: 1

| Trans | Date | Redeemed | Acct # | Chk # | Type | Receipt # InterFund # | Vendor | Amount | Memo |
|---|---|---|---|---|---|---|---|---|---|
| 5706 | 06/03/2024 | 06/30/2024 | 1 | | Ser Chge | | US Bank -- Merchant Fees | 391.51 | June 2024 US Bank Merchant Fees |
| | 535 80 41 020 Collection Services | | | 401 Sewer Operations Fund | | | | 195.75 | |
| | 514 23 41 010 Bank Fees | | | 001 Current Expense Fund | | | | 97.88 | |
| | 537 80 41 020 Collection Services | | | 412 Solid Waste Operations Fund | | | | 97.88 | |
| 5894 | 06/04/2024 | 06/30/2024 | 1 | | Ser Chge | | Payment Tech -- Service Charge | 30.33 | JUNE 2024 PAYMENTECH SERVICE CHARGE - BINGHAM |
| | 576 80 41 000 Professional Services | | | 101 Parks & Facilities Fund | | | | 30.33 | |
| 5895 | 06/04/2024 | 06/30/2024 | 1 | | Ser Chge | | Payment Tech -- Service Charge | 41.33 | JUNE 2024 PAYMENTECH SERVICE CHARGE - RIVERFRONT |
| | 576 80 41 000 Professional Services | | | 101 Parks & Facilities Fund | | | | 41.33 | |
| 5896 | 06/04/2024 | 06/30/2024 | 1 | | Ser Chge | | Payment Tech -- Service Charge | 166.79 | JUNE 2024 PAYMENTECH SERVICE CHARGE - GENERAL ACCOUNT#2 NON-UTILITY |
| | 514 23 41 010 Bank Fees | | | 001 Current Expense Fund | | | | 166.79 | |
| 5897 | 06/04/2024 | 06/30/2024 | 1 | | Ser Chge | | Payment Tech -- Service Charge | 3,550.98 | JUNE 2024 PAYMENTECH SERVICE CHARGE - GENERAL ACCOUNT |
| | 535 80 41 020 Collection Services | | | 401 Sewer Operations Fund | | | | 1,775.48 | |
| | 514 23 41 010 Bank Fees | | | 001 Current Expense Fund | | | | 887.75 | |
| | 537 80 41 020 Collection Services | | | 412 Solid Waste Operations Fund | | | | 887.75 | |
| 5923 | 06/05/2024 | 06/30/2024 | 1 | | Ser Chge | | Medical Insurance | 10.00 | NSF RETURNED iSTREAM CHECK CHARGE - MAY 2024 |
| | 342 60 00 000 Fire Transport Fees | | | 001 Current Expense Fund | | | | -10.00 | |
| 5952 | 06/06/2024 | 06/30/2024 | 1 | | Ser Chge | | Xpress Bill Pay - Service Fees | 2,046.58 | JUNE 2024 XPRESS BILL PAY SERVICE CHARGE |
| | 535 80 41 020 Collection Services | | | 401 Sewer Operations Fund | | | | 1,023.28 | |
| | 537 80 41 020 Collection Services | | | 412 Solid Waste Operations Fund | | | | 511.65 | |
| | 514 23 41 010 Bank Fees | | | 001 Current Expense Fund | | | | 511.65 | |
| 6067 | 06/14/2024 | 06/30/2024 | 1 | EFT | Ser Chge | | Guardian NW Title & Escrow | 383,179.49 | Purchase of 900 McGarigle Rd. and related fees totaling $383,179.49. |
| | 595 20 63 083 RW-SR 9-John Liner-M | | | 104 Arterial Street Fund | | | | 383,179.49 | |
| 6075 | 06/13/2024 | 06/30/2024 | 1 | | Ser Chge | | Johnson, Yvonne Bobette | 89.33 | |
| | 343 50 00 000 Sewer Service Charges | | | 401 Sewer Operations Fund | | | | -58.93 | |
| | 343 50 00 010 Utility Tax Collected | | | 401 Sewer Operations Fund | | | | -6.19 | |
| | 343 70 00 000 Garbage/Solid Waste I | | | 412 Solid Waste Operations Fund | | | | -12.16 | |
| | 343 75 00 000 Fuel Surcharge | | | 412 Solid Waste Operations Fund | | | | -2.55 | |
| | 343 73 00 000 Curbside Recycling Fe | | | 412 Solid Waste Operations Fund | | | | -7.20 | |
| | 343 70 00 010 Utility Tax Collected | | | 412 Solid Waste Operations Fund | | | | -2.30 | |

# TRANSACTION JOURNAL



| Trans | Date | Redeemed | Acct # | Chk # | Type | Receipt # InterFund # | Vendor | Amount | Memo |
|---|---|---|---|---|---|---|---|---|---|
| 6106 | 06/14/2024 | 06/30/2024 | 1 | | Ser Chge | | US Bank -- Analysis Fees | 1,027.71 | JUNE 2024 US BANK ANALYSIS SERVICE CHARGE |
| | 535 80 41 020 Collection Services | | | 401 Sewer Operations Fund | | | | 513.85 | |
| | 514 23 41 010 Bank Fees | | | 001 Current Expense Fund | | | | 256.93 | |
| | 537 80 41 020 Collection Services | | | 412 Solid Waste Operations Fund | | | | 256.93 | |
| 6620 | 06/27/2024 | 06/30/2024 | 1 | | Ser Chge | | Mendoza, Miguel & Cuevas, Gabriella | 368.66 | |
| | 343 50 00 000 Sewer Service Charges | | | 401 Sewer Operations Fund | | | | -73.66 | |
| | 343 50 00 010 Utility Tax Collected | | | 401 Sewer Operations Fund | | | | -7.73 | |
| | 343 70 00 000 Garbage/Solid Waste I | | | 412 Solid Waste Operations Fund | | | | -235.35 | |
| | 343 75 00 000 Fuel Surcharge | | | 412 Solid Waste Operations Fund | | | | -2.55 | |
| | 343 73 00 000 Curbside Recycling Fe | | | 412 Solid Waste Operations Fund | | | | -9.00 | |
| | 343 70 00 010 Utility Tax Collected | | | 412 Solid Waste Operations Fund | | | | -25.92 | |
| | 343 10 00 000 Stormwater Fees | | | 425 Stormwater Operations | | | | -13.08 | |
| | 343 10 00 010 Utility Tax Collected | | | 425 Stormwater Operations | | | | -1.37 | |
| 6660 | 06/30/2024 | | 99 | | Ser Chge | | Municipal Court | 10,423.94 | June 2024, total court disbursements. |
| | 586 00 01 635 Court Disbursements | | | 635 Custodial Fund | | | | 10,423.94 | |
| 6667 | 06/28/2024 | 06/30/2024 | 2 | | Ser Chge | | City of Sedro-Woolley | -921.42 | DRS SERVICE CHARGE TO BALANCE - DRS YET TO TAKE $921.42 FOR NEW HIRE THAT HAS ALREADY POSTED TO SBX |
| | 389 90 01 631 Unapplied Cash - Susp | | | 631 Suspense Fund | | | | 921.42 | |

Records Printed: 13

| | |
|---|---|
| Adjustments: | 0.00 |
| Beginning Balance: | 0.00 |
| Revenues: | 0.00 |
| Warrant Expenditures: | 0.00 |
| Non Warrant Expenditures: | 400,405.23 |
| Interfund Transfers: | 0.00 |
| Redemptions: | 0.00 |
| Deposits: | 0.00 |
| Withdrawals: | 0.00 |
| Stop Payments: | 0.00 |

| Fund | Adjustments | Beg Bal | Revenues | War Exp | N War Exp | IT In | IT Out | Stop Pmts |
|---|---|---|---|---|---|---|---|---|
| 001 Current Expense Fund | 0.00 | 0.00 | 0.00 | 0.00 | 1,911.00 | 0.00 | 0.00 | 0.00 |
| 101 Parks & Facilities Fund | 0.00 | 0.00 | 0.00 | 0.00 | 71.66 | 0.00 | 0.00 | 0.00 |
| 104 Arterial Street Fund | 0.00 | 0.00 | 0.00 | 0.00 | 383,179.49 | 0.00 | 0.00 | 0.00 |
| 401 Sewer Operations Fund | 0.00 | 0.00 | 0.00 | 0.00 | 3,361.85 | 0.00 | 0.00 | 0.00 |
| 412 Solid Waste Operations Fund | 0.00 | 0.00 | 0.00 | 0.00 | 1,457.18 | 0.00 | 0.00 | 0.00 |
| 425 Stormwater Operations | 0.00 | 0.00 | 0.00 | 0.00 | -14.45 | 0.00 | 0.00 | 0.00 |
| 631 Suspense Fund | 0.00 | 0.00 | 0.00 | 0.00 | 921.42 | 0.00 | 0.00 | 0.00 |
| 635 Custodial Fund | 0.00 | 0.00 | 0.00 | 0.00 | 10,423.94 | 0.00 | 0.00 | 0.00 |

| Trans | Date | Redeemed | Acct # | Chk # | Type | Receipt # InterFund # | Vendor | Amount | Memo |
|---|---|---|---|---|---|---|---|---|---|

| Fund | Adjustments | Beg Bal | Revenues | War Exp | N War Exp | IT In | IT Out | Stop Pmts |
|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.00 | 0.00 | 0.00 | 401,312.09 | 0.00 | 0.00 | 0.00 |

**City Council Agenda Item**

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**Agenda Item No.:** e.2.

**Date:** July 10, 2024

**From:** Woody Tovar Cano, IT Director

**Subject:** Grant Agreement - Wa Military Department - State and Local Cybersecurity Grant Program

---

**RECOMMENDED ACTION:**

Motion to authorize Mayor Johnson to sign State and Local Cybersecurity Grant Program agreement with the Washington Military Department for $71,500.

**ISSUE:**

**BACKGROUND/SUMMARY INFORMATION:**

In October 27, 2023 we applied for the State Local Cybersecurity Grant Program (SLCGP). With this grant we plan on upgrading our server infrastructure and procuring remote monitoring and management (RMM) software. The new server environment will allow IT to improve the security and redundancy of our computer network. The RMM solution will allow IT to assist city staff remotely, get reports on system health/events and push out system policies.

**FISCAL IMPACT, IF APPROPRIATE:**

**ATTACHMENTS:**

1. E24-363 City of Sedro Woolley 23SLCGP

**Washington Military Department**
**STATE AND LOCAL CYBERSECURITY GRANT PROGRAM AGREEMENT FACE SHEET**

| | | |
|---|---|---|
| 1. Subrecipient Name and Address:<br>**City of Sedro-Woolley**<br>**325 Metcalf St**<br>**Sedro Woolley, WA 98284** | 2. Grant Agreement Amount:<br>**$71,500** | 3. Grant Agreement Number:<br>**E24-363** |
| 4. Subrecipient Contact, phone/email:<br>**Woody Tovar Cano, 360-855-3162**<br>**it.director@sedro-woolley.gov** | 5. Grant Agreement Start Date:<br>**December 1, 2023** | 6. Grant Agreement End Date:<br>**December 31, 2025** |
| 7. Department Contact, phone/email:<br>**Ben Olson, 253-512-7224**<br>**benjamin.olson@mil.wa.gov** | 8. Unique Entity Identifier (UEI):<br>**VKS6F5L95885** | 9. UBI # (state revenue):<br>**600-201-983** |

10. Funding Authority:
**Washington Military Department** (the Department) and the **U.S. Department of Homeland Security** (DHS)

| | | |
|---|---|---|
| 11. Federal Funding Identification #:<br>**EMW-2023-CY-00042** | 12. Federal Award Date:<br>**12/7/2023** | 13. Assistance Listings # & Title:<br>**97.137 – 23SLCGP** |
| 14. Total Federal Award Amount:<br>**$7,403,503** | 15. Program Index # & OBJ/SUB-OBJ:<br>**735C3 (State), 735C4 (Local-Rural), 735C5 (Local-Not Rural) / NZ** | 16. EIN<br>**91-6001276** |
| 17. Service Districts:<br>BY LEGISLATIVE DISTRICTS: **39**<br>BY CONGRESSIONAL DISTRICTS: **2** | 18. Service Area by County(ies):<br>**Skagit** | 19. Women/Minority-Owned, State Certified: ☒ N/A ☐ NO<br>☐ YES, OMWBE #_________ |

| | |
|---|---|
| 20. Agreement Classification<br>☐ Personal Services ☐ Client Services ☒ Public/Local Gov't<br>☐ Research/Development ☐ A/E ☐ Other_______ | 21. Contract Type (check all that apply):<br>☐ Contract ☒ Grant ☒ Agreement<br>☐ Intergovernmental (RCW 39.34) ☐ Interagency |
| 22. Subrecipient Selection Process:<br>☒ "To all who apply & qualify" ☐ Competitive Bidding<br>☐ Sole Source ☐ A/E RCW ☐ N/A<br>☐ Filed w/OFM? ☐ Advertised? ☐ YES ☐ NO | 23. Subrecipient Type (check all that apply)<br>☐ Private Organization/Individual ☐ For-Profit<br>☒ Public Organization/Jurisdiction ☐ Non-Profit<br>☐ CONTRACTOR ☒ SUBRECIPIENT ☐ OTHER |

24. PURPOSE & DESCRIPTION:

**The goal of the Federal Fiscal Year (FFY) 2023 State and Local Cybersecurity Grant Program (23SLCGP) is to assist state, local, and territorial (SLT) governments with managing and reducing systemic cyber risk. Strengthening cybersecurity practices and resilience of SLT governments is an important homeland security mission and the primary focus of the SLCGP. Through funding from the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), the SLCGP enables DHS to make targeted cybersecurity investments in SLT government agencies, thus improving the security of critical infrastructure and improving the resilience of the services.**

**The Department is the Recipient and Pass-through Entity of the 23SLCGP DHS Award Letter for Grant No. EMW-2023-CY-00042 ("Grant"), which is incorporated in and attached hereto as Attachment C and has made a subaward of funds to the Subrecipient pursuant to this Agreement. The Subrecipient is accountable to the Department for use of Federal award funds provided under this Agreement.**

IN WITNESS WHEREOF, the Department and Subrecipient acknowledge and accept the terms of this Agreement, including all referenced attachments which are hereby incorporated, and have executed this Agreement as of the date below. This Agreement Face Sheet; Special Terms & Conditions (Attachment A); General Terms and Conditions (Attachment B); DHS Award Letter (Attachment C), Work Plan (Attachments D), Budget (Attachment E), Timeline (Attachment F); and all other documents and attachments expressly referenced and incorporated herein contain all the terms and conditions agreed upon by the parties and govern the rights and obligations of the parties to this Agreement. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties.

In the event of an inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

1. **Applicable federal and state statutes and regulations**
2. **DHS/FEMA Award and program documents**
3. **Work Plan, Timeline, and Budget**
4. **Special Terms and Conditions**
5. **General Terms and Conditions, and,**
6. **Other provisions of the Agreement incorporated by reference.**

WHEREAS, the parties have executed this Agreement on the day and year last specified below.

FOR THE DEPARTMENT:

_______________________________________
Signature Date
Regan Anne Hesse, Chief Financial Officer
Washington Military Department

BOILERPLATE APPROVED TO FORM:
Alex Staub 12/7/2023
Assistant Attorney General

FOR THE SUBRECIPIENT:

_______________________________________
Signature Date
Julia Johnson, Mayor
City of Sedro-Woolley

_______________________________________
Signature Date
Kelly Kohnken, City Administrator
City of Sedro-Woolley

## SPECIAL TERMS AND CONDITIONS

### ARTICLE I. KEY PERSONNEL

The individuals listed below shall be considered key personnel for point of contact under this Agreement. Any substitution of key personnel by either party shall be made by written notification to the current key personnel.

| SUBRECIPIENT | | DEPARTMENT | |
|---|---|---|---|
| Name | **Woody Tovar Cano** | Name | **Ben Olson** |
| Title | **IT Director** | Title | **Program Coordinator** |
| Email | **it.director@sedro-woolley.gov** | Email | **benjamin.olson@mil.wa.gov** |
| Phone | **360-855-3162** | Phone | **253-512-7224** |
| Name | **Thomas Saint** | Name | **Melissa Berry** |
| Title | **IT System Integration Analyst** | Title | **Program Manager** |
| Email | **tsaint@sedro-woolley.gov** | Email | **Melissa.berry@mil.wa.gov** |
| Phone | **360-855-9924** | Phone | **253-512-7121** |
| Name | **Charlie Bush** | Name | **Grant Miller** |
| Title | **City Administrator** | Title | **Program Assistant** |
| Email | **cbush@sedro-woolley.gov** | Email | **grant.miller@mil.wa.gov** |
| Phone | **360-855-9921** | Phone | **253-512-7145** |
| | | Name | **Sierra Wardell** |
| | | Title | **Financial Operations Section Manager** |
| | | Email | **sierra.wardell@mil.wa.gov** |
| | | Phone | **253-512-7121** |

### ARTICLE II. ADMINISTRATIVE AND/OR FINANCIAL REQUIREMENTS

The Subrecipient shall comply with all applicable state and federal laws, rules, regulations, requirements and program guidance identified or referenced in this Agreement and the informational documents published by DHS/FEMA applicable to the 23SLCGP, including, but not limited to, all criteria, restrictions, and requirements of "*The Department of Homeland Security (DHS) Notice of Funding Opportunity (NOFO) Fiscal Year 2023 State and Local Cybersecurity Grant Program (SLCGP)*" (hereafter "the NOFO") document, the DHS Award Letter for the Grant, and the federal regulations commonly applicable to DHS/FEMA grants, all of which are incorporated herein by reference. The *DHS Award Letter* is incorporated in this Agreement as Attachment C.

The Subrecipient acknowledges that since this Agreement involves federal award funding, the period of performance may begin prior to the availability of appropriated federal funds. The Subrecipient agrees that it will not hold the Department, the State of Washington, or the United States liable for any damages, claim for reimbursement, or any type of payment whatsoever for services performed under this Agreement prior to distribution of appropriated federal funds, or if federal funds are not appropriated or in a particular amount.

**A. STATE AND FEDERAL REQUIREMENTS FOR DHS/FEMA PREPAREDNESS GRANTS:**

The following requirements apply to all DHS/FEMA Preparedness Grants administered by the Department.

**1. SUBAWARDS & CONTRACTS BY SUBRECIPIENTS**

a. The Subrecipient must make a case-by-case determination whether each agreement it makes for the disbursement of 23SLCGP funds received under this Agreement casts the party receiving the funds in the role of a subrecipient or contractor in accordance with 2 CFR 200.331.

b. If the Subrecipient also becomes a pass-through entity by making a subaward to a non-federal entity as its subrecipient, the Subrecipient must make a case-by-case determination whether each agreement it makes for the disbursement of 23SLCGP funds received under this Agreement casts the party receiving the funds in the role of a subrecipient or contractor in accordance with 2 CFR 200.330.

i. The Subrecipient must comply with all federal laws and regulations applicable to pass-through entities of 23SLCGP funds, including, but not limited to, those contained in 2 CFR 200.

ii. The Subrecipient shall require its subrecipient(s) to comply with all applicable state and federal laws, rules, regulations, requirements and program guidance identified or referenced in this Agreement and the informational documents published by DHS/FEMA applicable to the 23SLCGP Program, including, but not limited to, all criteria, restrictions, and requirements of the NOFO , the DHS Award Letter for the Grant in Attachment C, and the federal regulations commonly applicable to DHS/FEMA grants.

iii. The Subrecipient shall be responsible to the Department for ensuring that all 23SLCGP federal award funds provided to its subrecipients are used in accordance with applicable federal and state statutes and regulations, and the terms and conditions of the federal award set forth in Attachment C of this Agreement.

**2. BUDGET, REIMBURSEMENT, AND TIMELINE**

a. Within the total Grant Agreement Amount, travel, subcontracts, salaries, benefits, printing, equipment, and other goods and services or other budget categories will be reimbursed on an actual cost basis upon completion unless otherwise provided in this Agreement.

b. The maximum amount of all reimbursement requests permitted to be submitted under this Agreement, including the final reimbursement request, is limited to and shall not exceed the total Grant Agreement Amount.

c. If the Subrecipient chooses to include indirect costs within the Budget (Attachment E), additional documentation is required based on the applicable situation. As described in 2 CFR 200.414 and Appendix VII to 2 CFR 200:

i. If the Subrecipient receives direct funding from any Federal agency(ies), documentation of the rate must be submitted to the Department Key Personnel per the following:

A. More than $35 million, the approved indirect cost rate agreement negotiated with its federal cognizant agency.

B. Less than $35 million, the indirect cost proposal developed in accordance with Appendix VII of 2 CFR 200 requirements.

ii. If the Subrecipient does not receive direct federal funds (i.e., only receives funds as a subrecipient), the Subrecipient must either elect to charge a de minimis rate of ten percent (10%) or 10% of modified total direct costs or choose to negotiate a higher rate with the Department. If the latter is preferred, the Subrecipient must contact Department Key Personnel for approval steps.

d. For travel costs, the Subrecipient shall comply with 2 CFR 200.475 and should consult their internal policies, state rates set pursuant to RCW 43.03.050 and RCW 43.03.060 as now existing or amended, and federal maximum rates set forth at https://www.gsa.gov, and follow the most restrictive. If travel costs exceed set state or federal limits, travel costs shall not be reimbursed without prior written approval by Department Key Personnel.

e. Reimbursement requests will include a properly completed State A-19 Invoice Form and Reimbursement Spreadsheet (in the format provided by the Department) detailing the expenditures for which reimbursement is sought. Reimbursement requests must be submitted to Reimbursements@mil.wa.gov no later than the due dates listed within the Timeline (Attachment F).

Reimbursement request totals should be commensurate to the time spent processing by the Subrecipient and the Department.

f. Receipts and/or backup documentation for any approved items that are authorized under this Agreement must be maintained by the Subrecipient consistent with record retention requirements of this Agreement and be made available upon request by the Department, and federal, state, and local auditors.

g. The Subrecipient must request **prior** written approval from Department Key Personnel to waive or extend a due date in the Timeline (Attachment F). For waived or extended reimbursement due dates, all allowable costs should be submitted on the next scheduled reimbursement due date contained in the Timeline. Waiving or missing deadlines serves as an indicator for assessing an agency's level of risk of noncompliance with the regulations, requirements, and the terms and conditions of the Agreement and may increase required monitoring activities. Any request for a waiver or extension of a due date in the Timeline will be treated as a request for Amendment of the Agreement. This request must be submitted to the Department Key Personnel sufficiently in advance of the due date to provide adequate time for Department review and consideration and may be granted or denied within the Department's sole discretion.

h. All work under this Agreement must end on or before the Grant Agreement End Date, and the final reimbursement request must be submitted to the Department within the time period notated in the Timeline (Attachment F), except as otherwise authorized by either (1) written amendment of this Agreement or (2) written notification from the Department to the Subrecipient to provide additional time for completion of the Subrecipient's subproject(s).

i. No costs for purchases of equipment/supplies will be reimbursed until the related equipment/supplies have been received by the Subrecipient, its contractor, or any non-federal entity to which the Subrecipient makes a subaward and is invoiced by the vendor.

j. Failure to submit timely, accurate, and complete reports and reimbursement requests as required by this Agreement (including, but not limited to, those reports in the Timeline [Attachment F]) will prohibit the Subrecipient from being reimbursed until such reports are submitted and the Department has had reasonable time to conduct its review.

k. Final reimbursement requests will not be approved for payment until the Subrecipient is current with all reporting requirements contained in this Agreement.

l. A written amendment will be required if the Subrecipient expects cumulative transfers among solution area totals, as identified in the Budget (Attachment E), to exceed ten percent (10%) of the Grant Agreement Amount. Any changes to solution area totals not in compliance with this paragraph will not be reimbursed without approval from the Department.

m. Subrecipients shall only use federal award funds under this Agreement to supplement existing funds and will not use them to replace (supplant) non-federal funds that have been budgeted for the same purpose. The Subrecipient may be required to demonstrate and document that the reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds.

**3. REPORTING**

a. Biannual reports must be submitted to Reimbursements@mil.wa.gov in the format provided by the Department no later than the dates listed within the Timeline (Attachment F).

b. With each reimbursement request, the Subrecipient shall report how the expenditures, for which reimbursement is sought, relate to the Work Plan (Attachments D) activities in the format provided by the Department.

c. With the final reimbursement request, the Subrecipient shall submit to Reimbursements@mil.wa.gov a final report in the format provided by the Department describing all completed activities under this Agreement.

d. The Subrecipient shall comply with the Federal Funding Accountability and Transparency Act (FFATA) and related OMB Guidance consistent with Public Law 109-282 as amended by section 6202(a) of Public Law 110-252 (see 31 U.S.C. 6101 note) and complete and return to the *Department an Audit Certification/FFATA* Form. This form is required to be completed once per calendar year, per Subrecipient, and not per agreement. The Department's Contracts Office will request the Subrecipient submit an updated form at the beginning of each calendar year in which the Subrecipient has an active agreement.

**4. EQUIPMENT AND SUPPLY MANAGEMENT**

a. The Subrecipient and any non-federal entity to which the Subrecipient makes a subaward shall comply with 2 CFR 200.317 through 200.327 when procuring any equipment or supplies under this Agreement, 2 CFR 200.313 for management of equipment, and 2 CFR 200.314 for management of supplies, to include, but not limited to:

i. Upon successful completion of the terms of this Agreement, all equipment and supplies purchased through this Agreement will be owned by the Subrecipient, or a recognized non-federal entity to which the Subrecipient has made a subaward, for which a contract, subrecipient grant agreement, or other means of legal transfer of ownership is in place.

ii. All equipment, and supplies as applicable, purchased under this Agreement will be recorded and maintained in the Subrecipient's inventory system.

iii. Inventory system records shall include:

A. Description of the property;

B. Manufacturer's serial number, model number, or other identification number;

C. Funding source for the property, including the Federal Award Identification Number (FAIN) (Face Sheet, Box 11);

D. Assistance Listings Number (Face Sheet, Box 13);

E. Who holds the title;

F. Acquisition date;

G. Cost of the property and the percentage of federal participation in the cost;

H. Location, use and condition of the property at the date the information was reported;

I. Disposition data including the date of disposal and sale price of the property.

iv. The Subrecipient shall take a physical inventory of the equipment, and supplies as applicable, and reconcile the results with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the records shall be investigated by the Subrecipient to determine the cause of the difference. The Subrecipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.

v. The Subrecipient shall be responsible for any and all operational and maintenance expenses and for the safe operation of the equipment and supplies including all questions of liability. The Subrecipient shall develop appropriate maintenance schedules and procedures to ensure the equipment, and supplies as applicable, are well-maintained and kept in good operating condition.

vi. The Subrecipient shall develop a control system to ensure adequate safeguards to prevent loss, damage, and theft of the property. Any loss, damage, or theft shall be investigated, and a report generated and sent to the Department's Key Personnel.

vii. The Subrecipient must obtain and maintain all necessary certifications and licenses for the equipment.

viii. If the Subrecipient is authorized or required to sell the property, proper sales procedures must be established and followed to ensure the highest possible return. For disposition, if upon termination or at the Grant Agreement End Date, when original or replacement supplies or equipment acquired under a federal award are no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Subrecipient must comply with the following procedures:

A. For Supplies: If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other federal award, the Subrecipient must retain the supplies for use on other activities or sell them, but must, in either case, compensate the federal government for its share. The amount of compensation must be computed in the same manner as for equipment.

B. For Equipment:

1) Items with a current per-unit fair-market value of five thousand dollars ($5,000) or less may be retained, sold, transferred, or otherwise disposed of with no further obligation to the federal awarding agency.

2) Items with a current per-unit fair-market value in excess of five thousand dollars ($5,000) may be retained or sold. The Subrecipient shall compensate the federal awarding agency in accordance with the requirements of 2 CFR 200.313 (e) (2) and the Subrecipient shall notify Department Key Personnel to initiate approval by the federal awarding agency.

ix. Records for equipment shall be retained by the Subrecipient for a period of six (6) years from the date of the disposition, replacement, or transfer. If any litigation, claim, or audit is started before the expiration of the six- (6-) year period, the records shall be retained by the Subrecipient until all litigation, claims, or audit findings involving the records have been resolved.

b. Equipment purchases (those with a current per-unit fair market value in excess of $5,000) must be identified and explained to the Department. The use, management, and disposition of such equipment is subject to requirements outlined in 2 CFR 200.313. Before making such purchases, the Subrecipient should analyze the cost benefits of purchasing versus leasing equipment, especially those subject to rapid technical advances.

c. Unless expressly provided otherwise, all equipment must meet all mandatory regulatory and/or DHS/FEMA adopted standards to be eligible for purchase using federal award funds.

d. If funding is allocated to support emergency communications activities, the Subrecipient must ensure that all projects comply with SAFECOM Guidance on Emergency Communications Grants, located at https://www.cisa.gov/safecom/funding, including provisions on technical standards that ensure and enhance interoperable communications.

e. Effective August 13, 2020, FEMA recipients and subrecipients, as well as their contractors and subcontractors, may not obligate or expend any FEMA award funds to:

i. Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

ii. Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; or

iii. Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

This prohibition regarding certain telecommunications and video surveillance services or equipment is mandated by section 889 of the *John S. McCain National Defense Authorization Act for Fiscal Year 2019 (FY 2019 NDAA), Pub. L. No. 115-232 (2018) and 2 CFR 200.216, 200.327, 200.471, and Appendix II to 2CFR200.* Recipients and subrecipients may use DHS/FEMA grant funding to procure replacement equipment and services impacted by this prohibition, provided the costs are otherwise consistent with the requirements of the NOFO.

Per subsections 889(f)(2)-(3) of the FY 2019 NDAA, and 2 CFR 200.216, covered telecommunications equipment or services means:

i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);

ii. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

iii. Telecommunications or video surveillance services provided by such entities or using such equipment; or

iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

f. The Subrecipient must pass through equipment and supply management requirements that meet or exceed the requirements outlined above to any non-federal entity to which the Subrecipient makes a subaward of federal award funds under this Agreement.

**5. ENVIRONMENTAL AND HISTORICAL PRESERVATION**

a. The Subrecipient shall ensure full compliance with the DHS/FEMA Environmental Planning and Historic Preservation (EHP) Program. EHP program information can be found at https://www.fema.gov/grants/guidance-tools/environmental-historic all of which are incorporated in and made a part of this Agreement.

b. Projects that have historical impacts or the potential to impact the environment, **including, but not limited to**, construction of communication towers; modification or renovation of existing buildings, structures, and facilities; or new construction, including replacement of facilities, must participate in the DHS/FEMA EHP review process prior to project initiation. Modification of existing buildings, including minimally invasive improvements such as attaching monitors to interior walls, and training or exercises occurring outside in areas not considered previously disturbed also require a DHS/FEMA EHP review before project initiation.

c. The EHP review process involves the submission of a detailed project description that includes the entire scope of work, including any alternatives that may be under consideration, along with supporting documentation so FEMA may determine whether the proposed project has the potential to impact environmental resources and/or historic properties.

d. The Subrecipient agrees that, to receive any federal preparedness funding, all EHP compliance requirements outlined in applicable guidance must be met. The EHP review process **must be completed and FEMA approval must be received by the Subrecipient before any work is started** for which reimbursement will be later requested. Expenditures for projects started before completion of the EHP review process and receipt of approval by the Subrecipient may not be reimbursed.

**6. PROCUREMENT**

The Subrecipient shall comply with all procurement requirements of 2 CFR 200.317 through 200.327 and as specified in the General Terms and Conditions (Attachment B, A.10).

a. For all contracts expected to exceed the simplified acquisition threshold, per 2 CFR 200.1, the Subrecipient must notify the Department. The Department may request pre-procurement documents, such as request for proposals, invitations for bids and independent cost estimates. This requirement must be passed on to any non-federal entity to which the Subrecipient makes a subaward, at which point the Subrecipient will be responsible for requesting and reviewing pre-procurement documents.

b. For all sole source contracts expected to exceed the micro-purchase threshold per 2 CFR 200.1, the Subrecipient must submit justification to the Department for review and approval. This requirement must be passed on to any non-federal entity to which the Subrecipient makes a subaward, at which point the Subrecipient will be responsible for reviewing and approving sole source justifications to any non-federal entity to which Subrecipient makes any award.

c. The Subrecipient as well as its contractors and subcontractors must comply with the Build America, Buy America Act (BABAA), which was enacted as a part of the Infrastructure Investment and Jobs Act §§ 70901-70297, Pub. L. No. 117-58 (2021); and Executive Order 14005, Ensuring the Future is Made in All of America by All of America's Workers. BABAA requires any infrastructure project receiving federal funding must ensure:

i. All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from initial melting stage through the application of coatings, occurred in the United States.

ii. All manufactured products must be produced in the United States. For a manufactured product to be considered produced in the United States, the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States must be greater than 55% of the total cost of all minimum amount of domestic content of manufactured product, unless subject to another standard.

iii. All construction materials are manufactured in the United States. This means that all manufacturing processes for construction material occurred in the United States.

Additionally, applicable infrastructure projects are subject to domestic preference requirements. A domestic preference does not apply to non-infrastructure spending under an award that also includes a covered project. A domestic preference applies to an entire infrastructure project, even if it is funded by both federal and non-federal funds under one or more awards.

i. Domestic preferences under BABAA only apply to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a domestic preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of or permanently affixed to the structure.

ii. Infrastructure, for the purposes of BABAA, includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways and bridges; public transportation; dams, ports, harbors and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.

iii. The Subrecipient's contractors and their subcontractors who apply or bid for an award for an infrastructure project subject to the domestic preference requirement in the BABAA shall file a required certification to the Subrecipient with each bid or offer for an infrastructure project, unless a domestic preference requirement is waived by FEMA. Contractors and subcontractors must certify that no federal financial assistance funding for infrastructure projects will be provided unless all the iron, steel, manufactured projects, and construction materials used in the project are produced in the United States. BABAA, Pub. L. No. 117-58, §§ 70901-52. Contractors and subcontractors shall also disclose any use of federal financial assistance for infrastructure projects that does not ensure compliance with BABAA domestic preference requirement. Such disclosures shall be forwarded to the Subrecipient who will forward them to the Department who, in turn, will forward the disclosures to FEMA. The Build America, Buy America Act Self-Certification form is included herein as Attachment G.

If the Subrecipient is interested in applying for a waiver, the Subrecipient should contact the Department Key Personnel to determine the requirements. All waiver requests must include a detailed justification for the use of goods, products, or materials mined, produced, or manufactured outside the United States and a certification that there was a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and nonproprietary communications with potential suppliers.

**7. SUBRECIPIENT MONITORING**

a. The Department will monitor the activities of the Subrecipient from award to closeout. The goal of the Department's monitoring activities is to ensure that subrecipients receiving federal pass-through funds are in compliance with this Agreement, federal and state audit requirements, federal grant guidance, and applicable federal and state financial regulations, as well as 2 CFR Part 200 Subpart F.

b. To document compliance with 2 CFR Part 200 Subpart F requirements, the Subrecipient shall complete and return to the Department an Audit Certification/FFATA form. Reporting requirements are referenced in section 3.c.

c. Monitoring activities may include, but are not limited to:

   i. Review of financial and performance reports;

   ii. Monitoring and documenting the completion of Agreement deliverables;

   iii. Documentation of phone calls, meetings (e.g., agendas, sign-in sheets, meeting minutes), e-mails, and correspondence;

   iv. Review of reimbursement requests and supporting documentation to ensure allowability and consistency with Agreement Work Plan (Attachments D-1, D-2, D-3), Budget (Attachment E), and federal requirements;

   v. Observation and documentation of Agreement-related activities, such as exercises, training, events, and equipment demonstrations; and

   vi. On-site visits to review equipment records and inventories, to verify source documentation for reimbursement requests and performance reports, and to verify completion of deliverables.

d. The Subrecipient is required to meet or exceed the monitoring activities, as outlined above, for any non-federal entity to which the Subrecipient makes a subaward as a pass-through entity under this Agreement.

e. Compliance will be monitored throughout the performance period to assess risk. Concerns will be addressed through a corrective action plan.

**8. LIMITED ENGLISH PROFICIENCY (CIVIL RIGHTS ACT OF 1964 TITLE VI)**
The Subrecipient must comply with the Title VI of the Civil Rights Act of 1964 (Title VI) prohibition against discrimination on the basis of national origin, which requires that subrecipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. Providing meaningful access for persons with LEP may entail providing language assistance services, including oral interpretation and written translation. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000), requires federal agencies to issue guidance to recipients, assisting such organizations and entities in understanding their language access obligations. DHS published the required recipient guidance in April 2011, DHS Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, 76 Fed. Reg. 21755-21768, (April 18, 2011). The Guidance provides helpful information such as how a recipient can determine the extent of its obligation to provide language services, selecting language services, and elements of an effective plan on language assistance for LEP persons. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance at https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited and additional resources on https://www.lep.gov.

## B. SLCGP SPECIFIC REQUIREMENTS

1. The Subrecipient must use SLCGP funds only to perform tasks as described in the Work Plan (Attachments D) and the Subrecipient's approved application for funding incorporated into this Agreement.

2. Subrecipients are required to annually complete the Nationwide Cybersecurity Review (NCSR) https://www.cisecurity.org/ms-isac/services/ncsr, a free, anonymous, annual self-assessment designed to measure gaps and capabilities of a SLT's cybersecurity programs to benchmark and measure progress of improvement in their cybersecurity posture. Due dates are included in the Timeline (Attachment F). For more information, visit Nationwide Cybersecurity Review (NCSR) (cisecurity.org).

3. Subrecipients are required to participate in free cyber hygiene services, specifically vulnerability scanning and web application scanning. To register for these services, email

vulnerability@cisa.dhs.gov with the subject line "Requesting Cyber Hygiene Services – SLCGP" to get started. Indicate in the body of your email that you are requesting this service as part of the SLCGP. For more information, visit CISA's Cyber Hygiene Information Page.

4. Subrecipients may retain a maximum of up to five percent of the Grant Agreement Amount for management and administration (M&A) activities, directly relating to the management and administration of SLCGP funds, such as financial management and monitoring.

**C. DHS TERMS AND CONDITIONS**

As a subrecipient of 23SLCGP funding, the Subrecipient shall comply with all applicable DHS terms and conditions of the 23SLCGP Award Letter and its incorporated documents, which are incorporated in and made a part of this Agreement as Attachment C.

**Washington Military Department**
**GENERAL TERMS AND CONDITIONS**
**Department of Homeland Security (DHS)/**
**Federal Emergency Management Agency (FEMA)**
**Grants**

A.1 DEFINITIONS

As used throughout this Agreement, the terms will have the same meaning as defined in 2 CFR 200 Subpart A (which is incorporated herein by reference), except as otherwise set forth below:

a. “**Agreement**” means this Grant Agreement.

b. “**Department**” means the Washington Military Department, as a state agency, any division, section, office, unit or other entity of the Department, or any of the officers or other officials lawfully representing that Department. The Department is a recipient of a federal award directly from a federal awarding agency and is the pass-through entity making a subaward to a Subrecipient under this Agreement.

c. “**Investment**” means the grant application submitted by the Subrecipient describing the project(s) for which federal funding is sought and provided under this this Agreement. Such grant application is hereby incorporated into this Agreement by reference.

d. “**Monitoring Activities**” means all administrative, financial, or other review activities that are conducted to ensure compliance with all state and federal laws, rules, regulations, authorities and policies.

e. “**Subrecipient**” when capitalized is primarily used throughout this Agreement in reference to the non-federal entity identified on the Face Sheet of this Agreement that has received a subaward from the Department. However, the definition of “Subrecipient” is the same as in 2 CFR 200.1 for all other purposes.

A.2 ADVANCE PAYMENTS PROHIBITED

The Department shall make no payments in advance or in anticipation of goods or services to be provided under this Agreement. Subrecipient shall not invoice the Department in advance of delivery and invoicing of such goods or services.

A.3 AMENDMENTS AND MODIFICATIONS

The Subrecipient or the Department may request, in writing, an amendment or modification of this Agreement. However, such amendment or modification shall not be binding, take effect or be incorporated herein until made in writing and signed by the authorized representatives of the Department and the Subrecipient. No other understandings or agreements, written or oral, shall be binding on the parties.

The Agreement performance period shall only be extended by (1) written notification of DHS/FEMA approval of the Award performance period, followed up with a mutually agreed written amendment, or (2) written notification from the Department to the Subrecipient to provide additional time for completion of the Subrecipient’s project(s).

A.4 AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, 42 U.S.C. 12101 ET SEQ. AND ITS IMPLEMENTING REGULATIONS ALSO REFERRED TO AS THE “ADA” 28 CFR Part 35.

The Subrecipient must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunication.

A.5 ASSURANCES

The Department and Subrecipient agree that all activity pursuant to this Agreement will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

A.6 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, OR INELIGIBILITY

As federal funds are a basis for this Agreement, the Subrecipient certifies that the Subrecipient is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any federal department or agency.

The Subrecipient shall complete, sign, and return a *Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion* form located at http://mil.wa.gov/emergency-management-division/grants/requiredgrantforms. Any such form completed by the Subrecipient for this Agreement shall be incorporated into this Agreement by reference.

Further, the Subrecipient agrees to comply with all applicable federal regulations concerning the federal debarment and suspension system, including 2 CFR Part 180. The Subrecipient certifies that it will ensure that potential contractors or subrecipients or any of their principals are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in "covered transactions" by any federal department or agency. "Covered transactions" include procurement contracts for goods or services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed $25,000, and subawards to subrecipients for any amount. With respect to covered transactions, the Subrecipient may comply with this provision by obtaining a certification statement from the potential contractor or subrecipient or by checking the System for Award Management (https://sam.gov/SAM/) maintained by the federal government. The Subrecipient also agrees not to enter into any arrangements or contracts with any party on the Washington State Department of Labor and Industries' "*Debarred Contractor List*" (https://secure.lni.wa.gov/debarandstrike/ContractorDebarList.aspx). The Subrecipient also agrees not to enter into any agreements or contracts for the purchase of goods and services with any party on the Department of Enterprise Services' *"Debarred Vendor List"* (http://www.des.wa.gov/services/ContractingPurchasing/Business/Pages/Vendor-Debarment.aspx).

A.7 CERTIFICATION REGARDING RESTRICTIONS ON LOBBYING

As required by 44 CFR Part 18, the Subrecipient hereby certifies that to the best of its knowledge and belief: (1) no federally appropriated funds have been paid or will be paid by or on behalf of the Subrecipient to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement; (2) that if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Agreement, grant, loan, or cooperative agreement, the Subrecipient will complete and submit Standard Form-LLL, "*Disclosure Form to Report Lobbying*," in accordance with its instructions; (3) and that, as applicable, the Subrecipient will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

A.8 COMPLIANCE WITH APPLICABLE STATUTES, RULES AND DEPARTMENT POLICIES

The Subrecipient and all its contractors and subrecipients shall comply with, and the Department is not responsible for determining compliance with, any and all applicable federal, state, and local laws, regulations, executive orders, OMB Circulars, and/or policies. This obligation includes, but is not limited to: nondiscrimination laws and/or policies, Energy Policy and Conservation Act (PL 94-163, as amended), the Americans with Disabilities Act (ADA), Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, Civil Rights Act of 1968, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, (PL 93-288, as amended), Ethics in Public Service (RCW 42.52), Covenant Against Contingent Fees (48 CFR Section 52.203-5), Public Records Act (RCW 42.56), Prevailing Wages on Public Works (RCW 39.12), State Environmental Policy Act (RCW 43.21C), Shoreline Management Act of 1971 (RCW 90.58), State Building Code (RCW 19.27), Energy Related Building Standards (RCW 19.27A), Provisions in Buildings for Aged and Handicapped Persons (RCW 70.92), and safety and health regulations.

In the event of noncompliance or refusal to comply with any applicable law, regulation, executive order, OMB Circular or policy by the Subrecipient, its contractors or subrecipients, the Department may rescind, cancel, or terminate the Agreement in whole or in part in its sole discretion. The Subrecipient is responsible for all costs or liability arising from its failure, and that of its contractors and subrecipients, to comply with applicable laws, regulations, executive orders, OMB Circulars or policies.

A.9 CONFLICT OF INTEREST

No officer or employee of the Department; no member, officer, or employee of the Subrecipient or its designees or agents; no member of the governing body of the jurisdiction in which the project is undertaken or located; and no other official of the Subrecipient who exercises any functions or responsibilities with respect to the project during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the project assisted under this Agreement.

The Subrecipient shall incorporate, or cause to incorporate, in all such contracts or subawards, a provision prohibiting such interest pursuant to this provision.

A.10 CONTRACTING & PROCUREMENT

a. The Subrecipient shall use a competitive procurement process in the procurement and award of any contracts with contractors or subcontractors that are entered into under the original agreement award. The procurement process followed shall be in accordance with 2 CFR Part 200.318, General procurement standards, through 200.327, Contract provisions.

As required by Appendix II to 2 CFR Part 200, all contracts entered into by the Subrecipient under this Agreement must include the following provisions, as applicable:

1) Contracts for more than the simplified acquisition threshold currently set at $250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

2) All contracts in excess of $10,000 must address termination for cause and for convenience by the non-federal entity including the manner by which it will be affected and the basis for settlement.

3) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "*Equal Employment Opportunity*" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "*Amending Executive Order 11246 Relating to Equal Employment Opportunity*," and implementing regulations at 41 CFR part 60, "*Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor*."

4) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "*Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction*"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or Subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or

she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency.

5) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

6) Rights to Inventions Made Under a Contract or Agreement. If the federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or Subrecipient must comply with the requirements of 37 CFR Part 401, "*Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements*," and any implementing regulations issued by the awarding agency.

7) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

8) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "*Debarment and Suspension*." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

9) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award.

10) Procurement of recovered materials – As required by 2 CFR 200.323, a non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy

and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

11) Notice of federal awarding agency requirements and regulations pertaining to reporting.
12) Federal awarding agency requirements and regulations pertaining to copyrights and rights in data.
13) Access by the Department, the Subrecipient, the federal awarding agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
14) Retention of all required records for six years after the Subrecipient has made final payments and all other pending matters are closed.
15) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94–163, 89 Stat. 871).
16) Pursuant to Executive Order 13858 "*Strengthening Buy-American Preferences for Infrastructure Projects*," and as appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, as required in 2 CFR Part 200.322, in every contract, subcontract, purchase order, or sub-award that is chargeable against federal financial assistance awards.
17) Per 2 C.F.R. § 200.216, prohibitions regarding certain telecommunications and video surveillance services or equipment are mandated by *section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (FY 2019 NDAA), Pub. L. No. 115-232 (2018)*.

b. The Department reserves the right to review the Subrecipient's procurement plans and documents and require the Subrecipient to make changes to bring its plans and documents into compliance with the requirements of 2 CFR Part 200.317 through 200.327. The Subrecipient must ensure that its procurement process requires contractors and subcontractors to provide adequate documentation with sufficient detail to support the costs of the project and to allow both the Subrecipient and Department to make a determination on eligibility of project costs.

c. All contracting agreements entered into pursuant to this Agreement shall incorporate this Agreement by reference.

A.11 DISCLOSURE

The use or disclosure by any party of any information concerning the Department for any purpose not directly connected with the administration of the Department's or the Subrecipient's responsibilities with respect to services provided under this Agreement is prohibited except by prior written consent of the Department or as required to comply with the state Public Records Act, other law or court order.

A.12 DISPUTES

Except as otherwise provided in this Agreement, when a bona fide dispute arises between the parties and it cannot be resolved through discussion and negotiation, either party may request a dispute resolution board to resolve the dispute. A request for a dispute resolution board shall be in writing, state the disputed issues, state the relative positions of the parties, and be sent to all parties. The board shall consist of a representative appointed by the Department, a representative appointed by the Subrecipient, and a third party mutually agreed upon by both parties. The determination of the dispute resolution board shall be final and binding on the parties hereto. Each party shall bear the cost for its member of the dispute resolution board and its attorney fees and costs and share equally the cost of the third board member.

A.13 LEGAL RELATIONS

It is understood and agreed that this Agreement is solely for the benefit of the parties to the Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement.

To the extent allowed by law, the Subrecipient, its successors or assigns, will protect, save and hold harmless the Department, the state of Washington, and the United States Government and their authorized agents and employees, from all claims, actions, costs, damages or expenses of any nature whatsoever by reason of the acts or omissions of the Subrecipient, its subcontractors, subrecipients, assigns, agents, contractors, consultants, licensees, invitees, employees or any person whomsoever arising out of or in connection with any acts or activities authorized by this Agreement.

To the extent allowed by law, the Subrecipient further agrees to defend the Department and the state of Washington and their authorized agents and employees in any litigation; including payment of any costs or attorneys' fees for any claims or action commenced thereon arising out of or in connection with acts or activities authorized by this Agreement.

This obligation shall not include such claims, costs, damages or expenses which may be caused by the sole negligence of the Department; provided, that if the claims or damages are caused by or result from the concurrent negligence of (1) the Department, and (2) the Subrecipient, its agents, or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Subrecipient, or the Subrecipient's agents or employees.

Insofar as the funding source, FEMA, is an agency of the Federal government, the following shall apply:

44 CFR 206.9 Non-liability. The Federal government shall not be liable for any claim based upon the exercise or performance of, or the failure to exercise or perform a discretionary function or duty on the part of a federal agency or an employee of the Federal government in carrying out the provisions of the Stafford Act.

A.14 LIMITATION OF AUTHORITY – AUTHORIZED SIGNATURE

The signatories to this Agreement represent that they have the authority to bind their respective organizations to this Agreement. Only the Department's Authorized Signature representative and the Authorized Signature representative of the Subrecipient or Alternate for the Subrecipient, formally designated in writing, shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Agreement. Any alteration, amendment, modification, or waiver of any clause or condition of this Agreement is not effective or binding unless made in writing and signed by both parties' Authorized Signature representatives, except as provided for time extensions in Article A.3.

Further, only the Authorized Signature representative or Alternate for the Subrecipient shall have signature authority to sign reimbursement requests, time extension requests, amendment and modification requests, requests for changes to projects or work plans, and other requests, certifications and documents authorized by or required under this Agreement.

A.15 LOSS OR REDUCTION OF FUNDING

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to normal completion or end date, the Department may unilaterally reduce the work plan and budget or unilaterally terminate all or part of the Agreement as a "Termination for Cause" without providing the Subrecipient an opportunity to cure. Alternatively, the parties may renegotiate the terms of this Agreement under "Amendments and Modifications" to comply with new funding limitations and conditions, although the Department has no obligation to do so.

A.16 NONASSIGNABILITY

Neither this Agreement, nor any claim arising under this Agreement, shall be transferred or assigned by the Subrecipient.

A.17 NONDISCRIMINATION

During the performance of this agreement, the Subrecipient shall comply with all federal and state nondiscrimination statutes and regulations. These requirements include, but are not limited to:

a. Nondiscrimination in Employment: The Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, sex, sexual orientation, religion, national origin, creed, marital status, age, Vietnam era or disabled veteran status, or the presence of any sensory, mental, or physical handicap. This requirement does not apply, however, to a religious corporation, association, educational institution or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution or society of its activities.

b. The Subrecipient shall take action to ensure that employees are employed and treated during employment without discrimination because of their race, color, sex, sexual orientation religion, national origin, creed, marital status, age, Vietnam era or disabled veteran status, or the presence of any sensory, mental, or physical handicap. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment selection for training, including apprenticeships and volunteers.

A.18 NOTICES

The Subrecipient shall comply with all public notices or notices to individuals required by applicable local, state and federal laws and regulations and shall maintain a record of this compliance.

A.19 OCCUPATIONAL SAFETY/HEALTH ACT and WASHINGTON INDUSTRIAL SAFETY/HEALTH ACT (OSHA/WISHA)

The Subrecipient represents and warrants that its workplace does now or will meet all applicable federal and state safety and health regulations that are in effect during the Subrecipient's performance under this Agreement. To the extent allowed by law, the Subrecipient further agrees to indemnify and hold harmless the Department and its employees and agents from all liability, damages and costs of any nature, including, but not limited to, costs of suits and attorneys' fees assessed against the Department, as a result of the failure of the Subrecipient to so comply.

A.20 OWNERSHIP OF PROJECT/CAPITAL FACILITIES

The Department makes no claim to any capital facilities or real property improved or constructed with funds under this Agreement, and by this subaward of funds does not and will not acquire any ownership interest or title to such property of the Subrecipient. The Subrecipient shall assume all liabilities and responsibilities arising from the ownership and operation of the project and agrees to defend, indemnify, and hold the Department, the state of Washington, and the United States government harmless from any and all causes of action arising from the ownership and operation of the project.

A.21 POLITICAL ACTIVITY

No portion of the funds provided herein shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot issue.

A.22 PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION

The assistance provided under this Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval of the application for such assistance or any other approval or concurrence under this Agreement provided, however, that reasonable fees or bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

A.23 PUBLICITY

The Subrecipient agrees to submit to the Department prior to issuance all advertising and publicity matters relating to this Agreement wherein the Department's name is mentioned, or language used from which the connection of the Department's name may, in the Department's judgment, be inferred or implied. The Subrecipient agrees not to publish or use such advertising and publicity matters without the prior written consent of the Department. The Subrecipient may copyright original work it develops in the course of or under this Agreement; however, pursuant to 2 CFR Part 200.315, FEMA reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use the work for government purposes.

Publication resulting from work performed under this Agreement shall include an acknowledgement of FEMA's financial support, by the Assistance Listings Number (formerly CFDA Number), and a statement that the publication does not constitute an endorsement by FEMA or reflect FEMA's views.

A.24 RECAPTURE PROVISION

In the event the Subrecipient fails to expend funds under this Agreement in accordance with applicable federal, state, and local laws, regulations, and/or the provisions of the Agreement, the Department reserves the right to recapture funds in an amount equivalent to the extent of noncompliance. Such right of recapture shall exist for the life of the project following Agreement termination. Repayment by the Subrecipient of funds under this recapture provision shall occur within 30 days of demand. In the event the Department is required to institute legal proceedings to enforce the recapture provision, the

Department shall be entitled to its costs and expenses thereof, including attorney fees from the Subrecipient.

A.25 RECORDS

a. The Subrecipient agrees to maintain all books, records, documents, receipts, invoices and all other electronic or written records necessary to sufficiently and properly reflect the Subrecipient's contracts, subawards, grant administration, and payments, including all direct and indirect charges, and expenditures in the performance of this Agreement (the "records").

b. The Subrecipient's records related to this Agreement and the projects funded may be inspected and audited by the Department or its designee, by the Office of the State Auditor, DHS, FEMA or their designees, by the Comptroller General of the United States or its designees, or by other state or federal officials authorized by law, for the purposes of determining compliance by the Subrecipient with the terms of this Agreement and to determine the appropriate level of funding to be paid under the Agreement.

c. The records shall be made available by the Subrecipient for such inspection and audit, together with suitable space for such purpose, at any and all times during the Subrecipient's normal working day.

d. The Subrecipient shall retain and allow access to all records related to this Agreement and the funded project(s) for a period of at least six (6) years following final payment and closure of the grant under this Agreement. Despite the minimum federal retention requirement of three (3) years, the more stringent State requirement of six (6) years must be followed.

A.26 RESPONSIBILITY FOR PROJECT/STATEMENT OF WORK/WORK PLAN

While the Department undertakes to assist the Subrecipient with the project/statement of work/work plan (project) by providing federal award funds pursuant to this Agreement, the project itself remains the sole responsibility of the Subrecipient. The Department undertakes no responsibility to the Subrecipient, or to any third party, other than as is expressly set out in this Agreement.

The responsibility for the design, development, construction, implementation, operation and maintenance of the project, as these phrases are applicable to this project, is solely that of the Subrecipient, as is responsibility for any claim or suit of any nature by any third party related in any way to the project.

Prior to the start of any construction activity, the Subrecipient shall ensure that all applicable federal, state, and local permits and clearances are obtained, including, but not limited to, FEMA compliance with the National Environmental Policy Act, the National Historic Preservation Act, the Endangered Species Act, and all other environmental laws, regulations, and executive orders.

The Subrecipient shall defend, at its own cost, any and all claims or suits at law or in equity, which may be brought against the Subrecipient in connection with the project. The Subrecipient shall not look to the Department, or to any state or federal agency, or to any of their employees or agents, for any performance, assistance, or any payment or indemnity, including, but not limited to, cost of defense and/or attorneys' fees, in connection with any claim or lawsuit brought by any third party related to any design, development, construction, implementation, operation and/or maintenance of a project.

A.27 SEVERABILITY

If any court of rightful jurisdiction holds any provision or condition under this Agreement or its application to any person or circumstances invalid, this invalidity does not affect other provisions, terms or conditions of the Agreement, which can be given effect without the invalid provision. To this end, the terms and conditions of this Agreement are declared severable.

A.28 SINGLE AUDIT ACT REQUIREMENTS (including all AMENDMENTS)

The Subrecipient shall comply with and include the following audit requirements in any subawards.

Non-federal entities, as Subrecipients of a federal award, that expend **$750,000** or more in one fiscal year of federal funds from all sources, direct and indirect, are required to have a single or a program-specific audit conducted in accordance with 2 CFR Part 200 Subpart F. Non-federal entities that spend less than **$750,000** a year in federal awards are exempt from federal audit requirements for that year, except as noted in 2 CFR Part 200 Subpart F. As defined in 2 CFR Part 200, the term "non-federal entity" means a state, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient.

Subrecipients that are required to have an audit must ensure the audit is performed in accordance with Generally Accepted Government Auditing Standards (GAGAS) as found in the Government Auditing Standards (the Revised Yellow Book) developed by the United States Comptroller General and the OMB Compliance Supplement. The Subrecipient has the responsibility of notifying its auditor and requesting an audit in compliance with 2 CFR Part 200 Subpart F, to include the Washington State Auditor's Office, a federal auditor, or a public accountant performing work using GAGAS, as appropriate. Costs of the audit may be an allowable grant expenditure as authorized by 2 CFR Part 200.425.

The Subrecipient shall maintain auditable records and accounts so as to facilitate the audit requirement and shall ensure that any subcontractors also maintain auditable records. The Subrecipient is responsible for any audit exceptions incurred by its own organization or that of its subcontractors. Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Subrecipient must respond to Department requests for information or corrective action concerning audit issues or findings within 30 days of the date of request. The Department reserves the right to recover from the Subrecipient all disallowed costs resulting from the audit.

After the single audit has been completed, and if it includes any audit findings, the Subrecipient must send a full copy of the audit and its Corrective Action Plan to the Department at the following address no later than nine (9) months after the end of the Subrecipient's fiscal year(s):

**Contracts Office**
**Washington Military Department**
**Finance Division, Building #1 TA-20**
**Camp Murray, WA 98430-5032**

**OR**

**Contracts.Office@mil.wa.gov**

The Department retains the sole discretion to determine whether a valid claim for an exemption from the audit requirements of this provision has been established.

Conducting a single or program-specific audit in compliance with 2 CFR Part 200 Subpart F is a material requirement of this Agreement. In the absence of a valid claim of exemption from the audit requirements of 2 CFR Part 200 Subpart F, the Subrecipient's failure to comply with said audit requirements may result in one or more of the following actions in the Department's sole discretion: a percentage of federal awards being withheld until the audit is completed in accordance with 2 CFR Part 200 Subpart F; the withholding or disallowing of overhead costs; the suspension of federal awards until the audit is conducted and submitted; or termination of the federal award.

A.29 SUBRECIPIENT NOT EMPLOYEE

The Subrecipient, and/or employees or agents performing under this Agreement, are not employees or agents of the Department in any manner whatsoever. The Subrecipient will not be presented as nor claim to be an officer or employee of the Department or of the State of Washington by reason hereof, nor will the Subrecipient make any claim, demand, or application to or for any right, privilege or benefit applicable to an officer or employee of the Department or of the State of Washington, including, but not limited to, Workers' Compensation coverage, unemployment insurance benefits, social security benefits, retirement membership or credit, or privilege or benefit which would accrue to a civil service employee under Chapter 41.06 RCW; OFM Reg. 4.3.1.1.8.

It is understood that if the Subrecipient is another state department, state agency, state university, state college, state community college, state board, or state commission, that the officers and employees are employed by the State of Washington in their own right.

If the Subrecipient is an individual currently employed by a Washington State agency, the Department shall obtain proper approval from the employing agency or institution before entering into this contract. A statement of "no conflict of interest" shall be submitted to the Department.

A.30 TAXES, FEES AND LICENSES

Unless otherwise provided in this Agreement, the Subrecipient shall be responsible for, pay and maintain in current status all taxes, unemployment contributions, fees, licenses, assessments, permit charges and expenses of any other kind for the Subrecipient or its staff required by statute or regulation that are applicable to Agreement performance.

A.31 <u>TERMINATION FOR CONVENIENCE</u>

Notwithstanding any provisions of this Agreement, the Subrecipient may terminate this Agreement by providing written notice of such termination to the Department Key Personnel identified in the Agreement, specifying the effective date thereof, at least thirty (30) days prior to such date.

Except as otherwise provided in this Agreement, the Department, in its sole discretion and in the best interests of the state of Washington, may terminate this Agreement in whole or in part ten (10) business days after emailing notice to the Subrecipient. Upon notice of termination for convenience, the Department reserves the right to suspend all or part of the Agreement, withhold further payments, or prohibit the Subrecipient from incurring additional obligations of funds. In the event of termination, the Subrecipient shall be liable for all damages as authorized by law. The rights and remedies of the Department provided for in this section shall not be exclusive and are in addition to any other rights and remedies provided by law.

A.32 <u>TERMINATION OR SUSPENSION FOR LOSS OF FUNDING</u>

The Department may unilaterally terminate or suspend all or part of this Grant Agreement, or may reduce its scope of work and budget, if there is a reduction in funds by the source of those funds, and if such funds are the basis for this Grant Agreement. The Department will email the Subrecipient ten (10) business days prior to termination.

A.33 <u>TERMINATION OR SUSPENSION FOR CAUSE</u>

In the event the Department, in its sole discretion, determines the Subrecipient has failed to fulfill in a timely and proper manner its obligations under this Agreement, is in an unsound financial condition so as to endanger performance hereunder, is in violation of any laws or regulations that render the Subrecipient unable to perform any aspect of the Agreement, or has violated any of the covenants, agreements or stipulations of this Agreement, the Department has the right to immediately suspend or terminate this Agreement in whole or in part.

The Department may notify the Subrecipient in writing of the need to take corrective action and provide a period of time in which to cure. The Department is not required to allow the Subrecipient an opportunity to cure if it is not feasible as determined solely within the Department's discretion. Any time allowed for cure shall not diminish or eliminate the Subrecipient's liability for damages or otherwise affect any other remedies available to the Department. If the Department allows the Subrecipient an opportunity to cure, the Department shall notify the Subrecipient in writing of the need to take corrective action. If the corrective action is not taken within ten (10) calendar days or as otherwise specified by the Department, or if such corrective action is deemed by the Department to be insufficient, the Agreement may be terminated in whole or in part.

The Department reserves the right to suspend all or part of the Agreement, withhold further payments, or prohibit the Subrecipient from incurring additional obligations of funds during investigation of the alleged compliance breach, pending corrective action by the Subrecipient, if allowed, or pending a decision by the Department to terminate the Agreement in whole or in part.

In the event of termination, the Subrecipient shall be liable for all damages as authorized by law, including, but not limited to, any cost difference between the original Agreement and the replacement or cover Agreement and all administrative costs directly related to the replacement Agreement, e.g., cost of administering the competitive solicitation process, mailing, advertising and other associated staff time. The rights and remedies of the Department provided for in this section shall not be exclusive and are in addition to any other rights and remedies provided by law.

If it is determined that the Subrecipient: (1) was not in default or material breach, or (2) failure to perform was outside of the Subrecipient's control, fault or negligence, the termination shall be deemed to be a termination for convenience.

A.34 <u>TERMINATION PROCEDURES</u>

In addition to the procedures set forth below, if the Department terminates this Agreement, the Subrecipient shall follow any procedures specified in the termination notice. Upon termination of this Agreement and in addition to any other rights provided in this Agreement, the Department may require the Subrecipient to deliver to the Department any property specifically produced or acquired for the performance of such part of this Agreement as has been terminated.

If the termination is for convenience, the Department shall pay to the Subrecipient as an agreed upon price, if separately stated, for properly authorized and completed work and services rendered or goods delivered to and accepted by the Department prior to the effective date of Agreement termination, the amount agreed upon by the Subrecipient and the Department for (i) completed work and services and/or equipment or supplies provided for which no separate price is stated, (ii) partially completed work and services and/or equipment or supplies provided which are accepted by the Department, (iii) other work, services and/or equipment or supplies which are accepted by the Department, and (iv) the protection and preservation of property.

Failure to agree with such amounts shall be a dispute within the meaning of the "Disputes" clause of this Agreement. If the termination is for cause, the Department shall determine the extent of the liability of the Department. The Department shall have no other obligation to the Subrecipient for termination. The Department may withhold from any amounts due the Subrecipient such sum as the Department determines to be necessary to protect the Department against potential loss or liability.

The rights and remedies of the Department provided in this Agreement shall not be exclusive and are in addition to any other rights and remedies provided by law.

After receipt of a notice of termination, and except as otherwise directed by the Department in writing, the Subrecipient shall:

a. Stop work under the Agreement on the date, and to the extent specified, in the notice;

b. Place no further orders or contracts for materials, services, supplies, equipment and/or facilities in relation to this Agreement except as may be necessary for completion of such portion of the work under the Agreement as is not terminated;

c. Assign to the Department, in the manner, at the times, and to the extent directed by the Department, all of the rights, title, and interest of the Subrecipient under the orders and contracts so terminated, in which case the Department has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and contracts;

d. Settle all outstanding liabilities and all claims arising out of such termination of orders and contracts, with the approval or ratification of the Department to the extent the Department may require, which approval or ratification shall be final for all the purposes of this clause;

e. Transfer title to the Department and deliver in the manner, at the times, and to the extent directed by the Department any property which, if the Agreement had been completed, would have been required to be furnished to the Department;

f. Complete performance of such part of the work as shall not have been terminated by the Department in compliance with all contractual requirements; and

g. Take such action as may be necessary, or as the Department may require, for the protection and preservation of the property related to this Agreement which is in the possession of the Subrecipient and in which the Department has or may acquire an interest.

A.35 <u>MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES</u>

In accordance with the legislative findings and policies set forth in Chapter 39.19 RCW, the State of Washington encourages participation in all its contracts by MWBE firms certified by the Office of Minority and Women's Business Enterprises (OMWBE). To the extent possible, the Subrecipient will solicit and encourage minority-owned and women-owned business enterprises who are certified by the OMWBE under the state of Washington certification program to apply and compete for work under this contract. Voluntary numerical MWBE participation goals have been established and are indicated herein: Minority Business Enterprises: (MBE's): 10% and Woman's Business Enterprises (WBE's): 6%.

A.36 <u>VENUE</u>

This Agreement shall be construed and enforced in accordance with, and the validity and performance shall be governed by, the laws of the state of Washington. Venue of any suit between the parties arising out of this Agreement shall be the Superior Court of Thurston County, Washington. The Subrecipient, by execution of this Agreement, acknowledges the jurisdiction of the courts of the state of Washington.

A.37 <u>WAIVERS</u>

No conditions or provisions of this Agreement can be waived unless approved in advance by the Department in writing. The Department's failure to insist upon strict performance of any provision of the Agreement or to exercise any right based upon a breach thereof, or the acceptance of any performance during such breach, shall not constitute a waiver of any right under this Agreement.

# 23SLCGP Award Letter
# EMW-2023-CY-00042

## Award Letter

U.S. Department of Homeland Security
Washington, D.C. 20472

Bret Daugherty
Washington Military Department
Building 20
Camp Murray, WA 98430 - 5122

Re: Grant No.EMW-2023-CY-00042

Dear Bret Daugherty:

Congratulations, on behalf of the Department of Homeland Security, your application for financial assistance submitted under the Fiscal Year (FY) 2023 State and Local Cybersecurity Grant Program has been approved in the amount of $7,403,503.00. As a condition of this award, you are required to contribute a cost match in the amount of $1,850,876.00 of non-Federal funds, or 20 percent of the total approved project costs of $9,254,379.00.

Before you request and receive any of the Federal funds awarded to you, you must establish acceptance of the award. By accepting this award, you acknowledge that the terms of the following documents are incorporated into the terms of your award:

- Agreement Articles (attached to this Award Letter)
- Obligating Document (attached to this Award Letter)
- FY 2023 State and Local Cybersecurity Grant Program Notice of Funding Opportunity
- Information Bulletin 489: Fiscal Year 2023 State and Local Cybersecurity Grant Program Allocation Amounts

Please make sure you read, understand, and maintain a copy of these documents in your official file for this award.

In order to establish acceptance of the award and its terms, please follow these instructions:

Step 1: Please log in to the ND Grants system at https://portal.fema.gov.

Step 2: After logging in, you will see the Home page with a Pending Tasks menu. Click on the Pending Tasks menu, select the Application sub-menu, and then click the link for "Award Offer Review" tasks. This link will navigate you to Award Packages that are pending review.

Step 3: Click the Review Award Package icon (wrench) to review the Award Package and accept or decline the award. Please save or print the Award Package for your records.

System for Award Management (SAM): Grant recipients are to keep all of their information up to date in SAM, in particular, your organization's name, address, Unique Entity Identifier (UEI) number, EIN and banking information. Please ensure that the UEI number used in SAM is the same one used to apply for all FEMA awards. Future payments will be contingent on the information provided in the SAM; therefore, it is imperative that the information is correct. The System for Award Management is located at http://www.sam.gov.

If you have any questions or have updated your information in SAM, please let your Grants Management Specialist (GMS) know as soon as possible. This will help us to make the necessary updates and avoid any interruptions in the payment process.

PAMELA SUSAN WILLIAMS

U.S. Department of Homeland Security
Washington, D.C. 20472

**AGREEMENT ARTICLES**
**State and Local Cybersecurity Grant Program**

| | |
|---|---|
| **GRANTEE:** | Washington Military Department |
| **PROGRAM:** | State and Local Cybersecurity Grant Program |
| **AGREEMENT NUMBER:** | EMW-2023-CY-00042-S01 |

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**Article I - Summary Description of Award**

The purpose of the Fiscal Year 2023 State and Local Cybersecurity Grant Program (SLCGP) is to assist state, local, and territorial (SLT) governments with managing and reducing systemic cyber risk. Through funding from the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law, the SLCGP enables DHS to make targeted cybersecurity investments in SLT government agencies, thus improving the security of critical infrastructure and improving the resilience of the services SLT governments provide their community. This SLCGP award provides funding in the amount of: $7,403,503 for the state of Washington. Of this amount, up to $370,175 can be retained by the State Administrative Agency (SAA) for management and administrative expenses, and a total of $1,850,876 is the required cost share.

The terms of the approved Investment Justification(s) and Project Worksheet(s) submitted by the recipient are incorporated into the terms of this Federal award, subject to the additional description and limitations stated in this Agreement Article and the limitations stated in subsequent reviews by FEMA and CISA of the award budget. Post-award documents uploaded into ND Grants for this award are also incorporated into the terms and conditions of this award, subject to any limitations stated in subsequent approvals by FEMA and CISA of changes to the award. Investments not listed in this Agreement Article are not approved for funding under this award.

**Article II - SLCGP Performance Goal**

In addition to the Performance Progress Report (PPR) submission requirements due January 30, outlined in NOFO Appendix A-11, recipients must demonstrate how the grant-funded projects address the capability gaps identified in their Cybersecurity Plan or other relevant documentation or sustains existing capabilities per the CISA-approved Investment Justification. The capability gap reduction or capability sustainment must be addressed in the PPR, Section 10. Performance Narrative.

**Article III - DHS Standard Terms and Conditions Generally**

The Fiscal Year (FY) 2023 DHS Standard Terms and Conditions apply to all new federal financial assistance awards funded in FY 2023. These terms and conditions flow down to subrecipients unless an award term or condition specifically indicates otherwise. The United States has the right to seek judicial enforcement of these obligations.
All legislation and digital resources are referenced with no digital links. The FY 2023 DHS Standard Terms and Conditions will be housed on dhs.gov at www.dhs.gov/publication/fy15-dhs- standard-terms-and-conditions.

**Article IV - Assurances, Administrative Requirements, Cost Principles, Representations and Certifications**

I. DHS financial assistance recipients must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances Non-Construction Programs, or OMB Standard Form 424D Assurances Construction Programs, as applicable. Certain assurances in these documents may not be applicable to your program, and the DHS financial assistance office (DHS FAO) may require applicants to certify additional assurances. Applicants are required to fill out the assurances as instructed by the awarding agency.

II. DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at Title 2, Code of Federal Regulations (C.F.R.) Part 200 and adopted by DHS at 2 C.F.R. Part 3002.

III. By accepting this agreement, recipients, and their executives, as defined in 2 C.F.R. section 170.315, certify that their policies are in accordance with OMBs guidance located at 2 C.F.R. Part 200, all applicable federal laws, and relevant Executive guidance.

**Article V - General Acknowledgements and Assurances**

All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

I. Recipients must cooperate with any DHS compliance reviews or compliance investigations conducted by DHS.

II. Recipients must give DHS access to examine and copy records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities or personnel.

III. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.

IV. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law, or detailed in program guidance.

V. Recipients (as defined in 2 C.F.R. Part 200 and including recipients acting as pass-through entities) of federal financial assistance from DHS or one of its awarding component agencies must complete the DHS Civil Rights Evaluation Tool within thirty (30) days of receipt of the Notice of Award for the first award under which this term applies. Recipients of multiple awards of DHS financial assistance should only submit one completed tool for their organization, not per award. After the initial submission, recipients are required to complete the tool once every two (2) years if they have an active award, not every time an award is made. Recipients should submit the completed tool, including supporting materials, to CivilRightsEvaluation@hq.dhs.gov. This tool clarifies the civil rights obligations and related reporting requirements contained in the DHS Standard Terms and Conditions. Subrecipients are not required to complete and submit this tool to DHS. The evaluation tool can be found at https://www.dhs.gov/publication/dhs-civil-rights-evaluation-tool. DHS Civil Rights Evaluation Tool | Homeland Security

The DHS Office for Civil Rights and Civil Liberties will consider, in its discretion, granting an extension if the recipient identifies steps and a timeline for completing the tool. Recipients should request extensions by emailing the request to CivilRightsEvaluation@hq.dhs.gov prior to expiration of the 30-day deadline.

**Article VI - Acknowledgement of Federal Funding from DHS**

Recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

**Article VII - Activities Conducted Abroad**

Recipients must ensure that project activities performed outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

**Article VIII - Age Discrimination Act of 1975**

Recipients must comply with the requirements of the Age Discrimination Act of 1975, Public Law 94-135 (1975) (codified as amended at Title 42, U.S. Code, section 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.

**Article IX - Americans with Disabilities Act of 1990**

Recipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. 101-336 (1990) (codified as amended at 42 U.S.C. sections 12101-12213), which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.

**Article X - Best Practices for Collection and Use of Personally Identifiable Information**

Recipients who collect personally identifiable information (PII) are required to have a publicly available privacy policy that describes standards on the usage and maintenance of the PII they collect. DHS defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Recipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as useful resources respectively.

**Article XI - Civil Rights Act of 1964 - Title VI**

Recipients must comply with the requirements of Title VI of the Civil Rights Act of 1964 (codified as amended at 42 U.S.C. section 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21 and 44 C.F.R. Part 7.

**Article XII - Civil Rights Act of 1968**

Recipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. 90-284, as amended through Pub. L. 113-4, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (see 42 U.S.C. section 3601 et seq.), as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units-i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)-be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)

**Article XIII - Copyright**

Recipients must affix the applicable copyright notices of 17 U.S.C. sections 401 or 402 and an acknowledgement of U.S. Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.

**Article XIV - Debarment and Suspension**

Recipients are subject to the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) 12549 and 12689, which are at 2 C.F.R. Part 180 as adopted by DHS at 2 C.F.R. Part 3002. These regulations restrict federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

**Article XV - Drug-Free Workplace Regulations**

Recipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Government-wide implementation (2 C.F.R. Part 182) of Sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (41 U.S.C. sections 8101-8106).

**Article XVI - Duplication of Benefits**

Any cost allocable to a particular federal financial assistance award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other federal financial assistance awards to overcome fund deficiencies; to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions; or for other reasons. However, these prohibitions would not preclude recipients from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions may not be charged to other federal financial assistance awards to overcome fund deficiencies; to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions; or for other reasons.

**Article XVII - Education Amendments of 1972 (Equal Opportunity in Education Act) - Title IX**

Recipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. 92-318 (1972) (codified as amended at 20 U.S.C. section 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17 and 44 C.F.R. Part 19.

**Article XVIII - E.O. 14074 - Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety**

Recipient State, Tribal, local, or territorial law enforcement agencies must comply with the requirements of section 12(c) of E.O. 14074. Recipient State, Tribal, local, or territorial law enforcement agencies are also encouraged to adopt and enforce policies consistent with E.O. 14074 to support safe and effective policing.

**Article XIX - Energy Policy and Conservation Act**

Recipients must comply with the requirements of the Energy Policy and Conservation Act, Pub. L. 94- 163 (1975) (codified as amended at 42 U.S.C. section 6201 et seq.), which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

**Article XX - False Claims Act and Program Fraud Civil Remedies**

Recipients must comply with the requirements of the False Claims Act, 31 U.S.C. sections 3729- 3733, which prohibit the submission of false or fraudulent claims for payment to the Federal Government. (See 31 U.S.C. sections 3801-3812, which details the administrative remedies for false claims and statements made.)

**Article XXI - Federal Debt Status**

All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129.)

**Article XXII - Federal Leadership on Reducing Text Messaging while Driving**

Recipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in E.O. 13513, including conducting initiatives described in Section 3(a) of the Order when on official government business or when performing any work for or on behalf of the Federal Government.

**Article XXIII - Fly America Act of 1974**

Recipients must comply with Preference for U.S. Flag Air Carriers (air carriers holding certificates under 49 U.S.C.) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. section 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

**Article XXIV - Hotel and Motel Fire Safety Act of 1990**

Recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. section 2225a.

**Article XXV - John S. McCain National Defense Authorization Act of Fiscal Year 2019**

Recipients, subrecipients, and their contractors and subcontractors are subject to the prohibitions described in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 (2018) and 2 C.F.R. sections 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. Beginning August 13, 2020, the statute - as it applies to DHS recipients, subrecipients, and their contractors and subcontractors - prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

**Article XXVI - Limited English Proficiency (Civil Rights Act of 1964 - Title VI)**

Recipients must comply with Title VI of the Civil Rights Act of 1964, (42 U.S.C. section 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance: https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited and additional resources on http://www.lep.gov.

**Article XXVII - Lobbying Prohibitions**

Recipients must comply with 31 U.S.C. section 1352, which provides that none of the funds provided under a federal financial assistance award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal action related to a federal award or contract, including any extension, continuation, renewal, amendment, or modification.

**Article XXVIII - National Environmental Policy Act**

Recipients must comply with the requirements of the National Environmental Policy Act of 1969, (NEPA) Pub. L. 91-190 (1970) (codified as amended at 42 U.S.C. section 4321 et seq.) and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which require recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

**Article XXIX - Nondiscrimination in Matters Pertaining to Faith-Based Organizations**

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statues, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

**Article XXX - Non-Supplanting Requirement**

Recipients receiving federal financial assistance awards made under programs that prohibit supplanting by law must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.

**Article XXXI - Notice of Funding Opportunity Requirements**

All the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the award terms and conditions. All recipients must comply with any such requirements set forth in the program NOFO.

**Article XXXII - Patents and Intellectual Property Rights**

Recipients are subject to the Bayh-Dole Act, 35 U.S.C. section 200 et seq, unless otherwise provided by law. Recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. section 401.14.

**Article XXXIII - Procurement of Recovered Materials**

States, political subdivisions of states, and their contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. 89-272 (1965), (codified as amended by the Resource Conservation and Recovery Act, 42 U.S.C. section 6962.) The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

**Article XXXIV - Rehabilitation Act of 1973**

Recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (1973) (codified as amended at 29 U.S.C. section 794), which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

**Article XXXV - Reporting of Matters Related to Recipient Integrity and Performance**

General Reporting Requirements:
If the total value of any currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds $10,000,000 for any period of time during the period of performance of this federal award, then the recipients must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.

**Article XXXVI - Reporting Subawards and Executive Compensation**

Reporting of first tier subawards:
Recipients are required to comply with the requirements set forth in the government-wide award term on Reporting Subawards and Executive Compensation located at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated here by reference in the award terms and conditions.

**Article XXXVII - Required Use of American Iron, Steel, Manufactured Products, and Construction Materials**

Recipients must comply with the Build America, Buy America provisions of the Infrastructure Investment and Jobs Act and E.O. 14005. Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

(1) all iron and steel used in the project are produced in the United States-this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(2) all manufactured products used in the project are produced in the United States-this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

(3) all construction materials are manufactured in the United States-this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.
Waivers
When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. Information on the process for requesting a waiver from these requirements is on the website below.

(a) When the Federal agency has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:

(1) applying the domestic content procurement preference would be inconsistent with the public interest;

(2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
(3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office.

There may be instances where an award qualifies, in whole or in part, for an existing waiver described at "Buy America" Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov.

The awarding Component may provide specific instructions to Recipients of awards from infrastructure programs that are subject to the Build America, Buy America provisions. Recipients should refer to the Notice of Funding Opportunity for further information on the Buy America preference and waiver process.

**Article XXXVIII - SAFECOM**

Recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

**Article XXXIX - Terrorist Financing**

Recipients must comply with E.O. 13224 and U.S. laws that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible to ensure compliance with the Order and laws.

**Article XL - Trafficking Victims Protection Act of 2000 (TVPA)**

Trafficking in Persons:
Recipients must comply with the requirements of the government-wide financial assistance award term which implements Section 106 (g) of the Trafficking Victims Protection Act of 2000 (TVPA), codified as amended at 22 U.S.C. section 7104. The award term is located at 2 C.F.R. section 175.15, the full text of which is incorporated here by reference.

**Article XLI - Universal Identifier and System of Award Management**

Requirements for System for Award Management and Unique Entity Identifier Recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated here by reference.

**Article XLII - USA PATRIOT Act of 2001**

Recipients must comply with requirements of Section 817 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), which amends 18 U.S.C. sections 175-175c.

**Article XLIII - Use of DHS Seal, Logo and Flags**

Recipients must obtain permission from their DHS FAO prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

**Article XLIV - Whistleblower Protection Act**

Recipients must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C section 2409, 41 U.S.C. section 4712, and 10 U.S.C. section 2324, 41 U.S.C. sections 4304 and 4310.

**Article XLV - Environmental Planning and Historic Preservation (EHP) Review**

DHS/FEMA funded activities that may require an Environmental Planning and Historic Preservation (EHP) review are subject to the FEMA EHP review process. This review does not address all federal, state, and local requirements. Acceptance of federal funding requires the recipient to comply with all federal, state and local laws.

DHS/FEMA is required to consider the potential impacts to natural and cultural resources of all projects funded by DHS/ FEMA grant funds, through its EHP review process, as mandated by: the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and any other applicable laws and executive orders. General guidance for FEMA's EHP process is available on the DHS/FEMA Website. Specific applicant guidance on how to submit information for EHP review depends on the individual grant program and applicants should contact their grant Program Officer to be put into contact with EHP staff responsible for assisting their specific grant program. The EHP review process must be completed before funds are released to carry out the proposed project; otherwise, DHS/FEMA may not be able to fund the project due to noncompliance with EHP laws, executive orders, regulations, and policies.

If ground disturbing activities occur during construction, applicant will monitor ground disturbance, and if any potential archaeological resources are discovered the applicant will immediately cease work in that area and notify the pass-through entity, if applicable, and DHS/FEMA.

**Article XLVI - Applicability of DHS Standard Terms and Conditions to Tribes**

The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon recipients and flow down to sub-recipients as a matter of law, regulation, or executive order. If the requirement does not apply to Indian tribes or there is a federal law or regulation exempting its application to Indian tribes, then the acceptance by Tribes of, or acquiescence to, DHS Standard Terms and Conditions does not change or alter its inapplicability to an Indian tribe. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribe where it does not already exist.

**Article XLVII - Acceptance of Post Award Changes**

In the event FEMA determines that changes are necessary to the award document after an award has been made, including changes to period of performance or terms and conditions, recipients will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate recipient acceptance of the changes to the award. Please call the FEMA/GMD Call Center at (866) 927-5646 or via e-mail to: ASK-GMD@fema.dhs.gov if you have any questions.

**Article XLVIII - Disposition of Equipment Acquired Under the Federal Award**

For purposes of original or replacement equipment acquired under this award by a non-state recipient or non-state sub-recipients, when that equipment is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, you must request instructions from FEMA to make proper disposition of the equipment pursuant to 2 C.F.R. section 200.313. State recipients and state sub-recipients must follow the disposition requirements in accordance with state laws and procedures.

**Article XLIX - Prior Approval for Modification of Approved Budget**

Before making any change to the FEMA approved budget for this award, you must request prior written approval from FEMA where required by 2 C.F.R. section 200.308.

For purposes of non-construction projects, FEMA is utilizing its discretion to impose an additional restriction under 2 C.F.R. section 200.308(f) regarding the transfer of funds among direct cost categories, programs, functions, or activities. Therefore, for awards with an approved budget where the federal share is greater than the simplified acquisition threshold (currently $250,000), you may not transfer funds among direct cost categories, programs, functions, or activities without prior written approval from FEMA where the cumulative amount of such transfers exceeds or is expected to exceed ten percent (10%) of the total budget FEMA last approved.

For purposes of awards that support both construction and non-construction work, FEMA is utilizing its discretion under 2 C.F.R. section 200.308(h)(5) to require the recipient to obtain prior written approval from FEMA before making any fund or budget transfers between the two types of work.

You must report any deviations from your FEMA approved budget in the first Federal Financial Report (SF-425) you submit following any budget deviation, regardless of whether the budget deviation requires prior written approval.

**Article L - Indirect Cost Rate**

2 C.F.R. section 200.211(b)(15) requires the terms of the award to include the indirect cost rate for the federal award. If applicable, the indirect cost rate for this award is stated in the budget documents or other materials approved by FEMA and included in the award file.

**Article LI - Funding Hold: Additional Information Required**

FEMA has placed a funding hold on this award, and $5,067,919 is on hold in the FEMA financial systems. The recipient is prohibited from obligating, expending, or drawing down the funds associated with the following projects/investments.

All projects to be determined: $5,067,919

To release the funding hold, the recipient must provide a detailed cost breakdown and justification for the projects/ investments listed above. FEMA will rescind the funding hold upon its review and approval of the detailed cost breakdown and justification. If you believe this funding hold was placed in error, please contact the relevant Preparedness Officer at fema-slcgp@fema.dhs.gov.

**BUDGET COST CATEGORIES**

| | |
|---|---|
| Personnel | $286,647.00 |
| Fringe Benefits | $108,926.00 |
| Travel | $8,625.00 |
| Equipment | $0.00 |
| Supplies | $3,125.00 |
| Contractual | $8,791,661.00 |
| Construction | $0.00 |
| Indirect Charges | $55,395.00 |
| Other | $0.00 |

## Obligating Document for Award/Amendment

| 1a. AGREEMENT NO. | 2. AMENDMENT NO. | 3. RECIPIENT NO. | 4. TYPE OF ACTION | 5. CONTROL NO. |
|---|---|---|---|---|
| EMW-2023-CY-00042-S01 | *** | 916001095G | AWARD | WX00697N2024T |

| 6. RECIPIENT NAME AND ADDRESS | 7. ISSUING FEMA OFFICE AND ADDRESS | 8. PAYMENT OFFICE AND ADDRESS |
|---|---|---|
| Washington Military Department<br>Building 20<br>Camp Murray, WA, 98430 - 5122 | FEMA-GPD<br>400 C Street, SW, 3rd floor<br>Washington, DC 20472-3645<br>POC: 866-927-5646 | FEMA Finance Center<br>430 Market Street<br>Winchester, VA 22603 |

| 9. NAME OF RECIPIENT PROJECT OFFICER | PHONE NO. | 10. NAME OF FEMA PROJECT COORDINATOR |
|---|---|---|
| Sierra Wardell | 2535127121 | Central Scheduling and Information Desk<br>Phone: 800-368-6498<br>Email: Askcsid@dhs.gov |

| 11. EFFECTIVE DATE OF THIS ACTION | 12. METHOD OF PAYMENT | 13. ASSISTANCE ARRANGEMENT | 14. PERFORMANCE PERIOD |
|---|---|---|---|
| 12/07/2023 | PARS | Cost Reimbursement | **From:** 12/01/2023 **To:** 11/30/2027<br>**Budget Period**<br>12/01/2023 11/30/2027 |

1 5. DESCRIPTION OF ACTION
a. (Indicate funding data for awards or financial changes)

| PROGRAM NAME ACRONYM | CFDA NO. | ACCOUNTING DATA (ACCS CODE) XXXX-XXX-XXXXXX-XXXXX-XXXX-XXXX-X | PRIOR TOTAL AWARD | AMOUNT AWARDED THIS ACTION + OR (-) | CURRENT TOTAL AWARD | CUMULATIVE NON-FEDERAL COMMITMENT |
|---|---|---|---|---|---|---|
| State and Local Cybersecurity Grant Program | 97.137 | 2024-IF-PA11-P410- -4101-D | $0.00 | $7,403,503.00 | $7,403,503.00 | See Totals |
| | | | **$0.00** | **$7,403,503.00** | **$7,403,503.00** | **$1,850,876.00** |

b. To describe changes other than funding data or financial changes, attach schedule and check here.
N/A

16 a. FOR NON-DISASTER PROGRAMS: RECIPIENT IS REQUIRED TO SIGN AND RETURN THREE (3) COPIES OF THIS DOCUMENT TO FEMA (See Block 7 for address)
State and Local Cybersecurity Grant Program recipients are not required to sign and return copies of this document. However, recipients should print and keep a copy of this document for their records.
16b. FOR DISASTER PROGRAMS: RECIPIENT IS NOT REQUIRED TO SIGN
This assistance is subject to terms and conditions attached to this award notice or by incorporated reference in program legislation cited above.

| 17. RECIPIENT SIGNATORY OFFICIAL (Name and Title) | DATE |
|---|---|
| Sierra Wardell, Preparedness Grants Section Section Supervisor | Fri Dec 15 01:00:32 UTC 2023 |
| **18. FEMA SIGNATORY OFFICIAL (Name and Title)** | **DATE** |
| PAMELA SUSAN WILLIAMS, | Thu Dec 07 18:41:14 UTC 2023 |

## WORK PLAN

## FY 2023 State and Local Cybersecurity Grant Program

| **PROJECT #1 TITLE** | ***Sedro-Woolley Cybersecurity Improvement Project*** |
|---|---|

**PROJECT DESCRIPTION**

Our organization includes approximately 120 employees, volunteers, and elected/appointed officials. An IT department of two serves them. The first phase of the project will be to upgrade our aging server infrastructure. Moving away from multiple physical servers to VMs and creating a new AD forest to allow us to better support new desktop operating systems, lock down file shares (w/ principle of least privilege) and have better documentation of servers/services deployment. Currently many of our servers are running Windows Server 2012R2 which reached end of life on October 10, 2023. Moving to VMs will allow us to easily upgrade OS versions for DCs in the future as services will be compartmentalized. Procurement of an RMM would assist with tracking progress with this project along with providing IT staff with management & monitoring tools on other workstations. During this time, we'll also document/label critical network connections in preparation for phase two.

**GAP BEING ADDRESSED**

1. Server Operating Systems are end-of-life.
2. RMM deployment for allow for easier transition to new forest along with providing easier documentation of project and settings.
3. Critical network connections aren't easily identifiable or documented.
4. Urgent need for enforcing security patches and generally managing remote devices.

**IMPACT**

These projects will allow us to get some of our network and servers to a more secure position. Upgrading the hardware for our servers and moving them to VM will simplify the backup process, getting onto modern hardware/OS to continue to have vendor support, and gives us a solution for high availability making us secure in the event of hardware failure/natural disaster.

Tracing critical network connections will make VLAN deployment easier by documenting/labeling connections.
The RMM, MDM solution will have to be included in our ongoing budget should we choose to continue utilizing them after the grant program has ended. RMM tool will greatly improve productivity and end user support for our small IT staff. It will give us access to system monitoring, remote support tools, mass patch management/deployment, and better scripting tools. Continued use of this solution will require revisiting the budget to fit into our annual cost of operation.

**OUTCOME**

The end goal of this project will have us in a position where we're able to access/monitor any of our systems/servers without disturbing current user session, easy patching issues for all systems (via RMM or WSUS). Once complete our servers and systems will be able to get the latest security patches installed in a timely manner (because of the HA setup for servers), have redundancy in case of a hardware/software failure, and make backing up all servers simpler since they'll all be VMs on a same host.

## BUDGET

## FY 2023 State and Local Cybersecurity Grant Program

*City of Sedro-Woolley*

**AGREEMENT AMOUNT $71,500**

PROJECT #1

| | SOLUTION AREA | | | | | | |
|---|---|---|---|---|---|---|---|
| | PLANNING | ORGANIZATION | EQUIPMENT | TRAINING | EXERCISE | M&A | **TOTAL** |
| Salaries & Benefits | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | **$0.00** |
| Supplies | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | **$0.00** |
| Travel/Per Diem | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | **$0.00** |
| Contractor/Consultant | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | **$0.00** |
| Passthrough | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | | **$0.00** |
| Other | $0.00 | $0.00 | $8,000.00 | $0.00 | $0.00 | $0.00 | **$8,000.00** |
| Equipment | | | $63,500.00 | | | | **$63,500.00** |
| *SUBTOTAL* | $0.00 | $0.00 | $71,500.00 | $0.00 | $0.00 | $0.00 | $71,500.00 |
| Indirect | | | | | | | $0.00 |
| ***TOTAL*** | **$0.00** | **$0.00** | **$71,500.00** | **$0.00** | **$0.00** | **$0.00** | **$71,500.00** |

# TIMELINE

## FY 2023 State and Local Cybersecurity Grant Program

| ***DATE*** | ***TASK*** |
|---|---|
| December 1, 2023 | Grant Agreement start date |
| NLT December 30, 2024 | Complete NCSR |
| January 5, 2025 | Submit Progress Report<br>** time period 7/1/2024 - 12/31/2024* |
| July 15, 2025 | Submit Progress Report<br>** time period 1/1/2025 - 6/30/2025* |
| NLT December 30, 2025 | Complete NCSR |
| December 31, 2025 | Grant Agreement end date |
| February 14, 2026 | Submit Final Reimbursement Request and Closeout Report |

| | |
|---|---|
| *October 1st annually* | *Nationwide Cybersecurity Review (NCSR) opens for input*<br>*https://www.cisecurity.org/ms-isac/services/ncsr* |

## BUILD AMERICA, BUY AMERICA ACT SELF-CERTIFICATION

The Subrecipient's contractors and subcontractors must sign and submit the following certification to the next tier, with the Subrecipient forwarding to the Department Key Personnel for each bid or offer for an infrastructure project that has not been waived by a BABAA waiver.

The undersigned certifies, to the best of their knowledge and belief, that:

The Build America, Buy America Act (BABAA) requires that no federal financial assistance for "infrastructure" projects is provided "unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." Section 70914 of Public Law No. 117-58, §§ 70901-52.

The undersigned certifies that for the Insert Project Name and Location that the iron, steel, manufactured products, and construction materials used in this contract are in full compliance with the BABAA requirements including:

1. All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
2. All manufactured products purchased with FEMA financial assistance must be produced in the United States. For a manufactured product to be considered produced in the United States, the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55% of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
3. All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

"The [Contractor or Subcontractor], ______________________, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the [Contractor or Subcontractor] understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any."

______________________________________________________
Signature of [Contractor's or Subcontractor's] Authorized Official

Enter Name and Title
Name and Title of [Contractor's or Subcontractor's] Authorized Official

_____
Date

**City Council Agenda Item**

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**Agenda Item No.:** I.1.

**Date:** July 10, 2024

**From:** Charlie Bush, City Administrator

**Subject:** Draft 2025-2026 City Council Goals and Work Plan

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## RECOMMENDED ACTION:
Motion to approve the City Council's 2025-2026 Goals and Work Plan.

## ISSUE:
Staff are seeking Council review, feedback, and possible action.

## BACKGROUND/SUMMARY INFORMATION:
Attached is a revised set of draft City Council goals resulting from the City Council's March 15th retreat. Staff are seeking review and feedback from the Council. The Strategic Planning Committee approved moving this document on for Council consideration at their April 24, 2024 meeting. Since, Mark Freiberger made some minor edits. Also attached is the draft Economic Development Action Plan under review by the City Council's Planning and Business Development Committee as some of the items mentioned at the retreat exist in this plan and there is interplay with the draft goals. Once adopted, the City Council's 2025-2026 Goals and Work Plan will be planned for in the 2025-2026 City budget.

## FISCAL IMPACT, IF APPROPRIATE:
N/A

## ATTACHMENTS:
1. 2025-2026 City Council Goals and Department Operational Plans - Marked Up
2. 2025-2026 City Council Goals and Department Operational Plans - Clean
3. Draft Sedro-Woolley Economic Development Action Plan Version 6.0

# City of Sedro-Woolley 2025-26

## *AND DEPARTMENT OPERATIONAL PLANS*

Increase parks and recreation usage by residents and tourists

- Update City website and overall marketing of City parks by ~~April 1, 2023~~July 1, 2025 (Administration, Public Works, Information Technology).
  - Include 3D interactive mapping
  - Include better integration of events and rental opportunities
  - Include drone footage of the City's special events.

- Develop new partnerships, possibly including a consultant(s) after exploration with the City Council~~, using American Rescue Plan Act Funds,~~ by ~~April 1, 2023~~December 31, 2025. The goal is to recruit, plan, create, market, and support sports tournaments and other special events in Sedro-Woolley and the surrounding area. The City would use these events to build up demand for additional hotel space, leading to increased hotel/motel revenues that can sustain this program, and tourism in Sedro-Woolley, into the future (Administration, Public Works).

- Work strategically to expand outdoor recreation options in the areas around Sedro-Woolley and to better connect Sedro-Woolley to those areas. Provide an initial report to the City Council by ~~October 1, 2023~~December 31, 2025 (Administration, Public Works).
  - Olmsted Park Phase 1 Infrastructure, Restroom and Caretaker Residence; construction 2024+
  - Olmsted Park Phase 2 Picnic Structures; construction 2024/2025 (updated 8/9/2023)
  - Olmsted Park Phase 3 Playground and Sports Courts; RCO Application 2024; construction 2025 (updated 8/9/2023)
  - Reed Street Park; design 2025; RCO application 2026; construction 2026/2027 (updated 8/9/2023)
  - SR20/Cascade Trail Phase 2A Holtcamp to Hodgin; construction 20254. (updated 5/1/2024).
  - SR20/Cascade Trail Phase 2B Collins Rd to Holtkamp Rd; partially funded by SCOG TAP; TIB appl 2024; Design ~~2024~~2026/~~2025~~2027; CN ~~2026~~ 2028 (updated ~~8/9/2023~~5/1/2024).

- Evaluate the opportunity to expand ballfield capacity (Little League, soccer, etc.) with the update of the City's Comprehensive Plan Update. Evaluate developing parks that pay for themselves. Evaluate more use of the floodplain for sports tournaments.

- Better activate the skate park by reviving and ~~sustain~~sustaining the annual skate park competition.

- Evaluate financial sustainability models for the City's parks system.

- ~~Further develop strategic partnerships with governments, non-profit organizations, and private businesses that can accelerate parks and recreation tourism and usage in Sedro-Woolley. Provide a report to the City Council by January 1, 2024 (Administration).~~

Commented [CB1]: Duplicative with action above

Improve the City's economy

- Continue to improve public infrastructure that supports economic development and quality of life and provide regular updates to the City Council (Public Works, Planning & Building).

  - Begin implementation of economic development action plan. Provide annual progress reports to the City Council's Planning and Business Development Committee and to the full Council.

    - The Economic Development Action Plan includes improving signage within the community (item discussed at the City Council Retreat).

  - Secure funding and complete the Jones/John Liner/Trail Road Corridor projects by 2029 to support City and SWIFT Center growth (Engineering/Public Works Divisions).

    - SR9/Township & John Liner/McGarigle Intersection Project; construction 2025

    - John Liner Rd, Reed to Township Bicycle/Pedestrian Improvements project; construction 2027~~6~~/2028~~7~~ (updated ~~8/8//2023~~5/1/2024)

    - Project C1B Jones/John Liner BNSF Undercrossing Project Phase 2; design/ROW in ~~2024/~~2025/2026~~2025~~, construction 2027 (updated 5/18~~/9~~/2024~~3~~)

    - Cook Road/South Trail Road Intersection (Roundabout) Project; design/ROW 2025~~4~~/2026~~5~~; construction 2027 (updated 5/1/2024)~~6~~

  - Complete short-term Wastewater Treatment Plant Capacity Projects by 2025 (Engineering/WWTP Division)

    - Former Laboratory/Operations Building Demolition ~~Digester Aeration Upgrades~~ – construction 2025 ~~25~~ (updated 5/1/2024~~8/9/2023~~)

  - Long-term WWTP Capacity Improvements to support growth by 2029

- Facilities Plan (when plant reaches 85% Capacity est. 2024/2025); begin 2024; complete 2025.

- Plant upgrade design 2026/2027; construction 2027/2028.

- Protect commercially zoned land (Planning & Building)

- Evaluate the City's revenue trends and provide a report to Council by July 1, 2025.
  - Develop strategies to grow the City's sales tax revenues
  - Increase hotel/motel revenues

Complete the Comprehensive Plan on time, by December 31, 2025, and under budget. Continue the ~~C~~city's growth model where lots on the edge of town are primarily zoned single family, with missing middle housing interspersed in the primarily single-family residential zones. Future growth will be accommodated through a combination of urban growth area expansion to the north as necessary per a land capacity analysis, infill in existing residential neighborhoods and accommodating higher densities in commercial zones (where commercial is the primary use on the main floor).

- Assure that the city's zoning and development standards provide for a variety of housing types in the city and maintain development standards that assure adequate on-site parking is provided for new housing (Planning & Building).

- The county will be determining the amount of projected population growth in the county and in each jurisdiction between 2025-2045 as a part of the State GMA Comprehensive Plan updates due June 30, 2025. With the above goal in mind, coordinate with the other Skagit County jurisdictions to determine the amount of growth in Sedro-Woolley between 2025-2045 (Planning & Building).

- Perform a Land Capacity Analysis to determine the amount of available land within City Limits to accommodate the projected population growth between 2025-2045 (Planning & Building).

- Based on the amount of land available, use the above council goal to determine how much future population can be accommodated in the existing city limits and how much land needs to be added to the urban growth area to accommodate the projected population growth between 2025-2045 (Planning & Building).

- Demonstrate how much land is necessary to accommodate 20 years of growth based on the councils above growth goal and recommend that the county adjust the city UGA to meet the city's 20-year growth projections (Planning & Building).

- Update the city's zoning regulations as well as the Housing and Land Use Elements of the Comprehensive Plan as part of the 2025 updates to reflect the council's housing and land use goals and reflect the adjusted UGA boundaries (Planning & Building).

- Review connection and impact fees upon completion of the comprehensive plan (Public Works, Planning & Building).

# City of Sedro-Woolley 2025-26

## *AND DEPARTMENT OPERATIONAL PLANS*

Increase parks and recreation usage by residents and tourists

- Update City website and overall marketing of City parks by July 1, 2025 (Administration, Public Works, Information Technology).

    - Include 3D interactive mapping
    - Include better integration of events and rental opportunities
    - Include drone footage of the City's special events.

- Develop new partnerships, possibly including a consultant(s) after exploration with the City Council by December 31, 2025. The goal is to recruit, plan, create, market, and support sports tournaments and other special events in Sedro-Woolley and the surrounding area. The City would use these events to build up demand for additional hotel space, leading to increased hotel/motel revenues that can sustain this program, and tourism in Sedro-Woolley, into the future (Administration, Public Works).

- Work strategically to expand outdoor recreation options in the areas around Sedro-Woolley and to better connect Sedro-Woolley to those areas. Provide an initial report to the City Council by December 31, 2025 (Administration, Public Works).

    - Olmsted Park Phase 1 Infrastructure, Restroom and Caretaker Residence; construction 2024+

    - Olmsted Park Phase 2 Picnic Structures; construction 2024/2025 (updated 8/9/2023)

    - Olmsted Park Phase 3 Playground and Sports Courts; RCO Application 2024; construction 2025 (updated 8/9/2023)

    - Reed Street Park; design 2025; RCO application 2026; construction 2026/2027 (updated 8/9/2023)

    - SR20/Cascade Trail Phase 2A Holtcamp to Hodgin; construction 2025. (updated 5/1/2024).

    - SR20/Cascade Trail Phase 2B Collins Rd to Holtkamp Rd; partially funded by SCOG TAP; TIB appl 2024; Design 2026/2027; CN 2028 (updated 5/1/2024).

    - Evaluate the opportunity to expand ballfield capacity (Little League, soccer, etc.) with the update of the City's Comprehensive Plan Update. Evaluate developing parks that pay for themselves. Evaluate more use of the floodplain for sports tournaments.

- Better activate the skate park by reviving and sustaining the annual skate park competition.

- Evaluate financial sustainability models for the City's parks system.

<u>Improve the City's economy</u>

- Continue to improve public infrastructure that supports economic development and quality of life and provide regular updates to the City Council (Public Works, Planning & Building).

    - Begin implementation of economic development action plan. Provide annual progress reports to the City Council's Planning and Business Development Committee and to the full Council.

        - The Economic Development Action Plan includes improving signage within the community (item discussed at the City Council Retreat).

    - Secure funding and complete the Jones/John Liner/Trail Road Corridor projects by 2029 to support City and SWIFT Center growth (Engineering/Public Works Divisions).

        - SR9/Township & John Liner/McGarigle Intersection Project; construction <u>2025</u>

        - John Liner Rd, Reed to Township Bicycle/Pedestrian Improvements project; construction <u>2027/2028</u> (updated 5/1/2024)

        - Project C1B Jones/John Liner BNSF Undercrossing Project Phase 2; design/ROW in <u>2025/2026</u>, construction 2027 (updated 5/1/2024)

        - Cook Road/South Trail Road Intersection (Roundabout) Project; design/ROW 2025/2026; construction 2027 (updated 5/1/2024)

    - Complete short-term Wastewater Treatment Plant Capacity Projects by 2025 (Engineering/WWTP Division)

        - Former Laboratory/Operations Building Demolition – construction <u>2025 (updated 5/1/2024)</u>

    - Long-term WWTP Capacity Improvements to support growth by 2029

        - Facilities Plan (when plant reaches 85% Capacity est. 2024/2025); begin 2024; complete 2025.

        - Plant upgrade design 2026/2027; construction 2027/2028.

- Protect commercially zoned land (Planning & Building)

- Evaluate the City's revenue trends and provide a report to Council by July 1, 2025.

- Develop strategies to grow the City’s sales tax revenues
- Increase hotel/motel revenues

Complete the Comprehensive Plan on time, by December 31, 2025, and under budget. Continue the City’s growth model where lots on the edge of town are primarily zoned single family, with missing middle housing interspersed in the primarily single-family residential zones. Future growth will be accommodated through a combination of urban growth area expansion to the north as necessary per a land capacity analysis, infill in existing residential neighborhoods and accommodating higher densities in commercial zones (where commercial is the primary use on the main floor).

- Assure that the city’s zoning and development standards provide for a variety of housing types in the city and maintain development standards that assure adequate on-site parking is provided for new housing (Planning & Building).

- The county will be determining the amount of projected population growth in the county and in each jurisdiction between 2025-2045 as a part of the State GMA Comprehensive Plan updates due June 30, 2025. With the above goal in mind, coordinate with the other Skagit County jurisdictions to determine the amount of growth in Sedro-Woolley between 2025-2045 (Planning & Building).

- Perform a Land Capacity Analysis to determine the amount of available land within City Limits to accommodate the projected population growth between 2025-2045 (Planning & Building).

- Based on the amount of land available, use the above council goal to determine how much future population can be accommodated in the existing city limits and how much land needs to be added to the urban growth area to accommodate the projected population growth between 2025-2045 (Planning & Building).

- Demonstrate how much land is necessary to accommodate 20 years of growth based on the councils above growth goal and recommend that the county adjust the city UGA to meet the city’s 20-year growth projections (Planning & Building).

- Update the city’s zoning regulations as well as the Housing and Land Use Elements of the Comprehensive Plan as part of the 2025 updates to reflect the council’s housing and land use goals and reflect the adjusted UGA boundaries (Planning & Building).

- Review connection and impact fees upon completion of the comprehensive plan (Public Works, Planning & Building).

# Sedro-Woolley Economic Development Action Plan (Draft)

*Version 6, May 8, 2024*

Items in green are potential ARPA investments

Items in blue are underway

<u>Priority #1: Provide business-friendly permitting</u>

- By the end of 2025, evaluate fees
- By the end of 2025, establish permitting benchmarks for commercial permits and track progress
- Invest in Planning & Building staffing through the 2025-26 budget process to better support business permitting
- By the end of 2026, invest in Lean/Six Sigma process improvement processes to increase permitting system efficiency
- By the end of 2026, improve the City's Code to allow for more efficient and simplified permit processes, including more up-front design review

<u>Priority #1: Support housing development to provide a larger local workforce and to further support local retail</u>

- Evaluate the housing types needed to have the largest benefit on the Sedro-Woolley economy through the 2023-25 Comprehensive Plan Update
- By the end of 2026, implement strategies and incentives to support the housing types desired

<u>Priority #2: Focus on public Downtown Improvements</u>

- Parklets – consider code changes by the end of 2024
- Community Development Grant Program – completed by the end of 2024
  - Painting
  - Support updates to key buildings (ex. Woolley Market)
- Potential New/Refurbished Public Infrastructure – complete by the end of 2028
  - Sidewalks
  - AED signs
  - Murals
  - Planters
  - More trash cans downtown (on Metcalf) with better designs
  - Alleys
  - Lighting
    - Street lights recently painted
    - Extend the system on Metcalf
  - Address Parking – consider parking regulations, supply
- Festival/Event Improvements – complete by the end of 2027
  - Wiring for festivals
  - Lights for festivals – consider lights hanging across Metcalf
    Develop a Downtown concert venue
- Partner with BNSF on public use of their right of way (ex. mobile art walk) – by the end of 2025

Priority #2: Improve the State Route 20 and State Route 9 Corridors

- Improve the appearance of roundabouts – by the end of 2026
- Improve directional signage – by the end of 2026
- Develop an archway to cover the railroad trestle and point tourists to Downtown – by the end of 2026
- Improve the appearance of fencing
- Partner with the new owners of Skagit Industrial Park, Sedron Industries, to leverage Sedron's investment in the park to accent and benefit Downtown Sedro-Woolley and the State Route 20/9 corridor – by the end of 2025
  - Improve the State Route 20/9 appearance of the park
  - Explore improved connectivity of the park to the rest of the City
  - Evaluate Downtown improvements that may compliment the park and elements of the park that may be able to compliment Downtown and the State Route 20/9 corridor
- Work to get Ferry Street properties improved on the entry to Downtown from Highway 9, perhaps some funds could be used for environmental studies, as needed, in this area – by the end of 2028, a corridor plan for the streetscape might be an option

Priority #2: Improve the Cleanliness and Visual Appearance of Commercial Areas, including Downtown

- Invest in additional Public Works staff or partnerships to enhance the cleanliness of commercial areas in Sedro-Woolley – by the end of 2026

Priority #2: Engage in creative placemaking – support the creation of experiences and places that are unique for visitors to and residents of Sedro-Woolley

- Support public art with the support of the Arts Commission – by the end of 2025
- Develop small parks – ex. the lot by Tricky Busiu could be used for a park and parking if received from BNSF – by the end of 2026
- Evaluate streetscapes and landscaping – by the end of 2027
- Invest in trails and parks and connect them – by the end of 2028
- Create a more dog-friendly city - evaluate dog park expansion and the development of additional dog parks – by the end of 2028
- Possible food truck pads at our parks (especially Olmsted and Memorial) – by the end of 2028
- Capitalize on small-town Americana strengths by supporting and promoting experiences and services that people want
- Focus on making Sedro-Woolley more fun and interesting

Priority #2: Do further work with economic development partners to provide additional help and technical assistance for online commerce and other technical business support services

- Offer resources and referrals to partners from within the Planning & Building Department – by the end of 2025
- Partner with the Chamber to promote shopping local and to celebrate local businesses, especially manufacturing and retail – by the end of 2026
- Partner with organizations like RAIN Catalysts, the Small Business Development Center, the Center for Inclusive Entrepreneurship, and the Economic Development Alliance of Skagit County

(EDASC) to provide services for Sedro-Woolley businesses. Consider providing space to one or several from which to deliver services more locally here. – by the end of 2026

Priority #2: Support infill commercial and housing development

- Evaluate options/opportunities and identify barriers during the 2023-2025 Comprehensive Plan update
  - Focus on site readiness and removing obstacles

Priority #2: Continue to partner regionally to benefit the regional economy, which will benefit the Sedro-Woolley Economy

- Use the 2023-25 Comprehensive Plan Update to become clearer on what industry clusters the City wants to recruit and grow to help diversify its economy
- Leverage collective strengths in Skagit Valley – possible focus on food. Leverage valley value-added agriculture as the theme – by the end of 2026

Priority #2: Continue to Partner with the Port of Skagit and Skagit County on the Continued Redevelopment of the SWIFT Center

- Support business incubator space at the SWIFT Center, particularly the NWIRC proposal – ongoing
- Develop Olmsted Park – by the end of 2026 with first phases in 2024
- Destination music in the park in the shorter term could be a benefit to the community – by the end of 2024
- Support the theme of community wellness, recreation, tourism, and hospitality at the SWIFT Center - ongoing
- Help support the $45 million needed to renovate SWIFT Center buildings - ongoing
- Develop meeting space - ongoing

Priority #2: Support Enhanced Tourism

- Develop a parks and trails map – by the end of 2024
- Develop marketing videos – by the end of 2026
- Tap into the City's history by working more formally with the Sedro-Woolley Museum and other history-focused organizations – ongoing, develop additional partnerships by the end of 2026
- Promote and develop sports tournaments and events through partnerships – by the end of 2026
- Cultivate and sustain a more open and welcoming atmosphere - ongoing
- Leverage lodging tax funding to fuel more tourism – ongoing
- Become the Basecamp of the North Cascades, leveraging outdoor recreation - ongoing
  - Partner with the North Cascades Institute, North Cascades National Park, the Pacific Northwest Trail Association, local wilderness guides, and other recreation-based organizations and businesses
- Work with hotel operators to consider developing in Sedro-Woolley – by the end of 2028
  - Evaluate vacation policies related to vacation rentals if hotel development does not materialize
- Evaluate cycling infrastructure and services, recruit a bike shop and other key services – by the end of 2028

Priority #2: Citywide Public Infrastructure Development

- Repair sidewalks - ongoing
- Continue to fund and build projects to support growth. Review impact fees and project funding to make sure there is financial support for the planned projects. - ongoing
- Plant beautiful trees that don't heave sidewalks - ongoing

Priority #3: Workforce Development – all items are ongoing

- Encourage Sedro-Woolley School District and EDASC to develop a Sedro-Woolley Workforce Development Action Team
- Evaluate opportunities for youth to get into apprenticeships, build partnerships with schools
- Work with the Port to evaluate possible education uses of SWIFT Center
- Help Sedro-Woolley School District connect students with businesses
- Work with Job Corps and Skagit Valley College
- Engage CTE programs (career technical education)
- Have more of a trades-focus locally

**City Council Agenda Item**

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| | |
|---|---|
| **Agenda Item No.:** | I.2. |
| **Date:** | July 10, 2024 |
| **From:** | Charlie Bush, City Administrator |
| **Subject:** | Professional Services Agreement - Volunteers of America - Regarding House Bill 1590 Housing Funds |

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## RECOMMENDED ACTION:

Motion to authorize Mayor Johnson to execute a professional services contract with Volunteers of America (VOA) regarding house bill 1590 housing funds for $500,000.

## ISSUE:

Should the City Council authorize the expenditure of $500,000 of house bill 1590 affordable housing funding, through a professional services contract, for a project in Burlington sponsored by Volunteers of America (VOA)?

## BACKGROUND/SUMMARY INFORMATION:

In response to Council direction in May, staff will be recommending at the September Work Session that the City enter into a request for proposals (RFP) process to solicit interest from organizations seeking 1590 funding. An RFP would provide all nonprofits and other potential partners who support the City Council's adopted vision for how these funds will be spent (to be discussed in September) with a chance to apply for the funds. The September work session will also cover in more detail limitations on the usage of 1590 funds. The funds will accumulate each year as this is an ongoing funding source.

Regarding VOA, the City Council tabled this item in May. VOA brought this request to the Administration, and the Administration brought it to the Council as the Council serves as the stewards of these funds and there has not been a process defined for how to allocate them.

For VOA (details below), policy options include:

1) Approve VOA's request - see the recommended action above in this memo
2) Deny VOA's request - VOA could still apply for funds under a potential future RFP
3) Provide alternative direction
4) Keep VOA's request tabled - this is challenging because it will be more difficult to write an RFP if we do not know how much funding we may have available.

Volunteers of America VP of External Affairs Kirk Pearson previously answered questions from the Council.

The below information was provided in the May 8, 2024, packet:

- Volunteers of America (VOA) approached the City several times in the past year to share information and updates about a 42-unit affordable housing development for veterans (12 units set aside) planned in Burlington. Fifty percent of the units will serve households below 30% AMI (area median income) and 50% of the units will serve households below 50% of AMI. Area agencies, including the City of Burlington ($1.1M) and Skagit County ($2M) are partners in the project. The project's planned completion date is July 2026.
- More details about the project are included in the attached scope of work. This regional project would serve low-income veterans from around the region, including Sedro-Woolley. VOA representatives will also be at this City Council meeting to present more information.
- More information about House Bill 1590 is also included in the attachments.

**FISCAL IMPACT, IF APPROPRIATE:**

$500,000 of house bill 1590 affordable housing funds. Funding would come from the portion of the City's 1590 funding that must be spent on capital (bricks and mortar) projects. Sufficient funding exists to support this project. This allocation would reduce the City's fund balance close to zero in the fund dedicated to 1590. However, it is a one-time expense and the fund will replenish itself in time. If funds (up to 40% of the ongoing revenues, approximately $108,000 per year) are not allocated to the County's human services efforts, then an additional $108,000 will remain in the fund at the end of the year. If provided, Sedro-Woolley's contribution would represent 2.4% of the total VOA project cost of $20.45 million.

**ATTACHMENTS:**

1. VOA PSA 2024
2. House Bill 1590 Funding Options
3. 1590.PL

# PROFESSIONAL SERVICES AGREEMENT

**THIS AGREEMENT** ("Agreement') is made and entered into by and between the City of Sedro-Woolley, a Washington State municipal corporation ("City"), and Volunteers of America Western Washington, whose address is 117 N. 1st Street, Mount Vernon, WA 98273 hereinafter referred to as the "Consultant".

**NOW, THEREFORE**, in consideration of the terms, conditions, covenants and performances contained herein, the parties hereto agree as follows:

## ARTICLE I. PURPOSE

The purpose of this Agreement is to provide the City of Sedro-Woolley as described in Article II. The general terms and conditions of the relationship between the City and the Consultant are specified in this Agreement.

## ARTICLE II. SCOPE OF SERVICES

The Scope of Services is attached hereto as **Exhibit "A"** and incorporated herein by this reference ("Scope of Services"). All services and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Consultant unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Consultant's profession.

## ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 **MINOR CHANGES IN SCOPE**. The Consultant shall accept minor changes, amendments, or revision in the detail of the Scope of Services as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

**Extra Work**. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the Scope of Services in the scope of services. Such work will be considered as extra work and will be specified in a written supplement or amendment to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not proceed until executed in writing by the parties.

III.2 **WORK PRODUCT AND DOCUMENTS**. The Scope of Work deliverables, and all other documents produced under this Agreement shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City. Provided however, the Consultant may retain one copy of the work product and documents for its records. Provided further, all Images and rights relating to the deliverables referenced in the exhibit

The Consultant will be responsible for the accuracy of the work, even though the work has been accepted by the City.

In the event that the Consultant shall default on this Agreement or in the event that this Agreement shall be terminated prior to its completion as herein provided, all work product of the Consultant, along with a summary of work as of the date of default or termination, shall become the property of the City. Upon request, the Consultant shall tender the work product and summary to the City. Tender of said work product shall be a prerequisite to final payment under this Agreement. The summary of work done shall be prepared at no additional cost to the City.

Consultant will not be held liable for reuse of documents produced under this Agreement or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 **TERM. .** The term of this Agreement shall be from date at which both parties have completed execution and shall terminate at midnight December 31, 2025. The parties may extend the term of this Agreement by written mutual agreement.

III.4 **NONASSIGNABLE**. The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

III.5 **EMPLOYMENT**.

a. The term "employee" or "employees" as used herein shall mean any officers, agents, or employee of the of the Consultant.

b. Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Consultant.

c. Consultant represents, unless otherwise indicated below, that all employees of Consultant that will provide any of the work under this Agreement have not ever been retired from a Washington State retirement system, including but not limited to Teacher (TRS), School District (SERS), Public Employee (PERS), Public Safety (PSERS), law enforcement and fire fighters (LEOFF), Washington State Patrol (WSPRS), Judicial Retirement System (JRS), or otherwise. *(Please indicate No or Yes below)*

______ No employees supplying work have ever been retired from a Washington state retirement system.

______ Yes employees supplying work have been retired from a Washington state retirement system.

In the event the Consultant indicates "no", but an employee in fact was a retiree of a Washington State retirement system, and because of the misrepresentation the City is required to defend a claim by the Washington State retirement system, or to make contributions for or on account of the employee, or reimbursement to the Washington State retirement system for benefits paid, Consultant hereby agrees to save, indemnify, defend and hold City harmless from and against all expenses and costs, including reasonable attorney's fees incurred in defending the claim of the Washington State retirement system and from all contributions paid or required to be paid, and for all reimbursement required to the Washington State retirement system. In the event Consultant affirms that an employee providing work has ever retired from a Washington State retirement system, said employee shall be identified by Consultant, and such retirees shall provide City with all information required by City to report the employment with Consultant to the Department of Retirement Services of the State of Washington.

III.6 **INDEMNITY**.

a. **Indemnification / Hold Harmless.** Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

b. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

c. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

d. **Public Records Requests.** In addition to Paragraph IV.3 b, when the City provides the Consultant with notice of a public records request per Paragraph IV. 3 b, Consultant agrees to save, hold harmless, indemnify and defend the City its officers, agents, employees and elected officials from and against all claims, lawsuits, fees, penalties and costs resulting from the consultant's violation of the Public Records Act RCW 42.56, or consultant's failure to produce public records as required under the Public Records Act.

e. The provisions of this section III.6 shall survive the expiration or termination of this agreement.

III.7 **INSURANCE**.

a**.** **Insurance Term.** The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

b. **No Limitation.** Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

c. **Minimum Scope of Insurance - Consultant shall obtain insurance of the types described below:**

(1) Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.

(2) Commercial General Liability insurance shall be written at least as broad on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap, independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.

(3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

(4) Professional Liability insurance appropriate to the Consultant's profession.

d. **The minimum insurance limits shall be as follows:**
Consultant shall maintain the following insurance limits:

(1) Commercial General Liability. Insurance shall be written with limits no less than $1,000,000 per occurrence; and $2,000,000 general aggregate.

(2) Automobile Liability. Insurance with a minimum $1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington.

(4) Professional Liability/Consultant's Errors and Omissions Liability. Insurance shall be

written with limits no less than $1,000,000 per claim and $1,000,000 policy aggregate limit.

e. **Notice of Cancellation**. In the event that the Consultant receives notice (written, electronic or otherwise) that any of the above required insurance coverage is being cancelled and/or terminated, the Consultant shall immediately (within forty-eight (48) hours) provide written notification of such cancellation/termination to the City.

f. **Acceptability of Insurers**. Insurance to be provided by Consultant shall be with insurers with a current A.M. Best rating of no less than A: VII, or if not rated by Best, with minimum surpluses the equivalent of Best VII rating.

g. **Verification of Coverage**. In signing this agreement, the Consultant is acknowledging and representing that required insurance is active and current. Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work. Further, throughout the term of this Agreement, the Consultant shall provide the City with proof of insurance upon request by the City.

h. **Insurance shall be Primary - Other Insurance Provision**. The Consultant's insurance coverage shall be primary insurance as respect the City. The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

i. **Claims-made Basis**. Unless approved by the City all insurance policies shall be written on an "Occurrence" policy as opposed to a "Claims-made" policy. The City may require an extended reporting endorsement on any approved "Claims-made" policy.

j. **Failure to Maintain Insurance.** Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

k. **Public Entity Full Availability of Consultant Limits**
If the Consultant maintains higher insurance limits than the minimums shown above, the Public Entity shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Consultant, irrespective of whether such limits maintained by the Consultant are greater than those required by this contract or whether any certificate of insurance furnished to the Public Entity evidences limits of liability lower than those maintained by the Consultant.

III.8 **DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION**. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 **UNFAIR EMPLOYMENT PRACTICES**. During the performance of this Agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 **LEGAL RELATIONS**. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this Agreement. The Consultant represents that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this Agreement are fully qualified and properly licensed to perform the work to which they will be assigned. This Agreement shall be interpreted and construed in accordance with the laws of Washington. Venue for any litigation commenced relating to this Agreement shall be in Sedro-Woolley County Superior Court.

III.11 **INDEPENDENT CONTRACTOR**.

a. The Consultant and the City understand and expressly agree that the Consultant is an independent contractor in the performance of each and every part of this Agreement. The Consultant expressly represents, warrants and agrees that his status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Consultant shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

b. The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Consultant shall pay the same before it becomes due.

c. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.

d. Prior to commencement of work, the Consultant and all approved Subcontractors/Subconsultants shall obtain a business license from the City.

e. **Municipal Research Service Center (MRSC) Roster Registration.**
The Consultant shall register or maintain registration on the MRSC Consultant Roster.

f. **Debarment.**
Consultant represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-consultants are listed on any state or federal debarment list.

III.12 **CONFLICTS OF INTEREST.** The Consultant agrees to and shall notify the City of any potential conflicts of interest in Consultant's client base and shall obtain written permission from the City prior to providing services to third parties where a conflict or potential conflict of interest is apparent. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

III.13 **CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

III.14 **SUBCONTRACTORS/SUBCONSULTANTS**.

a. The Consultant shall be responsible for all work performed by subcontractors/subconsultants pursuant to the terms of this Agreement.

b. The Consultant must verify that any subcontractors/subconsultants they directly hire meet the responsibility criteria for the project. Verification that a subcontractor/subconsultant has proper license and bonding, if required by statute, must be included in the verification process. The Consultant will use the following Subcontractors/Subconsultants: ______________________________

c. The Consultant may not substitute or add subcontractors/subconsultants without the written approval of the City.

d. All Subcontractors/Subconsultants shall have the same insurance coverages and limits as set forth in this Agreement and the Consultant shall provide verification of said insurance coverage.

## ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 **PAYMENTS**.

a. The Consultant shall be paid by the City for services rendered under this Agreement as described in the Scope of Services **Exhibit A**. In no event shall the compensation paid to Consultant under this Agreement exceed **five-hundred thousand dollars and zero cents** ($500,0000) without the written agreement of the Consultant and the City. Such payment shall be full compensation for work performed and services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work per the Fee Schedule **Exhibit B.** In the event the City elects to expand the scope of services from that set forth in **Exhibit A**, the City shall pay Consultant a mutually agreed amount**.**

b. The Consultant shall submit an invoice to the City for services performed at completion of the project in a format acceptable to the City. The Consultant shall maintain time and expense records and provide them to the City upon request.

c. The City will pay timely submitted and approved invoices within ten (10) days after approval by the City Council.

IV.2 **CITY APPROVAL**. Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this Agreement must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the Scope of Services and City requirements.

IV.3 **MAINTENANCE/INSPECTION OF RECORDS**.

a. The Consultant shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Consultant shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Consultant shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Consultant shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

b. **Public Records**

The parties agree that this Agreement and records related to the performance of the Agreement are with limited exception, public records subject to disclosure under the Public Records Act RCW 42.56. Further, in the event of a Public Records Request to the City, the City may provide the Consultant with a copy of the Records Request and the Consultant shall provide copies of any City records in Consultant’s possession, necessary to fulfill that Public Records Request. If the Public Records Request is large the Consultant will provide the City with an estimate of reasonable time needed to fulfill the records request.

## ARTICLE V. GENERAL

V.1 **NOTICES**. Notices to the City shall be sent to the following address:

325 Metcalf Street
Sedro-Woolley, WA 98284

Notices to the Consultant shall be sent to the following address:

XXXXXXX

Receipt of any notice shall be deemed effective three (3) days after deposit of written notice in the U.S. mail with proper postage and address.

V.2 **TERMINATION**. The right is reserved by the City to terminate this Agreement in whole or in part at any time upon ten (10) calendar days' written notice to the Consultant.

If this Agreement is terminated in its entirety by the City for its convenience, the City shall pay the Consultant for satisfactory services performed through the date of termination in accordance with payment provisions of Section IV.1.

V.3 **DISPUTES**. The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

V.4 **EXTENT OF AGREEMENT/MODIFICATION**. This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

V.5 **SEVERABILITY**

a. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

b. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

V.6 **NONWAIVER**. A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

V.7 **FAIR MEANING**. The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

V.8 **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

V.9 **VENUE.** The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Skagit County, Washington.

V.10 **COUNTERPARTS**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

V.11 **AUTHORITY TO BIND PARTIES AND ENTER INTO AGREEMENT**. The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth below.

DATED this ______ day of ________________, 2024.

| | |
|---|---|
| CITY OF SEDRO-WOOLLEY | VOLUNTEERS OF AMERICA WESTERN WASHINGTON |
| By______________________________ | By ______________________________ |
| Julia Johnson, Mayor | XXXX |

Approved as to form:

______________________________
Nikki Thompson, City Attorney

**Exhibit A/B**
**Scope of Services**

Volunteers of America Western Washington

## VOA North - 1724 E Rio Vista Ave, Burlington, WA

VOA North is a project of Volunteers of America Western Washington (VOAWW) located in Burlington, Skagit County. The new construction project will include 42 units, 28 1 bedroom and 14 2-bedroom units, with a focus on serving veterans, including 12 units set aside for veterans who are homeless. Fifty percent (50%) of the units will serve households at or below 30% of AMI and 50% of the units will serve households at or below 50% of AMI. There will also be one onsite resident manager's unit. Resident services will include onsite case management and supportive services through VOAWW and its community partners. VOA North will provide residents of Skagit County who have limited housing options a supportive and affordable community to call home.

The VOA North project will be located on 1.87 acres in the city of Burlington. The project is designed as a cluster of five three-story buildings and a community building with 6 additional units. Surrounding each building will be green space and a play area will be located at one of the green spaces. Resident and visitor parking will be provided via surface spaces off the drive aisles adjacent to the residential buildings. The community building will provide a commons room and offices for resident services and property management. There are two warehouse structures and an old garage currently on site that will be demolished as part of the project. Construction is anticipated to start in June 2025 with completion in July 2026.

The Sedro Woolley 1590 funds will be used to fund a portion of the architectural and permitting costs of the project.

**Project Sources and Uses**

| Permanent Uses | |
| --- | --- |
| Acquisition Costs | 807,000 |
| Construction | 14,799,762 |
| Soft Costs | 1,261,283 |
| Predevelopment Fees | 75,000 |
| Construction Financing | 275,083 |
| Permanent Financing | 50,000 |
| Other Development Costs | 3,177,061 |
| | |
| **TOTAL** | **20,445,190** |
| | |
| | |
| **Permanent Sources** | |
| State HOME | 2,000,000 |
| State HTF | 12,858,202 |
| City of Burlington 1590 | 1,150,000 |
| Skagit County HOME | 2,000,000 |
| Commerce CHIP | 1,396,231 |
| Sedro Woolley | 500,000 |
| Perm Loan | - |
| Deferred Developer Fee | 540,757 |
| **TOTAL** | **20,445,190** |

# House Bill 1590 Funding Options

| **Minimum of 60% of Funds Collected** | **Remainder of funds collected (up to 40%) – these are the funds requested for the North Star Project** |
|---|---|
| Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services. Persons for which housing is constructed must be at or below 60% of the median income of the county. Persons must also be one of the following:<br><br>• Persons with behavioral health disabilities<br>• Veterans<br>• Senior citizens<br>• Homeless, or at risk of being homeless, families with children<br>• Unaccompanied homeless youth or young adults<br>• Persons with disabilities<br>• Domestic violence survivors | Operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services. |
| Constructing mental and behavioral health-related facilities | |
| Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers | |

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1590**

66th Legislature
2020 Regular Session

Passed by the House March 9, 2020
Yeas 52 Nays 44

**Speaker of the House of Representatives**

Passed by the Senate March 6, 2020
Yeas 27 Nays 21

**President of the Senate**

Approved

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1590** as passed by the House of Representatives and the Senate on the dates hereon set forth.

**Chief Clerk**

FILED

**Secretary of State**
**State of Washington**

# HOUSE BILL 1590

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

**State of Washington 66th Legislature 2019 Regular Session**

**By** Representatives Doglio, Dolan, Macri, Cody, Gregerson, Wylie, Appleton, Robinson, Ormsby, Frame, and Davis

Read first time 01/24/19. Referred to Committee on Housing, Community Development & Veterans.

AN ACT Relating to allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority; and amending RCW 82.14.530.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec. 1.** RCW 82.14.530 and 2015 3rd sp.s. c 24 s 701 are each amended to read as follows:

(1)(a)<u>(i)</u> A county legislative authority may submit an authorizing proposition to the county voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

<u>(ii) As an alternative to the authority provided in (a)(i) of this subsection, a county legislative authority may impose, without a proposition approved by a majority of persons voting, a sales and use tax in accordance with the terms of this chapter. The rate of tax under this section may not exceed one-tenth of one percent of the</u>

selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(b)(i) If a county ((~~with a population of one million five hundred thousand or less has not imposed~~)) does not impose the full tax rate authorized under (a) of this subsection ((~~within two years of October 9, 2015~~)) by September 30, 2020, any city legislative authority located in that county may ((~~submit~~)):

(A) Submit an authorizing proposition to the city voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used;

(B) Impose, without a proposition approved by a majority of persons voting, the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter.

(ii) The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

((~~(ii) If a~~)) (iii) A county with a population of greater than one million five hundred thousand ((~~has not imposed the full~~)) may impose the tax authorized under (a)(ii) of this subsection ((~~within three years of October 9, 2015, any city legislative authority~~)) only if the county plans to spend at least thirty percent of the moneys collected under this section that are attributable to taxable activities or events within any city with a population greater than sixty thousand located in that county ((~~may submit an authorizing proposition to the city voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax~~)) within that city's boundaries.

(c) If a county imposes a tax authorized under (a) of this subsection after a city located in that county has imposed the tax authorized under (b) of this subsection, the county must provide a credit against its tax for the full amount of tax imposed by a city.

(d) The taxes authorized in this subsection are in addition to any other taxes authorized by law and must be collected from persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county for a county's tax and within a city for a city's tax.

(2)(a) Notwithstanding subsection (4) of this section, a minimum of sixty percent of the moneys collected under this section must be used for the following purposes:

(i) Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services; or

(ii) Constructing mental and behavioral health-related facilities; or

(iii) Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers.

(b) The affordable housing and facilities providing housing-related programs in (a)(i) of this subsection may only be provided to persons within any of the following population groups whose income is at or below sixty percent of the median income of the county imposing the tax:

(i) Persons with ((~~mental illness~~)) behavioral health disabilities;

(ii) Veterans;

(iii) Senior citizens;

(iv) Homeless, or at-risk of being homeless, families with children;

(v) Unaccompanied homeless youth or young adults;

(vi) Persons with disabilities; or

(vii) Domestic violence survivors.

(c) The remainder of the moneys collected under this section must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.

(3) A county that imposes the tax under this section must consult with a city before the county may construct any of the facilities authorized under subsection (2)(a) of this section within the city limits.

(4) A county that has not imposed the tax authorized under RCW 82.14.460 prior to October 9, 2015, but imposes the tax authorized

under this section after a city in that county has imposed the tax authorized under RCW 82.14.460 prior to October 9, 2015, must enter into an interlocal agreement with that city to determine how the services and provisions described in subsection (2) of this section will be allocated and funded in the city.

(5) To carry out the purposes of subsection (2)(a) and (b) of this section, the legislative authority of the county or city imposing the tax has the authority to issue general obligation or revenue bonds within the limitations now or hereafter prescribed by the laws of this state, and may use, and is authorized to pledge, up to fifty percent of the moneys collected under this section for repayment of such bonds, in order to finance the provision or construction of affordable housing, facilities where housing-related programs are provided, or evaluation and treatment centers described in subsection (2)(a)(iii) of this section.

(6)(a) Moneys collected under this section may be used to offset reductions in state or federal funds for the purposes described in subsection (2) of this section.

(b) No more than ten percent of the moneys collected under this section may be used to supplant existing local funds.

**--- END ---**

City Council Agenda Item

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**Agenda Item No.:** m.1.

**Date:** July 10, 2024

**From:** Charlie Bush, City Administrator, Frank Wagner, Fire Chief

**Subject:** Guiding Principles for Fire District 8 Service Contract Negotiation

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**RECOMMENDED ACTION:**

Motion to approve the guiding principles for Fire District 8 negotiations.

**ISSUE:**

Staff recommends approval when/if the City Council feels comfortable with the guiding principles. Action would be beneficial at this meeting as it will allow staff to begin negotiations sooner. The outcome of negotiations will have General Fund implications for the 2025 and 2026 budgets.

**BACKGROUND/SUMMARY INFORMATION:**

The City of Sedro-Woolley and Fire District 8 have partnered for more than 30 years, with the City responding to most of the fire and basic life support calls in the District. Late in 2021, the City Council approved the current interlocal agreement (attached), which made financial adjustments that brought the contract more in line with the City's actual expenses to respond to calls in the District. That contract expires at the end of this year. City and District staff are preparing to sit down to discuss the next contract. The City's services and staff costs are changing significantly in 2024, with the addition of 8 full-time firefighters through the 2023 levy lid lift. Staff are recommending that the next contract with Fire District 8 more accurately reflects and adjusts to the direct costs of service for the City. The attached set of guiding principles, if adopted into the next contract, would help to accomplish this goal.

The current contract adopted a mostly fixed rate for services, based upon an average call volume from prior years and the Fire Department's budget (non EMS) split down to the average cost per call. The City had requested a variable rate based upon call volume through negotiations. The District recently also advocated for a variable rate so we are checking with you regarding your support for adopting this concept. Chief Wagner can speak more to the benefits and challenges of this approach.

The last contract also included a fixed cost of living increase that ran significantly below the actual inflation rate throughout the contract. The City and District had a contract opener going into the third year of the contract to discuss inflation. The District refused to make any adjustments to the rate, despite the high inflation that ran throughout the duration of this contract. The City then had the option to cancel the contact or to finish it with the standard cost of living rate and we chose the latter as there was less than a year left until it expired. For this reason, and others, staff strongly recommends that CPI adjustments be automatically adjusted to the market in the next contract to avoid this situation repeating itself. Otherwise, payments in the contract will fall below the City's costs for delivering services to the District.

**FISCAL IMPACT, IF APPROPRIATE:**

There is no direct fiscal impact from adopting guiding principles.

There will be an undetermined impact from approving the interlocal agreement that staff could be discussing later this year with you. If these guiding principles are incorporated into the next contract, we anticipate a significant increase in revenues. This would offset our significantly increased response costs in the District, with full-time staff now serving as our first responders and all of the inflation that occurred over the past three years that is **not** incorporated in the District's current payment for services. This contract currently represents approximately $350,000 of revenue in the General Fund in 2024. The City will also be receiving an additional $307,000 in General Fund revenue from the new EMS levy in 2025.

In 2025, new EMS levy funds could help to offset the impact to the General Fund should Fire District 8 decide that it does not want to receive services from the City by approving a new interlocal agreement. In that scenario, response times for city residents would improve due to units not having to respond out in the District and instead being available for calls in the city. There would also be some cost savings on issues like fuel and vehicle maintenance that would help this become almost an outcome with zero net financial impact to the City (additional EMS levy revenue considered with cost savings for responding to fewer calls).

**ATTACHMENTS:**

1. District 8 Negotiations Guiding Principles
2. City of SW_District 8 2022-2024 Final

# City of Sedro-Woolley

<u>Interlocal Agreement with Fire District 8 for Fire and EMS Services</u>

*Guiding Principles for Negotiations of Successor Contract (to begin in 2025)*

The City Council desires to see an interlocal agreement that reflects the following content:

- Maintain the general terms of service of the current contract.
- The contract will be at least three-years.
- It will be a volume-based contract that adjusts with the number of calls for service to the District that fall under this contract.
- It will include full direct cost recovery for Sedro-Woolley, based upon an amount determined from the fire department's budget, minus Skagit County EMS expenses, allocated on an average cost per call basis.
- Automatic annual adjustments to the amount charged per call based upon the Seattle-Tacoma-Bellevue, WA Consumer Price Index (CPI-U).

# AGREEMENT FOR FIRE AND EMERGENCY MEDICAL SERVICES AND JOINT OPERATION OF FACILITIES

This agreement is entered into between **SKAGIT COUNTY FIRE PROTECTION DISTRICT NO. 8**, a special purpose district of the State of Washington, hereafter referred to as "District," and the **CITY OF SEDRO-WOOLLEY**, a municipal corporation of the State of Washington, hereafter referred to as "City."

This agreement is entered into by the City under the authority of RCW 35A.11.040 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 is in need of, and the City is able to provide, fire prevention, suppression and medical aid services to an area within the boundaries of the District. The Parties require a contract to identify rights and responsibilities and to provide for mutual assistance between the parties.

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.** This agreement shall be effective on January 1, 2022 and shall remain in effect for a period of three years or until either party shall give to the other party twelve months written notice of termination.

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 are 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, 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 stations shall be used by the City as reserve response units for emergency calls located within the District regardless of where used.

6. **Training Facility.** The City training facility located at 1950 Third Street may be utilized by the District and their insured personnel as part of this agreement. The District shall agree to the terms and conditions of the current 'Fire Training Facility Use Agreement'. Facility Fees will be waived as part of this agreement; however, the District will be responsible for any consumable costs. Consumable costs would include but not be limited to propane, plywood, vehicles utilized for training and their disposal. Consumable costs for joint training will be split evenly between the District and the City.

7. **Mutual Assistance.** Both parties agree to adhere to the terms of the Interlocal Agreement By and Between Skagit County Jurisdictions for Mutual Aid for Fire and Emergency Services to handle responses outside of the contracted hours covered through this agreement.

8. **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. The City will provide personnel to complete apparatus checks at all four stations of the District on a weekly basis. Apparatus checks will be documented by personnel and shared with the District Chief. If apparatus checks are not completed due to unforeseen circumstances, the City Fire Chief, or their designee, will communicate with the District Chief.

9. **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.

**9.1** Self-Insured/Liability Pool or Self-Insured Risk Management Program - With prior approval either party may provide the coverage above under a self-insured/liability pool or self-insured risk management program. In order to obtain permission, the Party shall provide to the other Party: (1) a description of its self-insurance program, and (2) a certificate and/or letter of coverage that outlines coverage limits and deductibles. The other Party, its officers, officials, employees and agents need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

10. **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.

11. **Personnel.**

11.1 The City shall provide trained responders to mitigate fire and medical services for dispatched calls in the District. The City will provide equipment, training, and oversight of said responders.

11.2 The City will handle initial primary responses in Zone 8 South 24 hours per day, 7 days a week and Zones 8N and 8E Monday through Friday from 0600-1800 hours with no specific staffing requirements. These areas are referenced in the attached exhibit titled Fire Zone Map.

11.3 The City of Sedro-Woolley and Fire District 8 agree that all Duty Officer non-emergent calls inside District 8 boundaries will be handled by District 8 personnel twenty-four (24) hours per-day seven (7) days per-week. In the event that Fire District 8 personnel are unable to respond to a dispatched call, the Sedro-Woolley Fire Department agrees to respond. The Sedro-Woolley Fire Chief, or designee, and Fire District 8 Chief, will coordinate together response plans for calls classified as "non-emergent". During the first year of this agreement, Fire District 8 agrees to front load 15 non-emergent calls into the flat fee compensation agreement (15 calls @ $513.00

per-call for a total amount of $7,695). The City of Sedro-Woolley and Fire District 8 agree to meet by July 31, 2022 to discuss and coordinate the amount of non-emergent calls for each department and discuss any changes in compensation for years two and three of this agreement.

11.4 The City and the District agree that personnel from their respective departments may, at their own election, access the other party's stations and equipment for the purposes of responding to a call or backfilling a station. No compensation shall be paid from either the City or the District to one another when a firefighter volunteers to respond or backfill a station without being directed by command staff. Each party will be responsible for its own firefighter's insurance and compensation. Firefighters who elect to respond will adhere to the incident command system and will notify the officer in charge that they are on scene or standing by.

12. **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:

12.1 All responses provided by the City shall be funded by the District at an initial annual amount of $347,814 for 2022, split into February, May, August, and November billings. This amount includes the $7,695 for Duty Officer non-emergent calls referenced above. The District shall pay the City within forty-five days following receipt of a billing statement.

12.2 The annual amount will increase by 2 percent per year. The District and the City agree to meet by July 31, 2023 to assess actual costs for service and whether the increase from years two to three of the agreement should exceed 2 percent.

12.3 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 Section 7 of this Agreement.

13. **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 of writing.

14. **Treatment of assets and property.** No fixed assets or personal or real property will be

jointly or cooperatively acquired, held, or disposed of pursuant to this Agreement.

15. **No partnership or joint venture.** No partnership and/or joint venture exists between the parties, and no partnership and/or joint venture is created by and between the parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, and/or other representative of the parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other party.

16. **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.

17. **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.

18. **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.

Dated: _______________, 2021

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|---|---|
| Skagit County Fire District #8 | City of Sedro-Woolley |
| By: _____________________<br>Commissioner | By: ______________________<br>Mayor |
| By: ______________________<br>Commissioner | Attest: ____________________<br>City Clerk |
| By: ______________________<br>Commissioner | Approved as to form: |
| By: ______________________<br>Commissioner | ___________________________<br>City Attorney |