

**CITY COUNCIL MEETING
AGENDA**

**August 5, 2026
7:00 PM
Civic Center**

The Granite City Council will hold its meeting in person. A Zoom link may be requested by contacting the City Clerk by email: Darla.Wilkins@ci.granite-falls.wa.us, no later than 3:00 PM on the day of the meeting. Virtual access is provided for listening purposes only. Public comment will not be accepted via Zoom. City residents who wish to provide comment may email the City Clerk with their name, address, and the message they would like to have read into the record.

- 1. CALL TO ORDER**
- 2. FLAG SALUTE**
- 3. ROLL CALL**
- 4. CONSENT AGENDA**
 - 4.a. AB 115-2026 Approval of July 15, 2026 Minutes**
 - 4.b. AB 116-2026 Approval of August 5, 2026 Claims Checks #415428 through 416478 totaling \$941,923.10**
 - 4.c. AB 117-2026 Approval of July 1, 2026, through July 15, 2026, Payroll Claims Checks Consisting of Twenty-Two EFT's totaling \$102,653.83**
- 5. STAFF REPORTS**
 - 5.a. Passports**
 - 5.b. City Manager through July 27, 2026**
 - 5.c. Jan 1 - Jul 15 2026 Purchasing / Claims Report (per Resolution 2026-03)**
 - 5.d. City Clerk**
 - 5.e. Consultant Police Chief**
 - 5.f. Public Works**
 - 5.g. Planning**
- 6. PUBLIC COMMENTS/RECOGNITION OF VISITORS-NON-ACTION ITEMS**

(The public is encouraged to submit written comments prior to the meeting by emailing them directly to the city clerk at: darla.wilkins@ci.granite-falls.wa.us; and should be submitted no later than 5PM. Public comment speakers can sign up prior to the meeting, or wait for the public

comment section of the meeting to be open by the presiding officer. Individual comments shall be limited to three minutes. Group comments shall be limited to five minutes).

7. NEW BUSINESS

- 7.a. AB 118-2026 Consideration to approve the Professional Services Proposal with RWD for Architectural and Engineering Services related to Legion Park development.**
- 7.b. AB 119-2026 Presentation - H1 2026 Financial Report / City of Granite Falls Strategic Plan 2027–2036**
- 7.c. AB 120-2026 Consideration to Approve the Services Agreement with Idemia Identity & Security USA, LLC (WA Universal Enrollment Services)**
- 7.d. AB 121-2026 Consideration to Approve the Letter of Support for Councilmember Nate Nehring's Amendment to the Snohomish County Public Safety Enhancement Sales Tax (PSEST) Ordinance**
- 7.e. AB 122-2026 Consideration to Approve Amendment No. 1 to the Interlocal Agreement with Snohomish County for Municipal Road and Street Services - Term Extension**
- 7.f. AB 123-2026 Consideration to Approve the Boys & Girls Club Galena Street Property Lease for Parking Lot Site Improvements**

8. CURRENT BUSINESS

9. MAYOR'S COMMENT (5 MINUTES)

10. COUNCIL COMMENTS (15 MINUTES)

11. CITY MANAGER (5 MINUTES)

12. ADJOURNMENT

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



CITY COUNCIL AGENDA BILL

Subject: AB 115-2026 Approval of July 15, 2026 Minutes
Originating Dept.: City Clerk

Approval(s): City Clerk

Action Recommended: Approval of the Consent Agenda

Meeting Date: August 5, 2026

Date Submitted: 7/15/2026

Exhibit(s):

1. 07-15-2026 Minutes

Budgeted Amount:
BARS Code:

Summary Statement:

The City Council Minutes are the official action taken and direction given at the meetings of the City Council. Any Council Member may remove an item(s) from the Consent Agenda for discussion and the item(s) would be voted on separately from the other Consent Agenda items.

Background:

Recommended Motion:

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



CITY COUNCIL MEETING MINUTES

**July 15, 2026
7:00 PM
Civic Center**

City Council	Mayor/Council Member Matthew Hartman Mayor Pro Tem/Council Member David Griggs Council Member Steven Glenn Council Member Tom FitzGerald Council Member Bruce Straughn
City Staff	City Clerk Darla Wilkins City Manager Jeff Balentine Deputy City Manager Brent Kirk Public Works Director Charles White Community Development Director Amy Hess Deputy City Clerk Carole Williams
Consultants	Consultant Police Chief Tom Dalton Consultant City Attorney Emily Guildner

1. CALL TO ORDER

Mayor Matthew Hartman called the meeting to order at 7:00 PM.

2. FLAG SALUTE

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

3. ROLL CALL

City Clerk Darla Wilkins verbally called out the Council Member's names and took note of the meeting attendance.

City Manager Jeff Balentine asked to add an item to tonight's agenda - Resolution 2026-10 as New Business Item 7f. - Authorizing Application for the Execution of a Washington Wildlife and Recreation Program (WWRP) Local Parks Category Grant with the Washington State Recreation and Conservation Office for the Legion Park Outdoor Plaza and Veterans Memorial Development Project, and Designating the City Manger as Authorized Representative/Agent.

Mayor Matthew Hartman recognized the request and added the item to the agenda as Item 7f.

4. CONSENT AGENDA

MOTION:	Motion to approve Consent Agenda.
MOVER:	City Council Member Steven Glenn
SECONDER:	City Council Member Bruce Straughn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

4.a. AB 107-2026 Approval of July 1, 2026 Minutes

4.b. AB 108-2026 Approval of July 8, 2026 Minutes

4.c. AB 109-2026 Approval of July 2, 2026 through July 15, 2026 Claims Checks #416396 through 415424 and One EFT totaling \$371,990.76

4.d. AB 110-2026 Approval of June 16, 2026 through June 30, 2026 Payroll Claims Checks #416391 through 416393 and Thirty EFT's totaling \$187,536.34

5. STAFF REPORTS

5.a. Public Works

Public Works Director Charles White commented on the following:

- Mulvaney Sewer Extension (completed)
- Road Restoration (completed next week)
- LID Project (reimbursement submitted for)
- Leaking Hydrant (fixed)
- Community Center (Wi-Fi installed and improvements ongoing)
- Kentucky & Indiana LID Project (update)
- RRFB (update)
- Union & Kentucky Overlay Project (update)
- Legion Park Update (interviews)

5.b. Planning

Community Development Director Amy Hess commented on the following:

- Pilchuck Crossing Project (update)
- Moonbird Farms Project (update)
- Tractor Supply Project (update)
- Nurtured Nuggets Daycare & Preschool (relocating)

5.c. City Clerk Report

City Clerk Darla Wilkins had nothing further to report.

5.d. City Manager Report

City Manager Jeff Ballentine commented on the following:

- 4th of July Fund Run (update)
- National Night Out (Aug. 4th, 4-7pm @ Mt. Way Elementary)
- Purple Heart City Dedication Ceremony (Aug. 7th from 9am-Noon at Community Center)
- Show N' Shine (Aug 1st)
- Looking to add "Sasquatch Day" next year with the 5K
- Asked Chief Dalton to provide an update on Flock SB 6002
- RCO Legion Park Update (grant)
- Thank you to Lyle and Charles (stormwater follow-up)
- Dept. of Ecology Update (fecal bacterial levels declined in Snohomish River)
- Fire Concern in Town with business (fire watch - resolved)
- Park Impact Fees (thank you to Amy)
- REET Flexibility (Abatement & Nuisance properties)

- TSA & TWIC Card Services (onboarding process)
- Q2 Financial Highlights

5.e. Passports

City Manager Jeff Balentine had nothing new to report on the passport office.

5.f. June 2026 Financial Update

This item was covered under the City Manager Report above.

5.g. Consultant Police Chief Report

Consultant Police Chief Tom Dalton commented on the following:

- Shared a PowerPoint presentation that included the following items of discussion:
 - New patch design for the City/Police Department
 - Illegal fireworks & fines
 - Fund Run pictures
 - Fireworks
 - Video of mini-bike/crash (driving off from PD)
 - Illegal Fireworks on Frank Mason Dock/Park

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

No one from the audience signed up or chose to comment during this portion of the meeting.

7. NEW BUSINESS

- 7.a. AB 111-2026 Public Hearing - 7:10 PM, or soon thereafter**
For consideration of Adoption of Ordinance No. 1078-2026 amending Granite Falls Municipal Code Title 19

MOTION:	Motion to open the Public Hearing for consideration of Adoption of Ordinance No. 1078-2026 Amending Granite Falls Municipal Code Title 19.
MOVER:	City Council Member Steven Glenn
SECONDER:	Mayor Pro Tem/City Council Member David Griggs
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member

	Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

MOTION:	Motion to Amend the original motion to include Granite Falls Municipal Code Title 21.
MOVER:	Mayor Pro Tem/City Council Member David Griggs
SECONDER:	City Council Member Steven Glenn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

City Clerk Darla Wilkins entered the following list of Public Hearing Exhibits into the record:

- Exhibit 1 - Public Hearing Notice dated July 2, 2026, 1 Page
- Exhibit 2 - Verification of Public Hearing Posting dated July 2, 2026, 1 Page
- Exhibit 3 - Affidavit of Publication from the Everett Daily Herald dated July 2, 2026, 2 Pages
- Exhibit 4 - Ordinance No. 1078-2026, 108 Pages
- Exhibit 5 - Ordinance No. 1079-2026, 8 Pages

Community Development Director Amy Hess commented on the following items:

- Ordinance No. 1078-2026 are amendments to Title 19 related to:
 - Bulk and Dimensional Standards
 - Types of Review
 - Definitions
 - Uses
 - Purpose of Amendments
 - Minor changes made after last week's review included:
 - Tiny Houses Definition Added
 - Identified Zones in which Tiny Houses can be located
 - Mobile or Manufactured Home Park added what zones

are allowed in

- The Permitted Use Table now matches the text for allowance in MR zone only

- Ordinance No. 1079-2026 the updates are intended to provide clarity and ensure a consistent application of Impact Fees. The code currently prohibits the City from collecting impact fees for schools and parks on Accessory Dwelling Units (ADU's). The proposed language allows us to do this and also updates the administration fee the City can collect on behalf of the school district for staff costs.

Mayor Matthew Hartman opened the Public Testimony portion of the Public Hearing.

No one in the audience signed up or chose to comment on the Public Hearing.

Mayor Matthew Hartman closed the Public Testimony of the Public Hearing.

MOTION:	Motion to close the Public Hearing with action to follow.
MOVER:	City Council Member Bruce Straughn
SECONDER:	City Council Member Tom FitzGerald
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

MOTION:	Motion to Adopt Ordinance No. 1078-2026, an Ordinance of the City of Granite Falls, Washington, amending Title 19 of the Granite Falls Municipal Code as proposed.
MOVER:	City Council Member Steven Glenn
SECONDER:	City Council Member Tom FitzGerald
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member

	Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

MOTION:	Motion to adopt Ordinance No. 1079-2026, an Ordinance of the City of Granite Falls, Washington, amending Title 21 of the Granite Falls Municipal Code as proposed.
MOVER:	Mayor Pro Tem/City Council Member David Griggs
SECONDER:	City Council Member Steven Glenn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

**7.b. AB 111-2026 Public Hearing - 7:10 PM, or soon thereafter
For consideration of Adoption of Ordinance No. 1079-2026 amending
Granite Falls Municipal Code Title 21**

MOTION:	Motion to adopt Ordinance No. 1079-2026, an Ordinance of the City of Granite Falls, Washington, amending Title 21 of the Granite Falls Municipal Code as proposed.
MOVER:	Mayor Pro Tem/City Council Member David Griggs
SECONDER:	City Council Member Steven Glenn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

**7.c. AB 112-2026 Public Hearing - 7:20 PM, or soon after
For consideration of Adoption of Ordinance No. 1080-2026**

Transportation Benefit District (TBD) Amending the TBD Ordinance

MOTION:	Motion to open the Public Hearing for consideration of Adoption of Ordinance No. 1080-2026.
MOVER:	City Council Member Steven Glenn
SECONDER:	City Council Member Bruce Straughn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

City Clerk Darla Wilkins entered the following list of Public Hearing Exhibits into the record:

- Exhibit 1 - Public Hearing Notice dated July 2, 2026, 1 Page
- Exhibit 2 - Verification of Public Hearing Posting dated July 2, 2026, 1 Page
- Exhibit 3 - Affidavit of Publication from the Everett Daily Herald dated July 2, 2026, 2 Pages
- Exhibit 4 - Ordinance No. 1080-2026, Amend TBD GFMC, 3 Pages

City Manager Jeff Balentine explained this Ordinance will update the current GFMC Chapter 10.85.030 which reflects the existing \$20 vehicle license fee structure, but a code amendment is recommended before a possible adoption of a TBD sales tax so that the City's code expressly references the full range of available statutory TBD revenue tools rather than relying on the current hard-coded local language.

The City of Granite Falls has had the \$20 TBD vehicle fee in place since 2016, generating about \$77,557 annually, and the City's transportation preservation and street funding needs now exceed what the decade-old fee structure can support on its own. By amending GFMC 10.85.030 now, the Council can update the code, align local authorities with current state law, and establish the legal foundation for potential increases in the future.

Mayor Matthew Hartman opened the Public Testimony portion of the Public Hearing.

No one in the audience signed up or chose to comment on the Public Hearing.

Mayor Matthew Hartman closed the Public Testimony of the Public Hearing.

MOTION:	Motion to close the Public Hearing with action to follow.
MOVER:	City Council Member Steven Glenn
SECONDER:	City Council Member Bruce Straughn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

MOTION:	Motion to adopt Ordinance No, 1080-2026 amending Chapter 10.85 GPMC and Section 10.85.030 GPMC to authorize the City, acting by and through its City Council, to impose the vehicle license fee in the amount allowed by RCW 82.80.140 and to impose a Transportation Benefit District sales and use tax as authorized by RCW 82.14.0455, subject to applicable statutory limitations.
MOVER:	Mayor Pro Tem/City Council Member David Griggs
SECONDER:	City Council Member Steven Glenn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

7.d. AB 113-2026 Consideration of Adoption of Ordinance No.1081-2026; Imposing a 0.1% Transportation Benefit District Sales and Use Tax

MOTION:	Motion to adopt Ordinance No. 1081-2026 imposing a Transportation Benefit District sales and use tax of one-tenth of one percent (0.1%) for transportation improvements as authorized by Chapter 36.73 RCW, RCW 82.14.0455, and Chapter 10.85 GPMC, while maintaining
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	the City's current \$20 TBD vehicle license fee.
MOVER:	City Council Member Steven Glenn
SECONDER:	Mayor Pro Tem/City Council Member David Griggs
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	City Council Member Tom FitzGerald
RESULT:	Passed

7.e. AB 114-2026 Consideration to approve the Interlocal Agreement with Snohomish County for Urban Tree Canopy Mapping services

MOTION:	Motion to authorize the City Manager to execute the Intergovernmental Services Agreement between Snohomish County and the City of Granite Falls for the Urban Tree Canopy Mapping Project, with the City's cost for services not to exceed \$1,000.00
MOVER:	City Council Member Tom FitzGerald
SECONDER:	City Council Member Bruce Straughn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

7.f. Consideration of Approval of Resolution 2026-10 Authorizing Application for the Execution of a Washington Wildlife and Recreation Program (WWRP) Local Parks Category Grant with the Washington State Recreation and Conservation Office for the Legion Park Outdoor Plaza and Veterans Memorial Development Project, and Designating the City Manger as Authorized Representative/Agent.

MOTION:	Motion to approve Resolution 2026-10 A Resolution of the City Council of the City of Granite Falls, Washington, authorizing application for and execution of a Washington Wildlife and Recreation Program (WWRP) Local Parks
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	Category Grant with the Washington State Recreation and Conservation Office for the Legion Park Outdoor Plaza and Veterans Memorial Development Project, and designating the City Manager as the Authorized Representative/Agent.
MOVER:	Mayor Pro Tem/City Council Member David Griggs
SECONDER:	City Council Member Tom FitzGerald
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

8. CURRENT BUSINESS

There were no Current Business items for this meeting.

9. MAYOR'S COMMENT (5 MINUTES)

Mayor Matthew Hartman mentioned there will be a magic show at the library on July 25, 2026 from 4-5 PM.

10. COUNCIL COMMENTS (15 MINUTES)

Mayor Pro-Tem / Council Member David Griggs gave an update on the Show 'N Shine Car Show.

Council Member Tom FitzGerald commented on the following:

- SCC Dinner - Tomorrow night at Terracotta Red
- Attending DEM Training (Tuesday)
- Will miss the September 2nd meeting (Hawaii)

Council Member Steven Glenn commented on the following:

- Looking forward to the library events
- Thanked local businesses & clubs for youth activities

Council Member Bruce Straughn had no comments.

11. CITY MANAGER (5 MINUTES)

City Manager Jeff Balentine gave his reports earlier in the meeting.

12. EXECUTIVE SESSION

- 12.a. RCW 42.30.110(1)(i) to discuss pending litigation and RCW 42.30.110(1)(g) to review performance of a public employee with possible action on Amendment to the City Manager Employment Agreement (20 minutes)**

8:48 PM -

MOTION:	Motion to enter into Executive Session per RCW 42.30.110(1)(i) to discuss Pending Litigation and RCW 42.30.110(1)(g) to review Performance of a Public Employee with Possible Action on Amendment to the City Manager Employment Agreement for 20 minutes.
MOVER:	City Council Member Steven Glenn
SECONDER:	City Council Member Bruce Straughn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Tom FitzGerald, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	None
RESULT:	Passed

8:48 PM -

Deputy City Manager Brent Kirk went to the council room doors, opened them, and said the Executive Session was going to start.

9:08 PM -

Council exited the Executive Session.

Deputy City Manager Brent Kirk went to the council room doors, opened them, and said the Executive Session was over.

9:08 PM -

Council went back into its Regular Meeting.

MOTION:	Motion to approve the Amendment to the City Manager Employment Agreement with Jeff Balentine, Option C, with the based salary increased from the proposed \$17,500 a month to \$18,000 a month, effective July 16, 2026, as set forth in the attached amendment, and authorize the Mayor
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	to execute the amendment subject to final review and approval as to form by the City Attorney.
MOVER:	City Council Member Bruce Straughn
SECONDER:	City Council Member Steven Glenn
AYES:	
NAYS:	
RESULT:	

MOTION:	Motion to Amend the Main Motion to change the number from \$17,500 to \$18,500.
MOVER:	Mayor/City Council Member Matthew Hartman
SECONDER:	City Council Member Steven Glenn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	City Council Member Tom FitzGerald
RESULT:	Passed

MOTION:	Motion to approve the Amendment to the City Manager Employment Agreement with Jeff Balentine, Option C, with the based salary increased to \$18,500 a month, effective July 16, 2026, as set forth in the attached amendment, and authorize the Mayor to execute the amendment subject to final review and approval as to form by the City Attorney.
MOVER:	City Council Member Bruce Straughn
SECONDER:	City Council Member Steven Glenn
AYES:	Mayor/City Council Member Matthew Hartman, City Council Member Steven Glenn, Mayor Pro Tem/City Council Member David Griggs, City Council Member Bruce Straughn
NAYS:	City Council Member Tom FitzGerald
RESULT:	Passed

13. ADJOURNMENT

With no further business to come before the City Council, the meeting was adjourned at 9:27 PM.

City Clerk Darla Wilkins, MMC

Mayor Matthew Hartman



CITY COUNCIL AGENDA BILL

Subject: AB 116-2026 Approval of August 5, 2026 Claims Checks #415428 through 416478 totaling \$941,923.10

Originating Dept.: City Manager

Approval(s): City Manager
Finance

Action Recommended: Motion to Approve Other
the Consent Agenda

Meeting Date: August 5, 2026

Date Submitted: 7/31/2026

Exhibit(s): None

Budgeted Amount: \$941,923.10

BARS Code:

001 Current Expense \$317,216.68	101 Streets \$5,124.64	103 Community Events, Arts, Rec. \$4,085.56
303 Cif / Streets = \$33,668.86	401 Water \$5,627.05	402 Cif / Water \$208,300.56
403 Sewer \$17,301.74	404 Cif/Sewer \$7,493.36	405 Storm Drainage \$8,812.35
406 Cif Storm Drainage \$333,059.95	630 Trust Agency \$1,232.35	

Summary Statement:

The August 5, 2026, Claims Checks are for the time period of July 16, 2026, through August 5, 2026.

Background:

Recommended Motion:

- 1) Motion to pay the claims as presented. This can be accomplished as part of the motion to approve the Consent Agenda.
- 2) Motion to amend the claims and approve the minutes as amended.



CITY COUNCIL AGENDA BILL

Subject: AB 117-2026 Approval of July 1, 2026, through July 15, 2026, Payroll Claims Checks Consisting of Twenty-Two EFT's totaling \$102,653.83

Originating Dept.: City Manager

Approval(s): City Manager
Finance
Other

Action Recommended: Motion to Approve the Consent Agenda.

Meeting Date: August 5, 2026

Date Submitted: 7/15/2026

Exhibit(s): None

Budgeted Amount: \$102,653.83

BARS Code:

001 Current Expense \$39,932.19	101 Streets \$9,834.41	401 Water \$16,976.63
403 Sewer \$31,339.83	405 Storm Drainage \$4,570.77	

Summary Statement:

Payroll claims are for the time period of July 1, 2026, through July 15, 2026.

Background:

N/A

Recommended Motion:

- 1) Motion to approve the Payroll Claims as presented. This can be accomplished as part of the motion to approve the Consent Agenda.
- 2) Motion to amend the Payroll Claims and approve the minutes as amended.



CITY COUNCIL AGENDA BILL

Subject: Passports

Originating Dept.: City Council

Action Recommended:

Approval(s):

Meeting Date: August 5, 2026

Date Submitted:

Exhibit(s):

1. COGF Passport PnL

Budgeted Amount:

BARS Code:

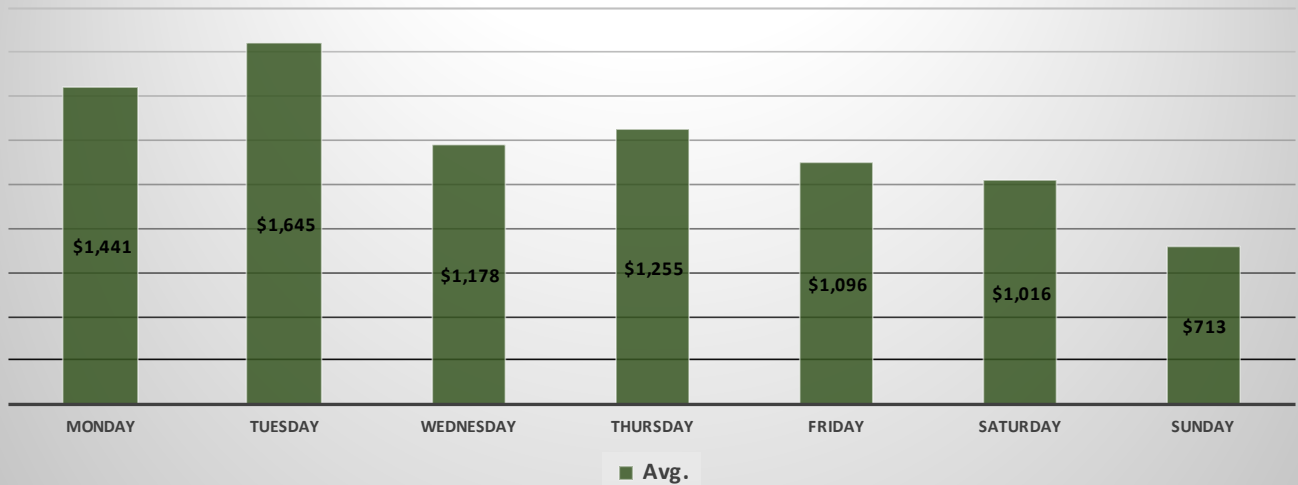
Summary Statement:

Background:

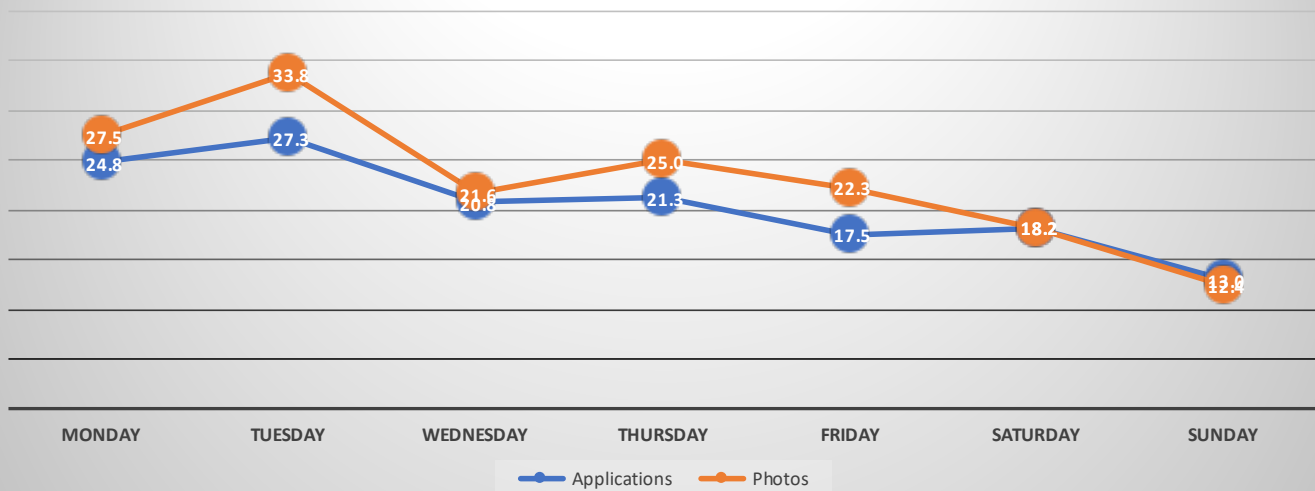
Recommended Motion:

As of July 26, 2026

30-day Statistics By Day



30-day Application & Photo Processing By Weekday



	Revenue since 6-6-2022	Revenue YTD 2026	Gross Margin YTD 2026	
Total Revenue (since 6-6-2022)	\$ 1,232,352.35	\$ 338,755.10	\$ 149,885.25	
30-day Annualized Revenue Trend	\$ 597,321.79		44.2%	
	Gross Margin	% Sales	Tracking v Budget	Revenue Change v prior year
Total Gross Margin (since 6-6-2022)	\$ 547,169.43	44.4%	\$ (59,998.51)	\$ (205,022.51)
30-day Annual Projected Gross Margin	\$ 264,290.42	44.2%	-16.2%	-37.7%
		# Processed	Last 30 day Avg. per day	Break Even
Total Passport Applications Processed		41,771	20.1	15.7
Total Passport Photos Taken		38,602	22.5	14.5



CITY COUNCIL AGENDA BILL

Subject: City Manager through July 27, 2026

Originating Dept.: City Council

Approval(s):

Action Recommended:

Meeting Date: August 5, 2026

Date Submitted:

Exhibit(s):

1. City Manager Staff Report Aug 1 2026

Budgeted Amount:
BARS Code:

Summary Statement:

Background:

Recommended Motion:

City Manager Staff Report

From: Jeff Balentine
Date: July 27, 2026
Re: City Manager Update

The most significant item during this period is Snohomish County's pending criminal justice sales tax proposal. County Executive Dave Somers declared 3% across-the-board reductions, approximately \$22 million, to help address a \$56 million 2027-2028 deficit, while the County Council is scheduled to vote August 12 on a 0.1% criminal justice sales tax projected to raise about \$23.8 million annually. Councilmember's Nate Nehring's proposed amendment would dedicate 15% of the proceeds, roughly \$3.6 million per year, to a jail services and law enforcement grant program for cities, making this a direct policy and funding issue for Granite Falls.

Community Events

- The 45th annual Show N Shine is scheduled from 10:00 a.m. to 3:00 p.m. on Saturday, August 1, 2026.
- National Night Out is set for Tuesday, August 4, at Mountain Way Elementary School from 4:00 p.m. to 7:00 p.m.
- The City will hold a dedication, at the Community Center, on August 7 establishing Granite Falls as a Purple Heart City.
- The Granite Falls Farmers Market continues on Sundays through September 13, 11:00 a.m. to 4:00 p.m. in the FSX parking lot at 301 W. Stanley St., excluding August 2.

Administrative

- Ecology forwarded State Fiscal Year 2028 Water Quality Combined Funding information to the City.
 - Applications open August 11, 2026, and close September 30, 2026 at 5:00 p.m., with applicant workshops scheduled for stormwater projects on August 4, nonpoint and on-site sewage projects on August 5, and wastewater projects on August 6. Staff will review versus the City's wastewater, stormwater, and capital improvement needs so potential applications can be scoped before the application window opens.
- 2027-2031 Street and Road Maintenance Amendment
 - Snohomish County transmitted the 2027-2031 Street and Road Maintenance Amendment for City review and signature.
- Countywide Public Safety Enhancement Sales Tax discussion
 - Councilmember Bruce Straughn and the City Manager discussed the County's proposed Public Safety Enhancement Sales Tax and a proposed amendment from County Councilmember Nate Nehring. The County proposal may impose a countywide 0.1% sales tax, while cities retain authority to enact their own 0.1% tax before June 30, 2028, and the taxes may stack.
- Community Center access-control implementation
 - Public Works provided an update following the final installation of key-code door handles at the Community Center. This will improve facility security and accountability, particularly as the Community Center continues to be used for public and civic activities.
- AWC committee recruitment and risk-management resources
 - I applied to be a part of the AWC Small Cities Committee. AWC confirmed receipt of a committee recruitment submission.

- AWC Risk Management Service Agency also circulated July RMSA information on member standards, cybersecurity resources, and volunteer coverage.

Public Safety and Countywide Policy Issues

- Snohomish County criminal justice sales tax
 - The County's criminal justice sales tax remains the highest-impact regional item for Council. The County Council is scheduled to vote August 12 on a 0.1% criminal justice sales tax that would apply countywide and begin collection in 2027 if adopted. County Council amendments under discussion include annual reporting requirements, a 15% city-accessible jail services and law enforcement grant program, and a possible advisory vote coupled with delayed collection.
 - Granite Falls should decide before August 12 whether to support, oppose, or narrowly support the city grant set-aside amendment. If the County proceeds without city revenue-sharing, City taxpayers would pay the countywide tax without a direct formula distribution to Granite Falls.
- County budget reductions and public-health impacts
 - County Executive Dave Somers directed 3% across-the-board reductions, totaling ~\$22 million, as part of a broader effort to close a \$56 million 2027-2028 deficit.
 - Snohomish County Health Department is eliminating 17 positions, approximately \$1.9 million, to close a roughly \$2 million deficit, with service reductions expected.
 - County budget decisions may affect sheriff, jail, public defense, public health, emergency response, and regional service levels that residents experience even when the City is not the direct provider.
- Burn bans, heat, and smoke
 - Snohomish County issued a Red Flag Warning for July 16, and the countywide burn ban issued June 22 remain in effect.
- Snohomish County Elections mailed approximately 535,000 ballots on July 14 for the August 4 primary, and July 27 is the deadline to register or update registration online or by mail. The August 4 ballot includes Sno-Isle Libraries Proposition 1, a levy restoration to a proposed rate of \$0.47 per \$1,000 of assessed value, and Granite Falls is served by the Sno-Isle Granite Falls Library at 815 E. Galena St.

Transportation, Streets, and Parks

- Getchell Road corridor improvements - 84th St NE, Getchell Road. The project is scheduled through August 2026.
- Snohomish County launched planning for the Centennial Trail South Extension on July 21, covering approximately 12 miles from Snohomish to Woodinville on the former Eastside Rail corridor, with a public survey open through August 29.



CITY COUNCIL AGENDA BILL

Subject: Jan 1 - Jul 15 2026 Purchasing / **Originating Dept.:** City Council
Claims Report (per Resolution 2026-03)

Approval(s):

Action Recommended:

Meeting Date: August 5, 2026

Date Submitted:

Exhibit(s):

1. Staff Report Purchasing and Claims
Report (Jan 1 – Jul 15, 2026)

Budgeted Amount:
BARS Code:

Summary Statement:

Background:

Recommended Motion:

To: City Council
Fm: Jeff Balentine, City Manager
Date: July 28, 2026
RE: Purchasing and Claims Report - January 1 through July 15, 2026 (Resolution 2026-03)

This report is submitted to the City Council pursuant to Resolution 2026-03, Consolidated Purchasing Policies, Procedures, and Delegation of Purchasing Authority, which requires the City Manager to report regularly to the Council on purchases and contracts executed under delegated authority (Section 4.3) and to provide periodic reports listing all purchases and contracts above \$25,000 (Section 12.2). This report consolidates all claims activity for the period January 1 through July 15, 2026, as recorded in the City's Springbrook general ledger claims register.

Reporting Requirements

Resolution 2026-03 establishes the following reporting obligations, each of which is addressed in this report:

- **Section 4.3** - A list of all purchases and contracts executed under delegated authority during the reporting period, including amount, vendor, and a brief description; cumulative spending; and any sole-source or emergency purchases with written justification.
- **Section 12.2(1)** - Monthly or quarterly reports listing all purchases and contracts above \$25,000, including vendor name, contract amount, description, competitive bidding method used, any sole-source or emergency determinations, and budget account charged.
- **Section 12.2(3)** - Exception reporting of any emergency purchases exceeding \$50,000, any sole-source determinations over \$25,000, and any purchasing compliance issues.
- **Section 12.3** - Quarterly posting of a list of contracts awarded under delegated authority (vendor, amount, description, award date) at the City's administrative offices.

Summary of Claims

During the reporting period, the City issued 561 claims payments totaling \$5,518,635 to 177 vendors from KeyBank. Five checks totaling \$18,621.03 were voided during the period and are excluded from the totals below. Monthly activity was as follows:

Period	Claims Issued	Amount
January 2026	88	\$2,096,991.51
February 2026	76	\$486,610.09
March 2026	88	\$483,272.27
April 2026	78	\$341,098.37
May 2026	87	\$647,747.05
June 2026	76	\$586,345.09

Period	Claims Issued	Amount
July 2026 (through 7/15)	68	\$876,570.25
Total	561	\$5,518,634.63

January activity includes the one-time purchase of the fire station property at 116 S. Granite Avenue (\$1,002,310.73, paid through Olympic Escrow Inc.), a real-property transaction approved by the City Council consistent with Section 6.1 of the Resolution.

Purchases and Contracts Above \$25,000 (Section 12.2)

Exhibit A lists all 37 claims payments of \$25,000 or more issued during the reporting period, totaling \$4,495,969.98 (81.5% of all claims dollars). The largest items are progress payments on Council-awarded public works contracts (the WWTP upgrade contract with Harbor Pacific Contractors and the Kentucky/Indiana LID project with Earthwork Solutions), qualifications-based engineering services under the RCW 39.80 consultant roster (Gray & Osborne), intergovernmental payments under Council-approved agreements (Snohomish County Sheriff law-enforcement services, Snohomish County 911), utility payments, and statutory tax remittances. Bid, quotation, and contract documentation for each procurement is on file with the City Clerk and available for public inspection in accordance with Section 12.1.

Cumulative Spending by Vendor

Exhibit B summarizes cumulative year-to-date payments by vendor for all vendors receiving \$25,000 or more during the period.

Sole-Source and Emergency Purchases

No emergency purchases under Section 9.1 and no sole-source purchases under Section 9.3 were identified in the claims register for the reporting period. No written emergency findings or sole-source justifications were filed with the City Clerk during the period.

Exception Reporting (Section 12.2(3))

- Emergency purchases exceeding \$50,000: None.
- Sole-source determinations over \$25,000: None.
- Purchasing compliance issues or concerns: None identified. All payments above the City Manager's \$245,000 delegated threshold were progress payments on contracts previously awarded by the City Council or Council-approved transactions.

Voided Checks

Date	Check No.	Vendor	Amount	Memo
06/03/2026	416306	Snohomish County Surface Water Management	\$6,227.97	Annual Service fee / DCNR SWM

Date	Check No.	Vendor	Amount	Memo
04/01/2026	416123	University of Washington Foundation	\$11,500.00	UW Livable City Program
01/21/2026	415926	WA State Dept. Of Licensing	\$198.00	Dec 2025 CPLs
01/07/2026	415882	USA Blue Book	\$695.06	WWTP Supplies
Total voided			\$18,621.03	

Fiscal Impact

All claims listed in this report were paid from budgeted appropriations in the adopted 2026 budget. No budget amendments were required to support delegated purchasing activity during the reporting period, and no purchases were authorized that would cause a budget overage (Sections 4.2 and 14.1).

Exhibit A - Claims Payments of \$25,000 or More (January 1 – July 15, 2026)

Date	Check/EFT	Vendor	Amount	Description (Register Memo)	Category / Procurement Context
01/07/2026	415874	Snohomish County PUD	\$43,157.52	Water / Electric - Galena St. Ext. Lighting	Utilities - water/electric service
01/21/2026	415920	Snohomish County PUD	\$27,247.09	Water / Electric - Various Locations	Utilities - water/electric service
01/21/2026	415916	Sno. County Sheriff's-Contract	\$244,630.00	GTF 2025 4th QTR Invoice	Intergovernmental - law enforcement services ILA
01/21/2026	415906	Harbor Pacific Contractors Inc.	\$322,083.49	Pay Estimate #25	Public works - WWTP upgrade contract progress payment
01/21/2026	415903	Gray & Osborne, Inc.	\$143,225.02	Engineering Services	Professional services - A&E/engineering (RCW 39.80 roster)
01/21/2026	415889	Association of Washington Cities - RMSA	\$160,547.00	2026 AWC Risk Management Assessment	Intergovernmental - risk pool annual assessment
01/28/2026	EFT	Olympic Escrow Inc.	\$1,002,310.73	Purchase of Fire Station 116 S Granite Ave	Real property acquisition (Council approval - Section 6.1)
02/18/2026	415992	Harbor Pacific Contractors Inc.	\$236,468.80	Progress Estimate 26 WWTP	Public works - WWTP upgrade contract progress payment
02/18/2026	415991	Gray & Osborne, Inc.	\$81,134.75	Engineer Consulting / Project Management	Professional services - A&E/engineering (RCW 39.80 roster)
02/18/2026	415984	City Of Granite Falls	\$27,300.27	Water/ Sewer Utility Tax	Interfund - utility service and utility tax
03/04/2026	416049	Snohomish County PUD	\$29,036.25	Water / Electric	Utilities - water/electric service
03/04/2026	416039	P n D Logging & Tree Service	\$30,875.30	Perrigoue Park Tree Removal	Parks - tree removal services
03/18/2026	416085	Snohomish County PUD	\$36,326.36	Water / Electric	Utilities - water/electric service
03/18/2026	416075	Harbor Pacific Contractors Inc.	\$79,432.23	PE #27	Public works - WWTP upgrade contract progress payment
03/18/2026	416074	Gray & Osborne, Inc.	\$113,737.72	Consulting Services	Professional services - A&E/engineering (RCW 39.80 roster)
03/18/2026	416069	City Of Granite Falls	\$27,002.68	Water / Sewer - Feb. 2026 Water/ Sewer Utility Tax	Interfund - utility service and utility tax
04/15/2026	416179	WelWest Construction Inc.	\$35,473.60	Final Progress Estimate 4	Public works - contract final progress payment
04/15/2026	416163	Snohomish County PUD	\$34,281.72	Water / Electric	Utilities - water/electric service
04/15/2026	416153	Harbor Pacific Contractors Inc.	\$46,340.23	WWTP Upgrade PE #28	Public works - WWTP upgrade contract progress payment

Date	Check/EFT	Vendor	Amount	Description (Register Memo)	Category / Procurement Context
04/15/2026	416151	Gray & Osborne, Inc.	\$84,421.72	Engineer Consulting	Professional services - A&E/engineering (RCW 39.80 roster)
04/15/2026	416139	City Of Granite Falls	\$29,106.94	Water / Sewer - Water / Sewer Utility Tax	Interfund - utility service and utility tax
05/06/2026	416213	Sno. County Sheriff's-Contract	\$255,912.50	GTF 2026 1st Quarter - Law Enforcement Services	Intergovernmental - law enforcement services ILA
05/06/2026	416203	Gray & Osborne, Inc.	\$60,358.04	Enginner Consulting	Professional services - A&E/engineering (RCW 39.80 roster)
05/06/2026	416196	Department Of Commerce	\$49,315.03	WWTP Facility Upgrades	Intergovernmental - state agency (WWTP facility upgrades)
05/20/2026	416257	Snohomish County PUD	\$37,596.31	Water / Electric	Utilities - water/electric service
05/20/2026	416254	Snohomish County DPW	\$25,938.84	Public Works Assistance Loan Prgm.	Intergovernmental - PW Assistance Loan Program
05/20/2026	416236	City Of Granite Falls	\$27,623.17	Water / Sewer - Service - Utility Tax - Water / Sewer	Interfund - utility service and utility tax
06/03/2026	416291	Gray & Osborne, Inc.	\$100,351.73	Engineering Services	Professional services - A&E/engineering (RCW 39.80 roster)
06/03/2026	416283	EARTHWORK SOLUTIONS LLC	\$292,109.44	KENTUCKY / INDIANA LID PE 1	Public works - Kentucky/Indiana LID contract progress payment
06/17/2026	416337	Snohomish County PUD	\$46,952.32	Water/Electric	Utilities - water/electric service
06/17/2026	416318	City Of Granite Falls	\$27,675.70	Water / Sewer Utility Tax - Water / Sewer Service	Interfund - utility service and utility tax
07/01/2026	416365	Gray & Osborne, Inc.	\$71,277.79	Engineering Services	Professional services - A&E/engineering (RCW 39.80 roster)
07/01/2026	416360	EARTHWORK SOLUTIONS LLC	\$335,342.88	PE #2 Less 90% MOH from PE #1	Public works - Kentucky/Indiana LID contract progress payment
07/01/2026	416394	ALUMICHEM	\$30,068.40	WWTP AluPAC	Supplies - WWTP treatment chemicals
07/15/2026	416413	Snohomish County PUD	\$49,532.39	Water/ Electric	Utilities - water/electric service
07/15/2026	416405	Harbor Pacific Contractors Inc.	\$222,888.78	WWTP Constuction PE #29	Public works - WWTP upgrade contract progress payment
07/15/2026	416399	City Of Granite Falls	\$28,887.24	Water/Sewer Sevice - Water/Sewer Utility Tax	Interfund - utility service and utility tax
		Total - items above \$25,000	\$4,495,969.98		

Exhibit B - Cumulative Payments by Vendor of \$25,000 or More (Year to Date)

Vendor	Claims	YTD Amount	Primary Category
Olympic Escrow Inc.	1	\$1,002,310.73	Real property acquisition (Council approval - Section 6.1)
Harbor Pacific Contractors Inc.	6	\$917,213.53	Public works - WWTP upgrade contract progress payment
Gray & Osborne, Inc.	7	\$654,506.77	Professional services - A&E/engineering (RCW 39.80 roster)
EARTHWORK SOLUTIONS LLC	2	\$627,452.32	Public works - Kentucky/Indiana LID contract progress payment
Sno. County Sheriff's-Contract	3	\$501,830.50	Intergovernmental - law enforcement services ILA
Snohomish County PUD	14	\$349,904.81	Utilities - water/electric service
City Of Granite Falls	9	\$197,153.49	Interfund - utility service and utility tax
Association of Washington Cities - RMSA	1	\$160,547.00	Intergovernmental - risk pool annual assessment
US Bank Corporate Payment System	7	\$91,088.83	Purchasing card - consolidated monthly payment
Revenue, Dept. Of	7	\$60,415.13	Tax remittance - WA Dept. of Revenue (non-procurement)
Department Of Commerce	1	\$49,315.03	Intergovernmental - state agency (WWTP facility upgrades)
Rain Paint	2	\$44,090.04	Public works - TIB 2026 crack seal project
Granicus LLC	7	\$42,939.96	Services - agenda/communications software
Snohomish County 911	7	\$36,770.02	Intergovernmental - 911 member assessment
Thompson, Guildner & Assoc., Inc., P.S.	7	\$36,470.65	Professional services - legal
AHBL, INC	4	\$36,212.36	Professional services - A&E/engineering (RCW 39.80 roster)
WelWest Construction Inc.	1	\$35,473.60	Public works - contract final progress payment
P n D Logging & Tree Service	1	\$30,875.30	Parks - tree removal services
Waste Management of WA INC	5	\$30,392.96	Services - solid waste
ALUMICHEM	1	\$30,068.40	Supplies - WWTP treatment chemicals
Snohomish County DPW	2	\$26,368.15	Intergovernmental - PW Assistance Loan Program
Subtotal - vendors with cumulative payments of \$25,000 or more (89.9% of all claims)		\$4,961,399.58	



CITY COUNCIL AGENDA BILL

Subject: City Clerk

Originating Dept.: City Clerk

Action Recommended:

Approval(s): City Clerk

Meeting Date: August 5, 2026

Date Submitted:

Exhibit(s):

1. 08-05-2026 City Clerk Report
2. 2026-2027 Council Outlook Schedule

Budgeted Amount:

BARS Code:

Summary Statement:

Attached, please find the City Clerk Staff Report for August 5, 2026

Background:

Recommended Motion:

City Clerk Staff Report

★ August 5, 2026 ★



Business Licenses (Inside City) ★

H&K Materials LLC

108 S. Granite Ave.

Granite Falls, WA 98252-8451

License activity: Chemical sales, garden and lawn equipment and supplies, hardware store, lubricant, sales, plumbing fixtures, parts and supplies



Root + Ritual Beauty Collective (Molly Rae, Inc.)

106 Cascade Ave.

Unit 101, Granite Falls, WA 98252-8818

License activity: Beauty salon



Admin Era (Work, Annalee)

712 N. Granite Ave.

Granite Falls, WA 98252-8774

License activity: Clerical, secretarial



ERC Painting LLC

17511 Oak St.

Granite Falls, WA 98252-8998

License activity: House painter; interior and exterior



August 5, 2026



S&S Hauling LLC

504 Wabash Ave.

Granite Falls, WA 98252-8746

License activity: Freight hauling, garbage hauling, hauling material, rock quarry, hauling



Business Licenses (Outside City) ★

Skyline Construction and Remodel Inc.

511 Portage St.

Ste. 5, Arlington, WA 98223-1713

License activity: Construction



Ready Yeti Plumbing LLC

1328 Carlson Rd.

Snohomish, WA 98290-9718

License activity: Plumbing-install, repair



Aldrichvcp Construction Company

18704 Bothell Way NE

Bothell, WA 98011-1976

License activity: General contractor performing shell & core tenant/improvement work



Spartan Fiber, LLC

19721 42nd Ave. NE

Lake Forest Park, WA 98155-2831

License activity: Fiber optics



Steller Electric LLC



August 5, 2026

530 175th Ave. NE
Snohomish, WA 98290-9691

License activity: Electrical contractor, journeyman electrician



American Surveying & Engineering, LLC (American Surveying & Environmental, LLC)

60 Blackberry Ct.
Cle Elum, WA 98922-3010

License activity: Construction staking services



Weatherproofing Technologies, Inc.

3735 Green Rd.
Beachwood, OH 44122-5705

License activity: Roofing services/general contracting services



Automotive Rentals, Inc.

4001 Leadenhall Rd.
Mt. Laurel, NJ 08054-4611

License activity: Long term lessor of motor vehicles and equipment



Ari Fleet LT

4001 Leadenhall Rd.
Mt. Laurel, NJ 08054-4611

License activity: Long term lessor of motor vehicles



August 5, 2026



Project Services Corporation

6120 137th Dr. NE

Lake Stevens, WA 98258-9056

License activity: General contractor



Complete Solar, Inc.

1403 N. Research Way

Orem, UT 84097-6201

License activity: Electrical contractor



Trinity Market LLC

8411 SR 92

Unit 1, Granite Falls, WA 98252-8771

License activity: Gasoline station, grocery store



ATF Junk Removal and Hauling (Audibert, Alex A)

8807 SR 92

Granite Falls, WA 98252-9779

License activity: Garbage hauling, moving company, debris cleanup



August 5, 2026

2026–2027 Council Outlook Schedule | Revised 7/31/2026

Date	Cohort	Item #	Description
Wednesday, August 5, 2026	Council	1	Q2 2026 Financial Report to Council/City Strategic Plan-Budget and Goals 2027-2036 Discussion
		2	Boys & Girls Club Parking Lot Lease
		3	Legion Park Design RFQ
		4	IDEMIA Service Agreement (Twic/TSA)
		5	Nate Nehring's Letter of Support
		6	ILA Snohomish County Street Services
Regular		7	
Wednesday, August 12, 2026	Council	1	City Council Chapter 2.08 GFMC Continued Discussion
		2	Council Interference RCW Presentation (Attorney Emily Guildner)
		3	
Work Session			
Wednesday, August 19, 2026	Council	1	Jannah Minnix - Library Update
		2	City Council Chapter 2.08 GFMC (Public Hearing)
		3	2027 Fee Resolution - Preliminary Discussion (Utility & GFC Rates)
		4	Hazard Mitigation Plan (Resolution)
		5	Flock Safety ALPR Contract Review / SB 6002 Compliance Update
Regular			
Wednesday, September 2, 2026	Council	1	Public Hearing - 2027 Fee Resolution -
		2	Kentucky Ave. / Indiana Ave. LID Project Construction Update
		3	
		4	
Regular			
Wednesday, September 9, 2026	Council	1	Council Retreat/2027 Budget Objectives
		2	AI Policy Review
		3	Park Impact Fee Code Revisions (Amy)
Work Session			
Monday, September 14, 2026	Staff	1	Deadline: clerk's written request (call letter) to all department heads to file detailed estimates of 2027 revenues and expenditures (2nd Monday of September)
Wednesday, September 16, 2026	Council	1	Stormwater Rates Ordinance - Annual Review
		2	NPDES Phase II Permit Compliance / Annual Report
		3	Park Impact Fee Code Revisions (Public Hearing & Ordinance Adoption)
		4	
Regular			
Monday, September 28, 2026	Staff	1	Deadline: budget estimates from department heads submitted to the clerk (4th Monday of September)
Thursday, October 1, 2026	Staff	1	Clerk submits all department estimates to the City Manager, showing the full financial program
Monday, October 5, 2026	Staff	1	Deadline: City Manager provides the council with estimates of 2027 revenues from all sources for property tax levy setting (1st Monday of October)
Wednesday, October 7, 2026	Council	1	City Manager Revenue Estimates to Council for Property Tax Levy Setting
		2	Q3 2026 Financial Report to Council
		3	Animal Control ILA Renewal (City of Everett)
		4	
Regular			
Wednesday, October 14, 2026	Council	1	2027 Preliminary Budget Review - Department Presentations
		2	Draft Grant Policy Procedure Review
		3	
Work Session			
Wednesday, October 21, 2026	Council	1	Public Hearing - Revenue Sources Including Property Tax Increases
		2	Comprehensive Emergency Management Plan (CEMP) Annual Review
		3	
Regular			
Monday, November 2, 2026	Staff	1	Deadline: City Manager files the preliminary 2027 budget and budget message with the council and clerk (at least 60 days before the fiscal year)
November 2 - 18	Staff	1	Clerk publishes notice that the preliminary budget is on file and notice of the final budget hearing, once a week for two consecutive weeks
Wednesday, November 4, 2026	Council	1	Public Hearing - Property Tax Levy / Levy Ordinance Adoption
		2	Public Hearing - 2027 Preliminary Budget (First Hearing)
		3	Code Changes / Planning Commission Update
		4	
Regular			
Wednesday, November 11, 2026	Council	1	2027 Preliminary Budget Review - Council Questions and Direction
		2	Establish City's 2027 Legislative Priorities
		3	

Date	Cohort	Item #	Description
Work Session		4	
Wednesday, November 18, 2026	Council	1	Public Hearing - 2027 Final Budget (Second Hearing)
		2	Property Tax Levy Certification to County (Deadline Nov 30th)
		3	
Regular		4	
	Staff	A	Copies of the proposed 2027 budget made available to the public (no later than Nov 20)
Monday, November 30, 2026	Staff	A	Deadline: certify the 2027 property tax levy to the Snohomish County legislative authority/assessor
Wednesday, December 2, 2026	Council	1	Public Hearing - Final Budget Adoption (Ordinance) - 2027 Budget
		2	2026 Budget Amendments (if needed - deadline December 31st)
		3	
		4	
Regular		5	
Wednesday, December 9, 2026	Council	1	Year-End Review - 2026 Goals and Accomplishments
		2	2027 Meeting Calendar Adoption / Organizational Planning
		3	
Work Session		4	
Wednesday, December 16, 2026	Staff	A	Transmit copies of the adopted 2028 budget to the State Auditor's Office and MRSC/AWC
Wednesday, January 6, 2027	Council	1	Board, Commission, and Committee Appointments - Annual Confirmation
		2	2027 Legislative Session Preview / Final 2027 Legislative Agenda (Session Vonvenes Jan 11)
		3	Waste Management - Annual Service Update
		4	
Regular		5	
Wednesday, January 13, 2027	Council	1	OPMA/PRA Refresher Training for Council and Staff - Discussion
		2	Department 2027 Work Plan and KPI Targets - Discussion
Work Session		3	
Wednesday, January 20, 2027	Council	1	Department Head Annual Reports / 2026 KPI Results
		2	Q4 2026 Financial Report fo Council (RCW 35.33.141)
		3	Snohomish County Sheriff - Annual Public Safety Report
Regular		4	
Wednesday, February 3, 2027	Council	1	Mid-Session Legislative Update
		2	Legion Park Project Update
Regular		3	
Wednesday, February 10, 2027	Council	1	Employee Handbook / Administrative Procedures - Annual Review Discussion
		2	2027 Comprehensive Plan Amendment Docket - Discussion
Work Session		3	Community Engagement Plan for 2027 - Discussion
Wednesday, February 17, 2027	Council	1	2027 Comprehensive Plan Amendment Docket (Resolution)
		2	Emergency Management Services ILA - Annual Review
Regular		3	Planning Commission Update / Code Amendments Status
Wednesday, March 3, 2027	Council	1	Vendor List / Small Public Works Roster - Annual Solicitation (RCW 39.04.155)
		2	Legion Park - Construction Contract Award / Project Update
Regular		3	
Wednesday, March 10, 2027	Council	1	New Revenue Strategy - Annual Check-In - TWIC/TSA
		2	Community Center Phased Plan
Work Session		3	2027 Grant Opportunities Review - Discussion (Preceded Mar 17 Action)
Wednesday, March 17, 2027	Council	1	Grant Applications
		2	Comprehensive Plan Amendments - Status Update / Hearing Schedule
Regular		3	
Wednesday, April 7, 2027	Council	1	First 2027 Budget Amendment Ordinance (RCW 25.33.151)
		2	Q1 2027 Financial Report to Council (RCW 35.33.141)
Regular		3	WWTP / Sewer Capacity Status Update
Wednesday, April 14, 2027	Council	1	Utility Rates and GFC's - Pre-Budget Study Session - Discussion
		2	Asset Management / Capital Project Prioritization - Discussion
Work Session		3	2027 Election Year Requirements - PDC / Use of Public Facilities Overview

Date	Cohort	Item #	Description
Wednesday, April 21, 2027	Council	1	Public Works Standards – Annual Update
		2	Facility Rental Policy
Regular		3	
Wednesday, May 5, 2027	Council	1	2026 Annual Financial Report Filing Status (Due to SAO May 30 – RCW 43.09.230)
		2	Annual Street Report Filing Status (Due to WSDOT May 31)
		3	Municipal Election – Candidate Filing Week Announcement (May 2027)
		4	
Regular		5	
Wednesday, May 12, 2027	Council	1	Capital Facilities Plan 2028-2033 – Annual Update – Discussion
		2	Draft Six-Year TIP/CIP 2028-2033 – Discussion (Preceded June Public Hearing)
Work Session		3	Stormwater Management Action Plan – Progress Discussion
Wednesday, May 19, 2027	Council	1	Resolution Setting Public Hearing – Six-Year TIP/CIP 2028-2033 (RCW 35.77.010)
		2	Sno-Isle Library Update
		3	
Regular		4	
Wednesday, June 2, 2027	Council	1	Community Coalition Update
		2	TIB Ongoing Project Review
		3	
Regular		4	
Wednesday, June 9, 2027	Council	1	Six-Year TIP / CIP Financial Discussion
		2	2028 Budget Pre-Planning – Revenue Outlook – Discussion
Work Session		3	TBD Annual Report Preview – Discussion
Wednesday, June 16, 2027	Council	1	Public Hearing and Adoption – Six-Year TIP/CIP 2028-2033 (File with WSDOT by Jul 1)
		2	TBD Annual Report (RCW 36.73.160(4))
		3	2027 Budget Mid-Year Outlook
Regular		4	
Wednesday, July 7, 2027	Council	1	Yakima County ILA – Annual Review
		2	Sewer GFC / Connection Charges Review
Regular		3	Post-Session Legislative Recap
Wednesday, July 14, 2027	Council	1	City Manager Performance Review Process – Discussion
		2	Mid-Year 2027 Budget Review – Discussion
Work Session		3	2028 Budget Objectives – Pre-Retreat Discussion
Wednesday, July 21, 2027	Council	1	Executive Session – City Manager Annual Performance Review (RCW 42.30.110(1)(g))
		2	TBD Rate Ordinance
		3	
Regular		4	
Wednesday, August 4, 2027	Council	1	City Strategic Plan – Budget and Goals 2028-2037 Discussion
		2	Q2 2027 Financial Report to Council (RCW 35.33.141)
		3	Hazard Mitigation Plan – Annual Progress Report
Regular		4	
Wednesday, August 11, 2027	Council	1	2028 Budget – Revenue Forecast and Fee Resolution – Discussion
		2	Capital Facilities Plan – Final Pre-Budget Review – Discussion
Work Session		3	Council Retreat Agenda Planning – Discussion
Wednesday, August 18, 2027	Council	1	Sno-Isle Library Annual Update
		2	2028 Fee Resolution – Preliminary Discussion (Utility & GFC Rates)
		3	Stormwater Management Program Update
Regular		4	
Wednesday, September 1, 2027	Council	1	Public Hearing – 2028 Fee Resolution (Utility and GFC Rates)
		2	Budget Request Call Letter Issued to Department Heads
Regular		3	
Friday, September 3, 2027	Staff	1	Distribute budget worksheets and instructions to department heads ahead of the Council retreat
Wednesday, September 8, 2027	Council	1	Council Retreat / 2028 Budget Objectives
		2	AI Policy – Annual Review
Work Session		3	

Date	Cohort	Item #	Description
Monday, September 13, 2027	Staff	1	Deadline: clerk's written request (call letter) to all department heads to file detailed estimates of 2027 revenues and expenditures (2nd Monday of September)
Wednesday, September 15, 2027	Council	1	Stormwater Rates Ordinance - Annual Review
		2	NPDES Phase II Permit Compliance / Annual Report
Regular		3	
Monday, September 27, 2027	Staff	1	Deadline: budget estimates from department heads submitted to the clerk (4th Monday of September)
Friday, October 1, 2027	Staff	1	Clerk submits all department estimates to the City Manager, showing the full financial program
Monday, October 4, 2027	Staff	1	Deadline: City Manager provides the council with estimates of 2027 revenues from all sources for property tax levy setting (1st Monday of October)
Wednesday, October 6, 2027	Council	1	City Manager Revenue Estimates to Council for Property Tax Levy Setting
		2	Q3 2027 Financial Report to Council (RCW 25.33.141)
Regular		3	Animal Control ILA Renewal (City of Everett)
Wednesday, October 13, 2027	Council	1	2028 Preliminary Budget Review - Department Presentations
		2	Property Tax Levy Options - Discussion (Precedes Oct 20 Public Hearing)
Work Session		3	
Wednesday, October 20, 2027	Council	1	Public Hearing - Revenue Sources Including Property Tax Increases
		2	Comprehensive Emergency Management Plan (CEMP) Annual Review
Regular		3	
Tuesday, November 2, 2027	Staff	1	Deadline: City Manager files the preliminary 2028 budget and budget message with the council and clerk (at least 60 days before the fiscal year)
November 2 - 18	Staff	1	Clerk publishes notice that the preliminary budget is on file and notice of the final budget hearing, once a week for two consecutive weeks
Wednesday, November 3, 2027	Council	1	Public Hearing - Property Tax Levy / Levy Ordinance Adoption
		2	Public Hearing - 2028 Preliminary Budget (First Hearing)
Regular		3	November 2, 2027 General Election - Results Update (Informational)
Wednesday, November 10, 2027	Council	1	2028 Preliminary Budget Review - Council Questions and Direction
Work Session		2	Establish City's 2028 Legislative Priorities
Wednesday, November 17, 2027	Council	1	Public Hearing - 2028 Final Budget (Second Hearing)
		2	Property Tax Levy Certification to County (Deadline Nov 30)
Regular		3	
	Staff	A	Copies of the proposed 2028 budget made available to the public (no later than Nov 20)
Tuesday, November 30, 2027	Staff	1	Deadline: certify the 2028 property tax levy to the Snohomish County legislative authority/assessor
Wednesday, December 1, 2027	Council	1	Public Hearing - Final Budget Adoption (Ordinance) - 2028 Budget
		2	2027 Budget Amendments (if needed - deadline Dec 31)
Regular		3	
Wednesday, December 8, 2027	Council	1	Year-End Review - 2027 Goals and Accomplishments
		2	2028 Meeting Calendar Adoption / Organizational Planning
Work Session		3	Onboarding Plan for Newly Elected Councilmembers (Terms Begin Jan 2028)
Wednesday, December 15, 2027	Council	1	Final 2028 Budget Adoption (if not adopted Dec 2)
		2	Final 2027 Budget Amendments (Deadline Dec 31)
Regular		3	Oaths of Office - Newly Elected Officials (Terms Begin Jan 2028)
	Staff	A	Transmit copies of the adopted 2028 budget to the State Auditor's Office and MRSC/AWC



CITY COUNCIL AGENDA BILL

Subject: Consultant Police Chief

Originating Dept.: Consultant Police Chief

Action Recommended:

Approval(s): Other

Meeting Date: August 5, 2026

Date Submitted: 7/29/2026

Exhibit(s):

1. August 5th, 2026 Council report

Budgeted Amount:

BARS Code:

Summary Statement:

Background:

Recommended Motion:



CITY OF GRANITE FALLS IN PARTNERSHIP WITH SNOHOMISH COUNTY SHERIFF'S OFFICE



Sheriff Susanna Johnson

City Manager Jeff Balentine

Mayor, City Council and staff,

City Council Report – July 2026

Reporting Period: Through July 29, 2026

On July 18, I had the privilege of traveling to Pasco, Washington, to honor Deputy Megan Nunemaker and EMT/Paramedic Francis Hall. Both are from our community and were recognized by the American Legion as the 2026 Washington State Law Enforcement Officer of the Year and EMT/Paramedic of the Year, respectively.

Having one of our own recognized at the state level is an incredible accomplishment but having two professionals from Granite Falls receive this distinction in the same year speaks volumes about the dedication, professionalism, and excellence of our Police and Fire Departments. The American Legion hosted an outstanding ceremony and made each honoree feel truly appreciated. I would also like to extend my sincere thanks to our local American Legion for making these nominations possible and supporting our first responders.

As previously reported, Deputy Nunemaker's nomination packet has been forwarded for national consideration. Regardless of the outcome, being selected for national review is an extraordinary honor and reflects positively on both Deputy Nunemaker and our community.





CITY OF GRANITE FALLS IN PARTNERSHIP WITH SNOHOMISH COUNTY SHERIFF'S OFFICE



Sheriff Susanna Johnson

City Manager Jeff Balentine



Sheriff's Office Activity

As of July 29, deputies have responded to **1,033 calls for service (CFS)**, with **488 officer-initiated contacts**. This represents a **13% increase in calls for service** compared to the same period last year. We anticipate this increase will be slightly higher by the end of the month.

Call distribution is as follows:

- **Granite Falls East (GFE):** 498 calls
- **Granite Falls West (GFW):** 145 calls
- **L2 Beat:** 263 calls
- **Elsewhere in Snohomish County:** 127 calls

Approximately **62% of all deputies call responses** continue to occur within the City of Granite Falls.

Response Times

Median response times (dispatch to arrival) were:

- **City of Granite Falls:** 15 minutes
- **County calls:** 22 minutes



CITY OF GRANITE FALLS IN PARTNERSHIP WITH SNOHOMISH COUNTY SHERIFF'S OFFICE



Sheriff Susanna Johnson

City Manager Jeff Balentine

The city's response time increased slightly this month, while county response times remained consistent.

Case Reports

Deputies completed **58 case reports** during the reporting period:

- Granite Falls East: 27
- Granite Falls West: 10
- L2 Beat: 21

These cases included:

- 36 informational reports
- 8 felony investigations
- 18 gross misdemeanor cases
- 2 misdemeanor cases

Crime and Public Safety Highlights

There were **no reported burglaries within the City of Granite Falls** during this reporting period, while two burglaries occurred in the L2 Beat.

Deputies investigated **six theft cases**, including:

- 2 in Granite Falls West
- 4 in the L2 Beat

Trespass remained an area of activity, with deputies responding to **13 trespass calls**, including **8 within the city** and **3 in the L2 Beat**.

Deputies also responded to **66 suspicious activity calls**, broken down as follows:

- Granite Falls East: 27
- Granite Falls West: 7
- L2 Beat: 23

Community Care and Behavioral Health

This month saw an unusually high number of death investigations, with **seven death calls** handled by deputies:



CITY OF GRANITE FALLS IN PARTNERSHIP WITH SNOHOMISH COUNTY SHERIFF'S OFFICE



Sheriff Susanna Johnson

City Manager Jeff Balentine

- Granite Falls East: 4
- Granite Falls West: 2
- One elsewhere within the reporting area.

With continued summer heat and ongoing behavioral health concerns, deputies conducted **25 welfare checks**.

Behavioral health-related responses included:

- 19 behavioral health crisis (BHC) calls, with 10 occurring in Granite Falls East.
- 2 suicide-related calls in Granite Falls West.

These incidents continue to highlight the increasing demand placed on deputies to respond to mental health and crisis-related situations in addition to traditional law enforcement responsibilities.

Traffic Safety

Our Traffic (Motors) Unit spent time working in the Granite Falls area during July. Their enforcement efforts revealed a higher-than-normal rate of seatbelt noncompliance. In fact, the unit noted that Granite Falls currently has the lowest seatbelt compliance of any area they regularly patrol.

This serves as an important reminder to all motorists and passengers that wearing a seatbelt is one of the simplest and most effective ways to prevent serious injuries or fatalities in a traffic collision.

Finances – July Jail Costs

The July invoice from the Snohomish County Corrections Bureau totaled **\$14,069.69**, which was significantly higher than anticipated. As a result, we conducted a detailed review of every inmate booked under the Granite Falls Police Department ORI to verify the charges.

During that review, we identified one inmate whose incarceration initially appeared to be associated with Everett Police Department cases. Further investigation determined that the inmate had also been sentenced on a DUI conviction resulting from a Granite Falls arrest. The court ordered a **45-day jail sentence with credit for time served**, resulting in the inmate serving **20.5 billable days** under our jurisdiction. Had the court not awarded credit for time previously served, the City could have been responsible for approximately **10 additional days of housing costs** after good-time reductions.



**CITY OF GRANITE FALLS
IN PARTNERSHIP WITH
SNOHOMISH COUNTY SHERIFF'S OFFICE**



Sheriff Susanna Johnson

City Manager Jeff Balentine

The July invoice also included:

- One inmate who served **19.5 days** on a DUI conviction.
- One inmate who served **14 days** for Assault 4 – Domestic Violence.

In total, the City was billed for **64.4 inmate housing days** at a rate of **\$210.99 per day**, resulting in the elevated monthly invoice.

In response, I have begun working with the courts to establish a process whereby all Orders of Commitment are forwarded directly to our office for review. This will allow us to evaluate each sentence before an inmate is committed and determine whether placement at the Yakama Nation Corrections Facility is appropriate once the new Interlocal Agreement becomes effective in 2027. While we will have limited ability to reduce booking fees, this review process should provide opportunities to mitigate daily housing costs whenever legally and operationally appropriate.

As previously discussed during budget planning, jail costs are expected to increase substantially in 2027, with **booking fees increasing by approximately 155%** and **daily housing costs increasing by approximately 42%**. Although booking fees are largely unavoidable, implementing a review process for commitment orders will help us better manage future incarceration expenses and reduce the financial impact on the City whenever possible.

Respectfully submitted,

Tom Dalton #1508

Chief Tom Dalton



CITY COUNCIL AGENDA BILL

Subject: Public Works

Originating Dept.: Public Works

Action Recommended:

Approval(s):

Meeting Date: August 5, 2026

Date Submitted:

Exhibit(s):

1. Public Works Staff Report 8-5-2026

Budgeted Amount:

BARS Code:

Summary Statement:

Background:

Recommended Motion:

Public Works Staff Report

August 5, 2026

STREETS

The green decorative light at Pioneer Street and S. Granite Avenue was struck on July 18, 2026. A replacement light has been ordered. The estimated cost is \$6,900, with a 12-14 week lead time. The cost will likely be reimbursable through the driver's insurance. A spare we had on hand was installed on July 20.

The Waste Management (WM) contract expires at the end of the year. Staff is discussing two and four year extension options and the associated costs. Additionally, alternate options are being explored.

STORM

The Electronic Signature Account Form (ESAF) for the Industrial Stormwater General Permit has been submitted to the Washington State Department of Ecology. Staff is reviewing the permit requirements to better understand the City's obligations. Known requirements include annual reporting, quarterly sampling, and routine monthly inspections.

The interlocal agreement for leaf-on LiDAR mapping has been fully executed. The kickoff meeting is scheduled for August 5 at 1:00 p.m.

WATER

On July 14, 2026, the Washington State Department of Health adopted final revisions to Chapter 246-290 WAC, which protects the health of consumers using public drinking water supplies. The revisions incorporate federal Lead and Copper Rule requirements by reference and make minor editorial updates to ensure consistency between federal and state rules. The revised rules take effect on August 14, 2026.

Significant operational changes include:

- Lower lead action level of 10.5 parts per billion (ppb).
- Expanded Consumer Confidence Report requirements beginning in 2027.
- Public availability of service line inventories.
- Additional public education regarding lead exposure and corrosion control.
- Continued implementation of EPA's Lead and Copper Rule Improvements.

On July 29, 2026, staff received a call regarding water quality concerns in the North Indiana Avenue area. Public Works responded by collecting chlorine residual samples and visually inspecting the water. Staff did not observe any discoloration or unusual physical characteristics. Chlorine residuals were tested at three hydrants in the area, with results ranging from 0.48 to 0.63 mg/L, well within the acceptable operating range.

PROJECTS/ MISC.

Indiana/Kentucky LID

- The current target completion date is September 10, 2026.

- Payment Request Progress Report (PRPR) No. 4 was submitted for reimbursement.

200BLK OF S. KENTUCKY LOOKING NORTH:



Pedestrian Improvements (RRFBs)

- Staff spoke with RadarSign on July 27, 2026. One component is still pending from the manufacturer, and shipment is estimated within one to two weeks.

Union/Kentucky Overlay

- Larry Brown Construction is replacing the water main along the 200 block of S. Kentucky Avenue.

Legion Park

- RWD will be at the meeting for project question-and-answers.

Drinking Water Well Rehab.

- Initial call with Snohomish County Region Engineer Ryan Deem.



CITY COUNCIL AGENDA BILL

Subject: Planning

Originating Dept.: Planning Department

Action Recommended:

Approval(s):

Meeting Date: August 5, 2026

Date Submitted:

Exhibit(s):

1. 08.05.2026 Planning Staff Report

Budgeted Amount:

BARS Code:

Summary Statement:

Background:

Recommended Motion:



CITY COUNCIL STAFF REPORT

To: Mayor and City Council

From: Amy Hess, Community Development Director

Department: Planning and Community Development

Date: August 5, 2026

Subject: Planning Department Update

1. UPDATES

Two new land use projects have been submitted and routed for review. One is Tractor Supply, the other is Custom Stone.

2. DEVELOPMENT ACTIVITY

Staff continues to process permits for mechanical, plumbing, and building permits.

Tractor Supply application for 206 N. Granite Ave has been routed for review. The review is expected to move quickly as the applicant is anxious to receive approval.

Custom Stone application for 10630 Mt. Loop Hwy. for an approximately 5,400 square feet commercial building has been routed for review. The building permit will be issued as soon as site plan approval is issued, and they expect to be ready to break ground on the building quickly. Expected timeline is late August.

Pilchuck Crossing, on the southeast corner of Quarry/Hwy 92 and 100th Street will likely begin site work soon.

Nurtured Nuggets preschool/daycare is working on internal improvements at the old medical clinic at 403 S. Granite and is hoping to open doors in the fall in time for the new school year.

3. PERMITS ISSUED

Applicant Name	Address	Type of Work
WA Energy Services	409 Saratoga	Install Heat Pump

GFHS	1201 100 th Street	Mechanical permit for Clinic TI
GFHS	1201 100 th Street	Plumbing permit for Clinic TI
Ziply	205 S Granite Right of Way	Fiber Cable Work

4. LONG-RANGE PLANNING

The Park Impact fee code has been drafted and sent to Dept. of Commerce for the 60-day comment period. Expect to see the draft at the September 9 Work Session, with adoption anticipated in mid-late September

Further study and conversations will be forthcoming related to PRD's and Unit Lot Subdivisions to ensure that the best fit for Granite Falls and future residents are accomplished. Feel free to stop in and discuss if you would like.

5. POLICY AND PROCESS IMPROVEMENTS

Staff continues to develop written standard operating procedures for all things SmartGov as our use of the system expands.

Continuing research for a paper free permit and application process that is consistent with WA State Archive standards.

6. UPCOMING PRIORITIES

Review/approval of the Park Impact Fee code. PRD standards. Staff will continue to work on items identified on the 2026 work plan previously provided. If there are any sections of code that you feel should be prioritized, please share those with me.

7. SUMMARY

The department remains busy with application review as well as permit/process updates and ensuring responsible growth in the City.



CITY COUNCIL AGENDA BILL

Subject: AB 118-2026 Consideration to approve the Professional Services Proposal with RWD for Architectural and Engineering Services related to Legion Park development.

Originating Dept.: Public Works

Approval(s): Attorney
City Manager
Public Works

Action Recommended: Staff recommends approving the proposal from RWD.

Meeting Date: August 5, 2026

Date Submitted: 7/17/2026

Exhibit(s):

1. RWD Proposal Final Legion Park - RWD Scope & Fee Proposal

Budgeted Amount: \$200,000.00

BARS Code: (103 Fund) 594-73-60-01

Summary Statement:

RWD Landscape Architects has submitted a scope of services to provide design and engineering support for the Legion Park Development Project. RWD will serve as the prime consultant and will be supported by subconsultants specializing in civil engineering and surveying, electrical engineering, geotechnical engineering, and structural engineering.

The proposed services include:

- Site investigation, survey, and geotechnical evaluation
- Development of conceptual site and building alternatives
- Public, staff, and City Council design meetings
- Design development through 30%, 60%, 90%, and final construction documents
- Construction cost estimates and technical specifications
- Environmental review and permitting assistance

- Bidding and limited construction-administration services
- Project closeout and record drawings
- Recreation and Conservation Office grant assistance
- Design coordination for a prefabricated restroom building and utility connections

Services would be provided on an hourly, not-to-exceed basis. The proposed fee is \$160,959.90 for professional services, plus up to \$2,000 for direct expenses, for a total not-to-exceed amount of \$162,959.90. Permit, review, and application fees are not included and would remain the City's responsibility.

Background:

The City solicited qualifications from architectural and engineering firms for the development of Legion Park. Five firms submitted statements of qualifications, and following review and interviews with the top-ranked firms, RWD Landscape Architects was selected as the most advantageous consultant. City staff subsequently requested that RWD prepare a detailed scope and fee proposal for the project.

The project is envisioned as a new approximately one-acre community park that may include a veterans memorial, stage, restroom, historic railcar display, food-truck plaza, landscaping, and accessible circulation paths.

Recommended Motion:

1) Motion to authorize the City Manager to execute a professional services agreement with RWD Landscape Architects for the Legion Park Development Project in an amount not to exceed \$162,959.90.

Exhibit A: Scope of Services

Legion Park Development Project

Scope of Work

This assignment includes the Work to be performed by RWD Landscape Architects (hereinafter RWD) and its subconsultant team for the City of Granite Falls (hereinafter Owner) as part of the Legion Park Development Project (hereinafter Project). The Project Includes design of a new 1-acre community park with a restroom, stage, veteran's memorial, railcar display, food truck plaza, landscape improvements, and accessible circulation paths. Professional Services include 30%, 60%, 90%, and 100% Design Submittals, Permitting, Bidding Services, Construction Administration, Project Closeout, and RCO Grant Assistance.

Basis of Proposal

This Scope of Services and Fee Proposal are based upon the Owner's Request for Qualifications, RWD's Statement of Qualifications, and email and phone correspondence with Charles White. Services are organized by project phase and include brief task descriptions to establish anticipated deliverables, meetings, coordination, and consultant responsibilities.

Project Team

Prime Consultant, Landscape Architect	RWD Landscape Architects (RWD)
Civil Engineer & Surveyor	LDC, Inc. (LDC)
Electrical Engineer	Cross Engineers (CROSS)
Geotechnical Engineer	HWA Geosciences (HWA)
Structural Engineer.....	MC Squared (MC2)

Professional Fee

Professional Fees and the Schedule of Pay Rates to accomplish the Scope of Services are shown in Exhibits B and C. RWD and its subconsultants will invoice monthly on an hourly-not-to-exceed basis for actual work performed.

Direct Expenses

RWD has allocated a budget for Direct Expenses such as plots, copies, mailings, mileage, and typical business-related direct expenses. Direct Expenses will be billed with a 10% markup.

Markups

The following markups will be applied by RWD:

- Direct Expenses 10%
- Subconsultant Fees 10%

Client's Responsibilities

The Client shall provide information or services as required for performance of the Work. RWD assumes no responsibility for the accuracy of such information or services and shall not be liable for errors or omissions therein. Should RWD be required to provide services in obtaining or coordinating compilation of this information, such services shall be charged as Additional Services.

- Payment of permit, review, and application fees.
- Access to the project site and available as-built drawings, utility information, studies, reports, and record documents.
- Timely review comments, decisions, and direction at each milestone submittal.
- Management of public outreach and distribution of public information, except for meetings specifically listed in this Scope of Services.
- Construction contractor as-built markups and closeout information for preparation of record drawings.
- Cultural resources report and inadvertent discovery plan

Additional Services, Excluded Services

Services not expressly identified in this Scope of Services are excluded and may be provided as Additional Services upon written authorization. Additional Services may include major redesign after approval of a milestone submittal, public hearings or appeals, expanded public outreach, specialty studies, grant administration beyond the listed RCO assistance tasks, and construction phase services beyond the quantities identified herein.

Scope of Services

RWD will provide the Scope of Services as defined herein. The following tasks describe the anticipated work by phase and identify subconsultant support where applicable.

Task 1 30% Design

Task 1.01 Site Inventory and Analysis Visit & Memorandum

Conduct a site inventory and analysis visit to observe existing conditions, opportunities, constraints, access, utilities, drainage, and relevant site context. Prepare a brief memorandum documenting findings and identifying design considerations.

Task 1.02 Conceptual Site Options (2) and Building Options (2)

Develop two conceptual site and stage/restroom building options for review and comparison. Options will address layout, circulation, program elements, building placement, and key design considerations at a planning-level of detail.

Task 1.03 Preferred Site Plan & Site Element Sketches

Refine the selected direction into a preferred site plan graphic.

Task 1.04 Cost Estimate

Prepare an opinion of probable construction cost based on the preferred site plan.

Task 1.05 Meetings (4) - Staff (2 virtual), Public (1), and Council (1 virtual)

Prepare for and attend four meetings to review the 30% design work, gather feedback, and confirm direction. Meetings include two staff meetings, one public meeting, and one council meeting.

Task 1.06 Project Management & Quality Control

Provide project administration, scheduling, coordination, budget tracking, consultant communication, and internal quality control for the 30% design phase.

Task 1.07 LDC: Survey

LDC will provide a site survey.

Task 1.08 CROSS: No Scope

Task 1.09 HWA: Geotechnical Report

HWA will perform geotechnical review and prepare a report with recommendations relevant to earthwork, foundations, pavement, drainage, and construction considerations.

Task 1.10 MC2: No Scope

Task 2 60% Design

Task 2.01 Site & Landscape Plan Sheets

Advance the approved concept into 60% site and landscape plan sheets showing layout, materials, grading coordination, planting, irrigation, and other site improvements at a coordinated design level.

Task 2.02 Site & Landscape Detail Sheets

Prepare 60% site and landscape detail sheets for principal site elements, assemblies, materials, furnishings, planting, irrigation, and related construction components.

Task 2.03 Cost Estimate

Update the opinion of probable construction cost to reflect the 60% documents, refined quantities, consultant input, and current design assumptions.

Task 2.04 Specifications (Including Div 0 and Div 1)

Prepare the 60% project manual framework, including Division 00 procurement requirements, Division 01 general requirements, and draft technical specification sections as appropriate for the submittal.

Task 2.05 Meetings (2) - Staff (2 virtual)

Prepare for and attend two staff coordination/review meetings during the 60% design phase.

Task 2.06 Project Management & Quality Control

Manage the 60% design phase, coordinate subconsultants, track action items, monitor schedule and budget, and conduct internal QA/QC review prior to submittal.

Task 2.07 LDC: Civil PS&E

LDC will prepare 60% civil plans, specifications, and estimate information for grading, utilities, stormwater, erosion control, frontage, and related civil improvements.

Task 2.08 CROSS: Electrical PS&E

CROSS will prepare schematic-level electrical plans, specifications, and estimate information for service, power, lighting, communications, and related infrastructure.

Task 2.09 HWA: No Scope

Task 2.10 MC2: Structural Design

MC2 will provide schematic structural design input for building, site, foundation, and other structural elements requiring coordination at the 60% design level.

Task 3 90% Design

The 90% Design tasks are the same as 60% Design, except that the design development has advanced from a design development level to permit-ready construction documents.

Task 4 Permitting

Task 4.01 Preapplication Conference

Prepare for and participate in a preapplication conference with reviewing agencies to confirm submittal requirements, permit pathways, review timelines, and key design considerations.

Task 4.02 SEPA Environmental Permit

RWD will secure a SEPA determination for the project, including preparation of application materials and coordination with reviewers. A SEPA DNS (determination of non-significance) or MDNS (mitigated determination of non-significance) is anticipated.

Task 4.03 Site Development Permits

Secure issuance of required site development permits. All fees paid by the Owner.

Task 4.04 Building Permits

Secure issuance of required building permits. All fees paid by the Owner.

Task 4.05 NPDES (Ecology) Permit

Secure NPDES construction stormwater permit coverage if required. All fees paid by the Owner.

Task 4.06 Project Management & Quality Control

Manage the permitting phase, coordinate subconsultant inputs, track review comments and responses, maintain a permit status log, and conduct QA/QC of permit materials.

Task 4.07 LDC: Permit Support

LDC will provide civil permit support, including reports, forms, plan revisions, and responses to agency comments for civil, utility, stormwater, and right-of-way items.

Task 4.08 CROSS: Permit Support

CROSS will provide electrical permit support, including plan revisions, calculations, and written responses to permit review comments as needed.

Task 5 100% Design

The 100% Design tasks are the same as 60% & 90% Design, except that the design has advanced from a design development level to a bid-ready set of construction documents.

Task 6 Bidding

Task 6.01 Publish Bid Documents & Conformed Documents

Assemble and bid documents for issuance by the Owner and prepare conformed documents following bidding and award to incorporate addenda and clarifications.

Task 6.02 Attend Pre-Bid Conference (Virtual)

Attend a virtual pre-bid conference to review project requirements, bidding procedures, and bidder questions.

Task 6.03 Provide Bidder Question Responses and Addenda

Review bidder questions, coordinate responses with the design team, and prepare addenda or clarifications as required during the bidding period.

Task 6.04 Bid Tabulation Review

Review bid results and bid tabulation information for completeness and consistency with the bidding requirements and provide input to support award recommendation.

Task 6.05 Project Management & Quality Control

Manage bidding-phase coordination, track questions and responses, coordinate subconsultant input, and perform QA/QC of addenda and conformed documents.

Task 6.06 LDC: Civil Bidding Support

LDC will provide civil bidding support, including responses to bidder questions and preparation of civil addendum information as needed.

Task 6.07 CROSS: Electrical Bidding Support

CROSS will provide electrical bidding support, including responses to bidder questions and preparation of electrical addendum information as needed.

Task 6.08 MC2: Structural Bidding Support

MC2 will provide structural bidding support, including responses to bidder questions and structural addendum information as needed.

Task 7 Construction Administration

Task 7.01 Prepare RFI Responses & DCNs (10)

Review and respond to contractor RFIs and prepare design change notices as needed, up to a combined allowance of ten items unless otherwise authorized.

Task 7.02 Review Select Submittals (5)

Review contractor submittals for general conformance with the contract documents up to an allowance of five items unless otherwise authorized.

Task 7.03 Review Change Proposals (4)

Review up to four contractor change proposals.

Task 7.04 Review Pay Applications (5)

Review up to five contractor pay applications for general consistency with observed progress and contract requirements and provide comments or recommendations to the Client.

Task 7.05 Pre-Con Meeting & Construction Observation (3 site visits)

Attend the pre-construction conference (in-person) and conduct up to two construction observation site visits to review progress and general conformance with the contract documents and document observed issues.

Task 7.06 Prepare Punch List and Backcheck (2 site visits)

Prepare a punch list near substantial completion and conduct a backcheck site visit to review completion of identified punch list items.

Task 7.07 Project Management & Quality Control

Provide design team coordination and quality control review on select construction administration tasks.

Task 7.08 LDC: Civil Construction Admin.

LDC will provide limited civil construction administration support.

Task 7.09 CROSS: Electrical Construction Admin.

CROSS will provide limited electrical construction administration support.

Task 7.10 MC2: Structural Construction Admin.

MC2 will provide limited structural construction administration support.

Task 8 Closeout

Task 8.01 Record Drawings

Prepare record drawings based on contractor-provided as-built markups and documented design changes, RFIs, field clarifications, and other contract modifications.

Task 8.02 Permit Closeout Documents

Prepare or assist with permit closeout documents required by reviewing agencies, based on available project records and contractor-provided closeout information.

Task 8.03 Project Management & Quality Control

Manage closeout coordination, track outstanding documents, coordinate subconsultant deliverables, and perform QA/QC of closeout materials prior to transmittal.

Task 8.05 LDC: Civil Closeout Documents

LDC will prepare civil closeout documentation, record drawing input, permit closeout materials, and other civil discipline deliverables as applicable.

Task 8.06 CROSS: Electrical Closeout Documents

CROSS will prepare electrical closeout documentation, record drawing input, and discipline-specific closeout materials as applicable.

Task 8.07 MC2: Structural Closeout Documents

MC2 will prepare structural closeout documentation, record drawing input, and discipline-specific closeout materials as applicable.

Task 9 RCO Grant Assistance

Task 9.01 RCO Grant Graphics

Prepare graphics to support RCO grant applications, reporting, or closeout, including plans, diagrams, exhibits, or visual materials as appropriate to communicate the project scope.

Task 9.02 RCO Grant Cost Estimate

Prepare or update a cost estimate formatted to support RCO grant documentation, including grant-eligible scope items and cost categories as appropriate.

Task 9.03 RCO Grant City Staff Support Meetings (2)

Prepare for and attend up to two City staff support meetings related to RCO grant coordination, graphics, cost information, and documentation needs.

Task 9.04 RCO Grant Closeout Assistance

Provide limited assistance with RCO grant closeout documentation, including graphics, cost information, and responses to staff questions based on available project records.

Task 10 Pre-Fabricated Restroom Building

Task 10.01 Building Design Coordination (Plans)

Provide vendor coordination and design concepts to develop a pre-fabricated restroom building that is tailored to Legion Park. Include the basis of design vendor's plans in the bid documents.

Task 10.02 Building Specifications

Provide technical specifications defining the scope and performance/quality requirements of the restroom building to allow contractor's to accurately and fairly bid the basis of design, or approved equal, pre-fabricated restroom building.

Task 10.03 LDC: Building Water and Sewer Service

LDC will design, and provide permitting support, for the building and water service connections to restroom building.

Task 10.04 CROSS: Building Electrical Service

CROSS will design, and provide permitting support, for the electrical service connections to restroom building.

End of Scope of Services

Exhibit B: Fee Proposal**Legion Park Development Project**

Client: City of Granite Falls		Task Subtotal	RWD Subtotal	RWD Anticipated Hours				Subconsultant Fees
Task No.	Task Description			Senior Land. Arch.	Landscape Architect	Landscape Designer	Office Manager	RWD Markup %:
				\$200.00	\$130.00	\$105.00	\$110.00	10%
1	30% Design	\$ 43,026.20	\$ 14,160.00	21	41	42	2	\$ 28,866.20
1.01	Site Inventory and Analysis Visit & Memorandum		\$ 2,870.00	6	8	6	0	
1.02	Conceptual Site Options (2) and Building Options (2)		\$ 4,360.00	4	8	24	0	
1.03	Preferred Site Plan		\$ 1,760.00	2	4	8	0	
1.04	Cost Estimate		\$ 1,250.00	0	8	2	0	
1.05	Meetings (4) - Staff (2V), Public(1), and Council (1V)		\$ 3,180.00	9	9	2	0	
1.06	Project Management & Quality Control		\$ 740.00	0	4	0	2	
1.07	LDC: Survey							\$ 9,680.00
1.08	CROSS: No Scope							
1.09	HWA: Geotechnical Report							\$ 19,186.20
1.10	MC2: No Scope							
2	60% Design	\$ 38,041.90	\$ 21,070.00	8	52	120	1	\$ 16,971.90
2.01	Site & Landscape Plan Sheets		\$ 9,180.00	4	16	60	0	
2.02	Site & Landscape Detail Sheets		\$ 8,380.00	0	16	60	0	
2.03	Cost Estimate		\$ 260.00	0	2	0	0	
2.04	Specifications (Including Div 0 and Div 1)		\$ 1,040.00	0	8	0	0	
2.05	Meetings (2) - Staff (2V)		\$ 260.00	0	2	0	0	
2.06	Project Management & Quality Control		\$ 1,950.00	4	8	0	1	
2.07	LDC: Civil PS&E							\$ 7,700.00
2.08	CROSS: Electrical PS&E							\$ 3,771.90
2.09	HWA: No Scope							\$ -
2.10	MC2: Structural Design							\$ 5,500.00
3	90% Design	\$ 23,131.30	\$ 6,870.00	4	20	32	1	\$ 16,261.30
3.01	Site & Landscape Plan Sheets		\$ 2,200.00	0	4	16	0	
3.02	Site & Landscape Detail Sheets		\$ 2,200.00	0	4	16	0	
3.03	Cost Estimate		\$ 260.00	0	2	0	0	
3.04	Specifications (Including Div 0 and Div 1)		\$ 520.00	0	4	0	0	
3.05	Meetings (2) - Staff (2V)		\$ 260.00	0	2	0	0	
3.06	Project Management & Quality Control		\$ 1,430.00	4	4	0	1	
3.07	LDC: Civil PS&E & Permit Reports							\$ 7,700.00
3.08	CROSS: Electrical PS&E							\$ 2,899.60
3.09	HWA: Plan Review							\$ 2,361.70
3.10	MC2: Structural Design							\$ 3,300.00
4	Permitting	\$ 8,846.40	\$ 5,850.00	4	38	0	1	\$ 2,996.40
4.01	Preapplication Conference		\$ 920.00	2	4	0	0	
4.02	SEPA Environmental Permit		\$ 1,040.00	0	8	0	0	
4.03	Site Development Permits		\$ 1,040.00	0	8	0	0	
4.04	Building Permits		\$ 1,040.00	0	8	0	0	
4.05	NPDES (Ecology) Permit		\$ 780.00	0	6	0	0	
4.06	Project Management & Quality Control		\$ 1,030.00	2	4	0	1	
4.07	LDC: Permit Support							\$ 2,420.00
4.08	CROSS: Permit Support							\$ 576.40
5	100% Design	\$ 10,446.90	\$ 5,190.00	4	20	16	1	\$ 5,256.90
5.01	Site & Landscape Plan Sheets		\$ 1,360.00	0	4	8	0	
5.02	Site & Landscape Detail Sheets		\$ 1,360.00	0	4	8	0	
5.03	Cost Estimate		\$ 260.00	0	2	0	0	
5.04	Specifications (Including Div 0 and Div 1)		\$ 520.00	0	4	0	0	

Exhibit B: Fee Proposal**Legion Park Development Project**

Client: City of Granite Falls		Task Subtotal	RWD Subtotal	RWD Anticipated Hours				Subconsultant Fees
Task No.	Task Description			Senior Land. Arch.	Landscape Architect	Landscape Designer	Office Manager	RWD Markup %:
				\$200.00	\$130.00	\$105.00	\$110.00	10%
5.05	Meetings (2) - Staff (2V)		\$ 260.00	0	2	0	0	
5.06	Project Management & Quality Control		\$ 1,430.00	4	4	0	1	
5.07	LDC: Civil PS&E							\$ 2,860.00
5.08	CROSS: Electrical PS&E							\$ 1,296.90
5.09	HWA: No Scope							\$ -
5.10	MC2: Structural Design							\$ 1,100.00
6	Bidding	\$ 6,369.90	\$ 2,620.00	2	13	4	1	\$ 3,749.90
6.01	Publish Bid Documents & Conformed Documents		\$ 520.00	0	4	0	0	
6.02	Attend Pre-Bid Conference (Virtual)		\$ 130.00	0	1	0	0	
6.03	Provide Bidder Question Responses and Addenda		\$ 940.00	0	4	4	0	
6.04	Bid Tabulation Review		\$ 260.00	0	2	0	0	
6.05	Project Management & Quality Control		\$ 770.00	2	2	0	1	
6.06	LDC: Civil Bidding Support							\$ 2,200.00
6.07	CROSS: Electrical Bidding Support							\$ 449.90
6.08	MC2: Structural Bidding Support							\$ 1,100.00
7	Construction Admin.	\$ 11,072.60	\$ 7,260.00	0	55	0	1	\$ 3,812.60
7.01	Prepare RFI Responses & DCNs (10)		\$ 1,300.00	0	10	0	0	
7.02	Review Select Submittals (5)		\$ 650.00	0	5	0	0	
7.03	Review Change Proposals (3)		\$ 390.00	0	3	0	0	
7.04	Review Pay Applications (6)		\$ 390.00	0	3	0	0	
7.05	Pre-Con Mtg. & Construction Observation (3 visits)		\$ 2,340.00	0	18	0	0	
7.06	Prepare Punch List and Backcheck (2 visits)		\$ 1,820.00	0	14	0	0	
7.07	Project Management & Quality Control		\$ 370.00	0	2	0	1	
7.08	LDC: Civil Construction Admin.							\$ 1,100.00
7.09	CROSS: Electrical Construction Admin.							\$ 1,612.60
7.10	MC2: Structural Construction Admin.							\$ 1,100.00
8	Closeout	\$ 6,914.70	\$ 1,990.00	0	8	8	1	\$ 4,924.70
8.01	Record Drawings		\$ 1,100.00	0	2	8	0	
8.02	Permit Closeout Documents		\$ 520.00	0	4	0	0	
8.03	Project Management & Quality Control		\$ 370.00	0	2	0	1	
8.04	LDC: Civil Closeout Documents							\$ 3,740.00
8.05	CROSS: Electrical Closeout Documents							\$ 634.70
8.06	HWA: Geotechnical Closeout Documents							\$ -
8.07	MC2: Structural Closeout Documents							\$ 550.00
9	RCO Grant Assistance	\$ 3,320.00	\$ 3,320.00	8	10	4	0	\$ -
9.01	RCO Grant Graphics		\$ 880.00	1	2	4	0	
9.02	RCO Grant Cost Estimate		\$ 460.00	1	2	0	0	
9.03	RCO Grant City Staff Support Meetings (2)		\$ 1,060.00	4	2	0	0	
9.04	RCO Grant Closeout Assistance		\$ 920.00	2	4	0	0	
10	Pre-Fabricated Restroom Building	\$ 9,790.00	\$ 3,740.00	7	18	0	0	\$ 6,050.00
10.01	Building Design Coordation (Plans)		\$ 1,240.00	1	8	0	0	
10.02	Building Sepecifications		\$ 520.00	0	4	0	0	
10.03	LDC: Building Water & Sewer Service		\$ 1,060.00	4	2	0	0	\$ 5,500.00
10.04	CROSS: Building Electrical Service		\$ 920.00	2	4	0	0	\$ 550.00
	Professional Services (Hourly Not-to-Exceed)	\$ 160,959.90	\$ 72,070.00					
	Direct Expenses (Not to Exceed)	\$ 2,000.00						
	Total Professional Fees (NTE)	\$ 162,959.90						

Exhibit C: Schedule of Pay Rates

Legion Park Development Project

NOTE: THESE RATES ARE CONFIDENTIAL. DO NOT SHARE, EVEN AS AN EXAMPLE CONTRACT, WITHOUT PERMANENTLY REDACTING ALL RATE INFORMATION.

RWD Landscape Architects (Prime Consultant)	
Labor Classification	Rate
Senior Landscape Architect	\$200.00
Landscape Architect	\$130.00
Landscape Designer	\$105.00
Office Manager	\$110.00
LDC, Inc. (Civil & Survey)	
Labor Classification	Rate
Principal/Director	\$287.00
Senior Project Manager	\$258.00
Project Manager	\$235.00
Senior Project Engineer	\$225.00
Project Engineer	\$213.00
Design Engineer	\$188.00
Associate Project Manager	\$174.00
E.I.T.	\$162.00
Principal Policy Planner	\$337.00
Planning Manager	\$246.00
Senior Planner	\$217.00
Site Acquisition II	\$210.00
Planner	\$190.00
Associate Planner	\$165.00
Permit Technician I	\$138.00
Permit Technician II	\$151.00
Senior Land Surveyor	\$225.00
Professional Land Surveyor	\$207.00
Survey Field Manager	\$205.00
Chief of Parties	\$195.00
Project Surveyor	\$181.00
Senior Survey Technician	\$171.00
Survey Technician	\$153.00
Survey Crew Chief II	\$183.00
Survey Crew Chief I	\$153.00
Survey Assistant	\$108.00
LiDAR Drone Services	\$190.00
Senior Designer	\$213.00
Senior CAD Technician	\$183.00
CAD Technician III	\$169.00

CAD Technician II	\$156.00
CAD Technician I	\$142.00
Expert Witness	\$596.00
Project Administrator	\$138.00
Clerical Intern	\$102.00
HWA (Geotechnical)	
Labor Classification	Rate
Principal IX	\$334.02



CITY COUNCIL AGENDA BILL

Subject: AB 119-2026 Presentation - H1
2026 Financial Report / City of Granite
Falls Strategic Plan 2027–2036

Originating Dept.: City Manager

Approval(s): City Manager

Action Recommended: Discussion Only

Meeting Date: August 5, 2026

Date Submitted: 7/27/2026

Exhibit(s):

1. COGF H1 2026 Financial Report
Strategic Plan

Budgeted Amount: All

BARS Code: All

Summary Statement:

Financial presentation of the City's first half (H1) of 2026, covering actual revenues and expenditures through June 30, 2026 for all City funds, together with the proposed Strategic Plan and Goals for 2027–2036. The Strategic Plan ties together the City's ten-year financial forecast with the Council-adopted 2027 - 2041 Capital Improvement and Transportation Improvement Plan (CIP/TIP) and organizes the City's plan around six goals: (1) a safe and welcoming community; (2) reliable water, sewer, and stormwater utilities; (3) a vibrant downtown and economic vitality; (4) parks, trails, and community life; (5) safe and connected transportation; and (6) fiscal stewardship and good government.

Background:

Year-to-Date (YTD) financial report.

As of June 30, 2026, citywide cash and investments total \$13.48 million across all funds, a planned decrease of \$1.0 million from January 1 that reflects the one-time January transfer of General Fund monies into capital project funds (community center purchase).

General Fund revenues of \$1.8 million stands at 45% of the annual budget (compared with \$2.2 million at mid-year 2025), while operating expenditures, excluding transfers, are \$1.7 million (\$1.0M - net Community Center Purchase), or 47% of budget. The full-year trend forecast projects a General Fund ending balance of \$2.70 million, ~ \$71K better than the 2026 budget; expenditure savings more than offset revenue softness in utility tax (decrease 20% to 10%) and passport services (Real ID impact).

Strategic Plan 2027 - 2036. Consistent with best practices published by the Government Finance Officers Association and the Municipal Research and Services Center, the proposed plan is financially constrained: every goal is tied to the ten-year fund forecast and to the adopted CIP/TIP, which plans for ~\$35.5 million across 30 projects (~\$25.2 million local funding and \$10.3 million in anticipated grants). Near-term FY2027 investments include the Public Plaza & Veterans Memorial, EV fast chargers, improvements at Jim Holm and Frank Mason parks, water well rehabilitation, the sanitary sewer program, downtown stormwater projects, and grant-funded street overlays. The plan also identifies a known risk: Transportation Improvement Board (TIB) small-city funding may no longer be available once the City's population exceeds 5,000.

Recommended Motion:

N/A - Discussion Only



CITY OF
GRANITE FALLS

QUARTERLY REPORT TO THE CITY COUNCIL

H1 2026 Financial Report & Strategic Plan and Goals 2027-2036

Year-to-date results through June 30, 2026 • Ten-year Strategy w/ adopted CIP/TIP

City Council Regular Meeting | August 5, 2026

OVERVIEW

Agenda

1

H1 2026 Financial Report

Citywide cash position, General Fund revenues and expenditures vs. budget, utility funds, and the full-year 2026 outlook.

2

Strategic Plan & Goals 2027-2036

A ten-year strategy built on the City's long-range financial forecast and the adopted \$35.5M CIP/TIP.

3

Council Discussion

Review the H1 2026 Financial Report and provide direction on the Strategic Plan. This provides the framework for the 2027 Budget.

 EXECUTIVE SUMMARY

The City Remains on Solid Financial Footing at Mid-Year

\$13.48M

Citywide cash & investments, all funds,
June 30, 2026
-\$0.96M YTD - planned capital draw
(Community Center)

\$2.39M

General Fund ending cash, June 30

Stable since the January capital transfer
and purchase of the Community Center

\$2.70M

Projected GF year-end balance (trend)

+\$71K above the adopted budget

45.1%

GF revenue collected vs. 2026 budget
(\$1.76M of \$3.90M)

-18.2% vs. YTD 2025 - Real ID - Passports

47.2%

GF operating spend vs. budget,
excluding transfers

On plan at the mid-year mark

\$12.3M

Projected GF balance by 2036 in the
long-range forecast

Funds the local share of the CIP/TIP

Bottom line: revenues are softer than 2025 but expenditures are equally disciplined - the General Fund is projected to end 2026 above budget.



PART 1

H1 2026 Financial Report

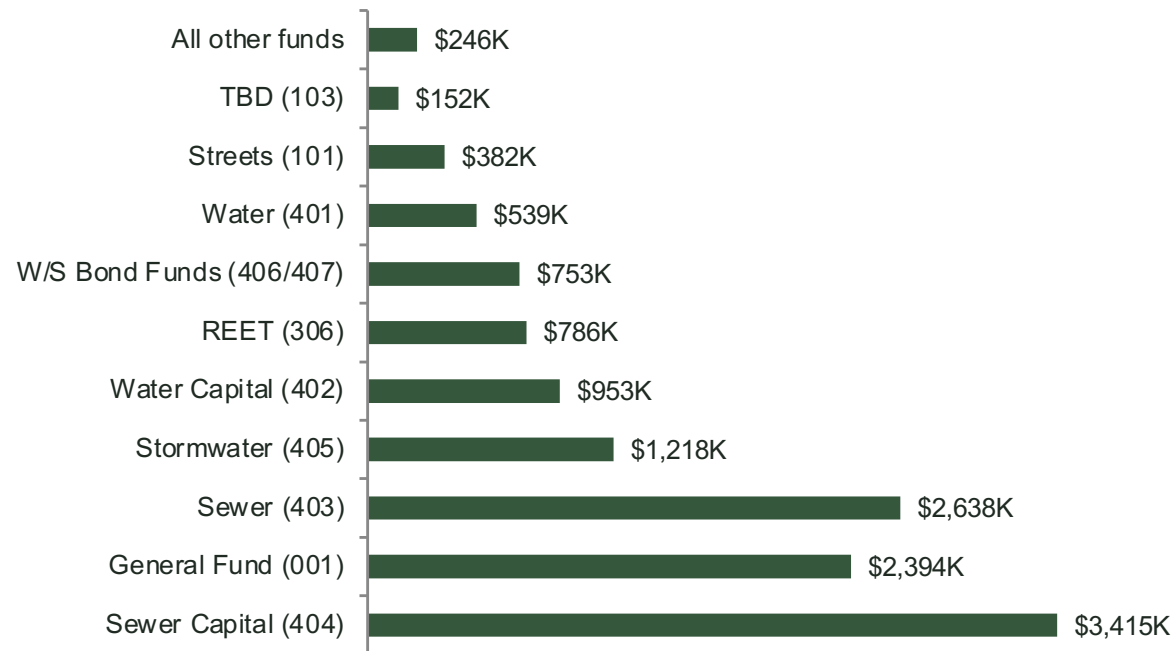
Actuals through June 30, 2026, compared to the adopted budget, prior year, and the full-year trend forecast.

CITYWIDE POSITION

All-Funds Cash: \$13.48M - Utilities and Capital Reserves Are Strong

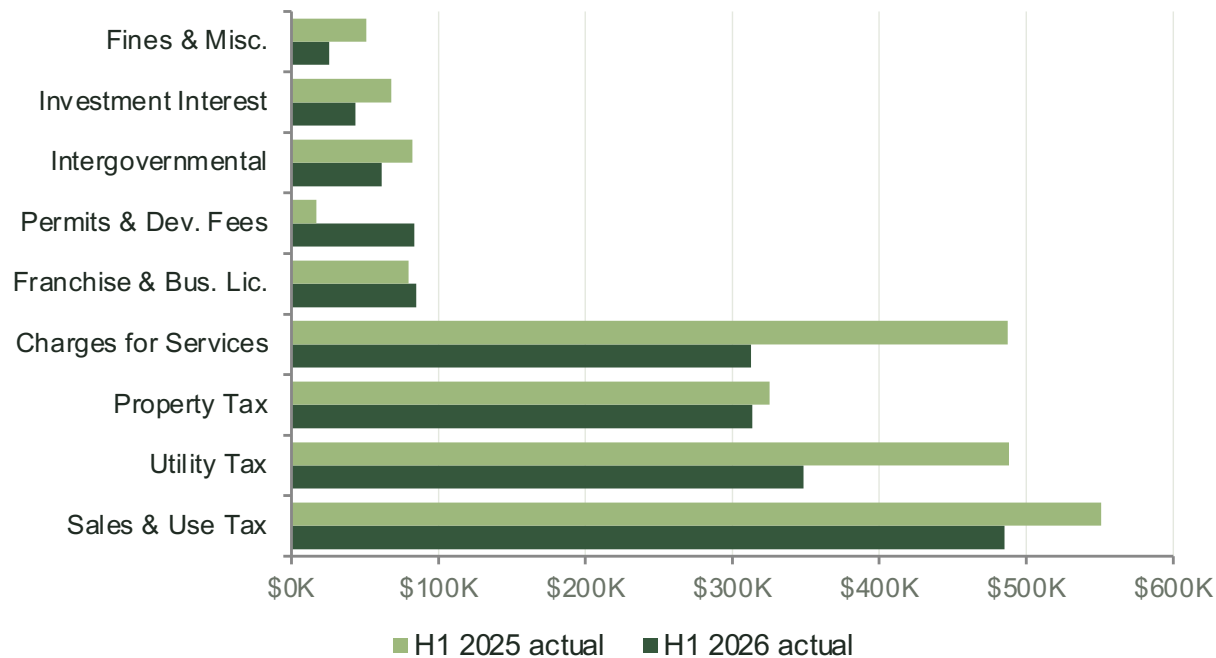
Highlights

- Citywide cash declined \$0.96M YTD - a planned draw as January transfers moved General Fund dollars into capital project funds and the purchase of the Community Center.
- Sewer funds hold \$6.05M combined - the strongest fund group, consistent with the adopted CIP financing plan.
- Water operating cash of \$539K is the thinnest utility position and is monitored monthly ahead of the FY2027 well rehabilitation project.
- REET reserves of \$786K continue to build toward parks and facilities projects in the CIP.



GENERAL FUND - REVENUE

YTD Revenue of \$1.76M Is 45.1% of Budget, Down 18.2% From 2025

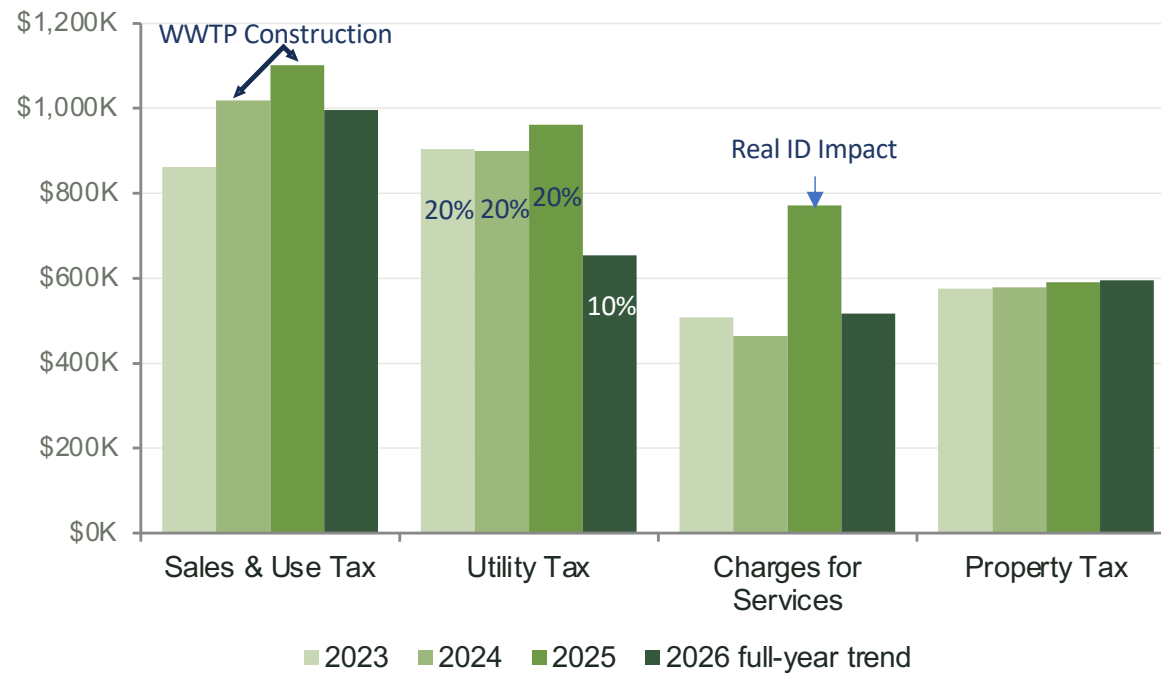


Reading the numbers

- Property tax is on schedule - most of the second-half levy arrives with the October distribution.
- Sales tax (\$485K) is off 12% from a strong 2025 (WWTP Upgrade Project) but still tracks near the 2024 pace.
- Permit & development fees are 4.9x last year - development activity is returning.
- Utility tax and passport-driven charges for services are below budget.
 - Utility seasonality
 - 2025 Real ID Surge

GENERAL FUND - REVENUE TRENDS

Utility Tax and Passport Services Are Running Below Trend



Utility tax

Trending to \$654K vs. \$961K in 2025 (-32%). Decrease of city utility tax 20% to 10%. Softer electric/gas receipts and timing of PUD privilege tax.

Passport services

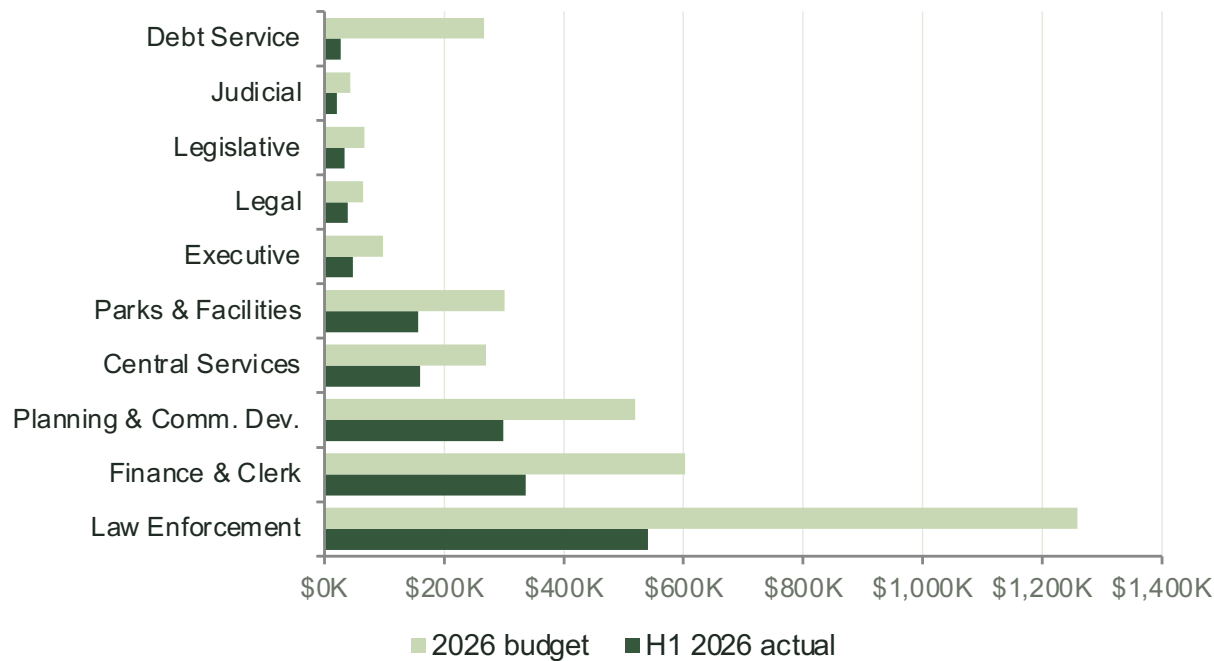
YTD charges for services of \$313K vs. \$488K in 2025 as passport demand normalizes from the 2025 Real ID surge.

Sales & use tax

Trending to \$996K - below the \$1.16M budget; will increase with development.

GENERAL FUND - EXPENDITURES

Operating Spend Is On Plan at 47.2% of Budget (Excl. Transfers)

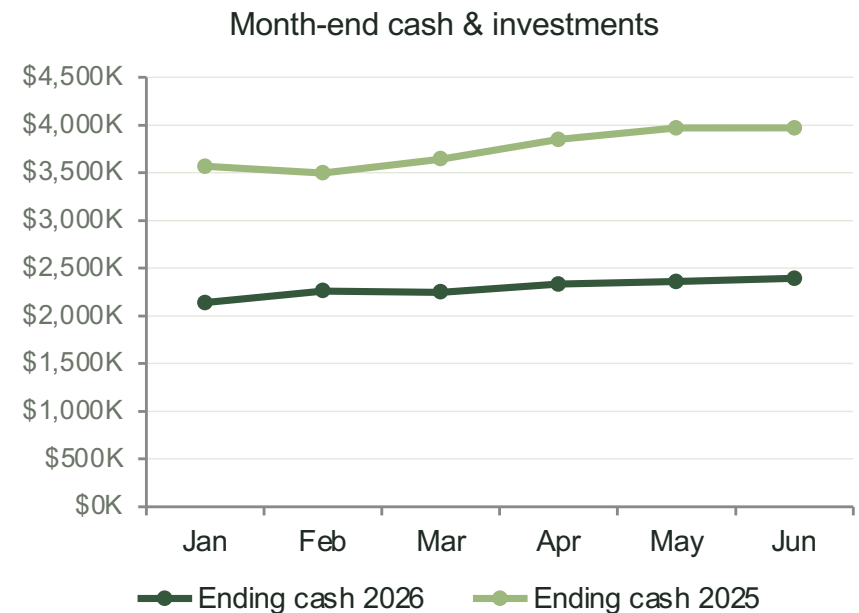
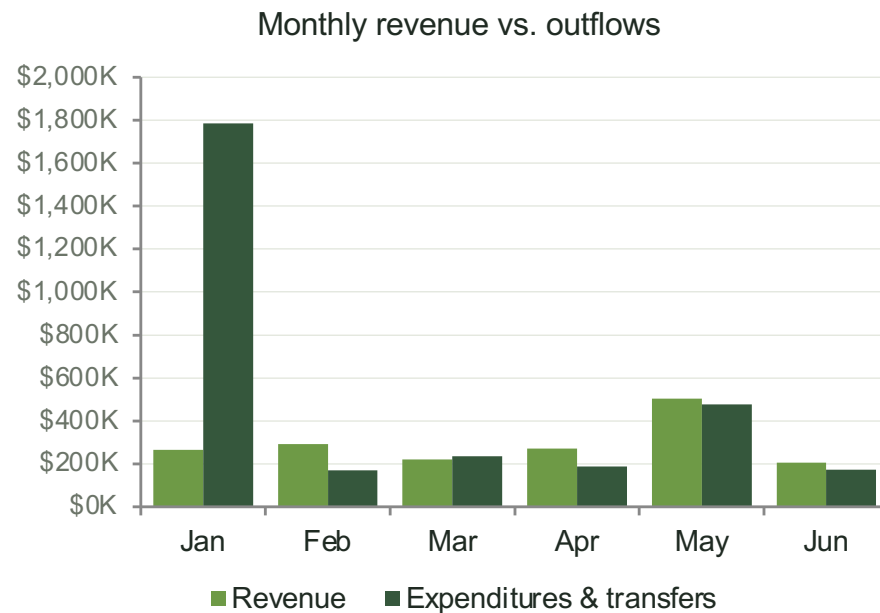


Key points

- Total YTD outflows of \$3.03M include the planned \$1.32M January transfer to capital funds - executing the adopted capital program early in the year.
- \$1.0M net purchase of Community Center.
- Law enforcement is at 42.9% of budget - timing.
- Debt service is paid on its scheduled dates; the fall payment covers the balance of the \$267K budget.
- **No department is trending over budget at mid-year.**

GENERAL FUND - MONTHLY ACTIVITY

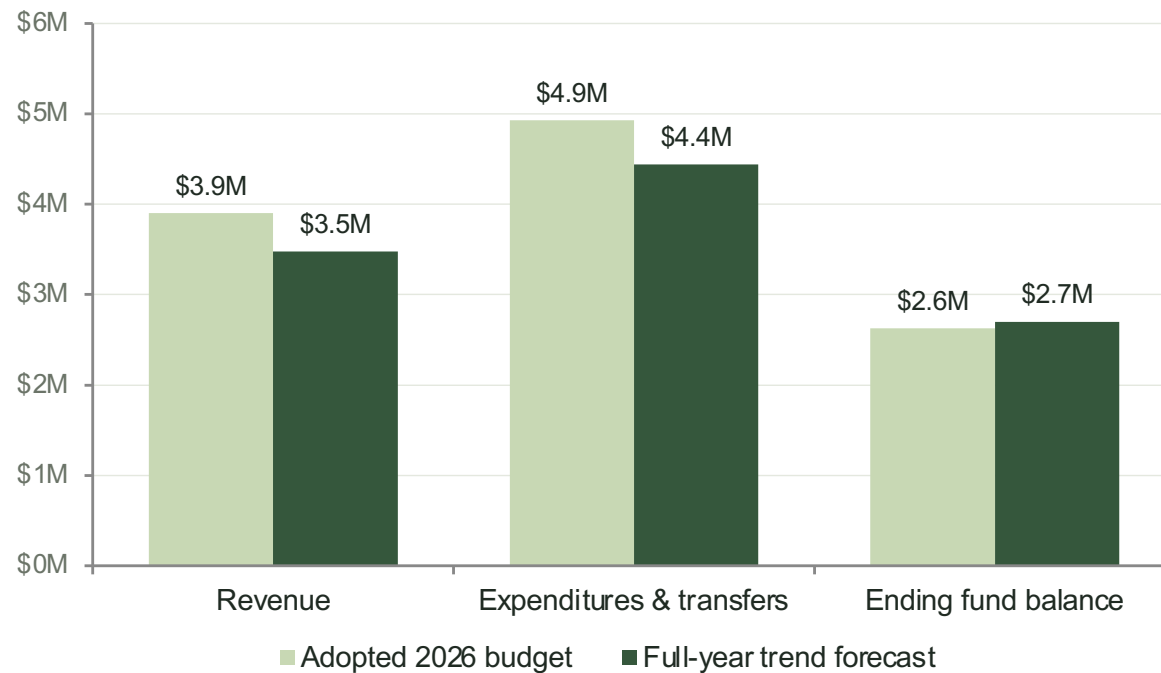
After January's Capital Transfer and Community Center Purchase, the Fund Balance Grew Every Month



January outflows include the one-time \$1.32M transfer to capital project funds (305/303) - 2025 balances did not carry a comparable early-year transfer. The outflow also includes \$1.0 (net) purchase of the Community Center.

GENERAL FUND - 2026 OUTLOOK

Year-End Balance Projected at \$2.70M - \$71K Better Than Budget

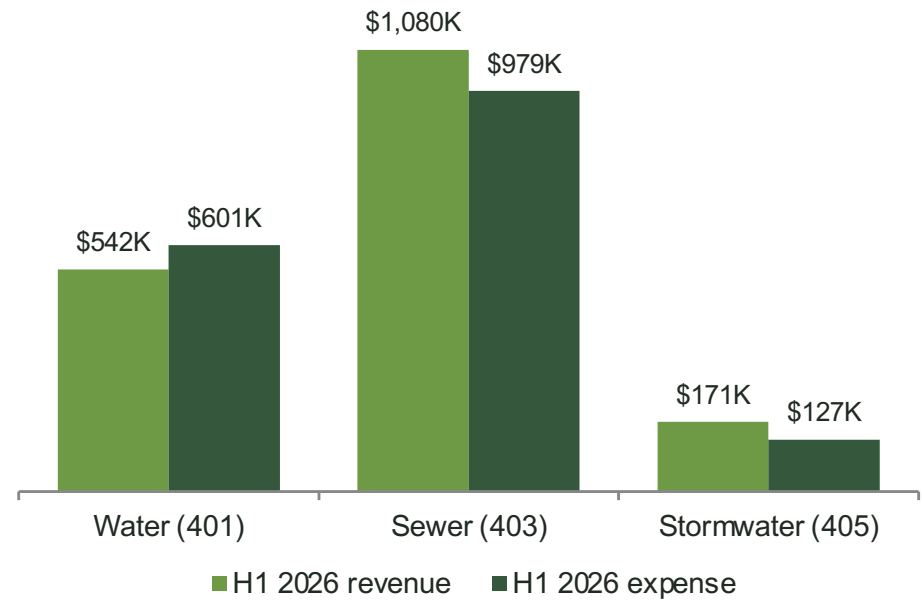


Why the balance improves

- Revenues trend \$423K under budget - driven by utility tax and passport services.
- Expenditures trend \$494K under budget - disciplined spending more than offsets the revenue softness.
- **Net effect: the fund is projected to end 2026 at \$2.70M, above the \$2.63M budgeted balance.**
- Staff recommends holding budget amendments until Q3 revenue data is in hand.

UTILITY FUNDS

Sewer Is Strong, Stormwater Is Building, Water Bears Watching



Fund	YTD cash	2026 year-end trend	Status
Water (401)	\$539K	\$447K	Watch - YTD expenses ran \$59K ahead of revenue; FY2027 well project ahead
Sewer (403 + 404 CIF)	\$6.05M	\$7.16M	Strong - supports the full FY2027 sewer CIP program
Stormwater (405)	\$1.22M	\$1.39M	Healthy - building toward FY2027-36 projects

CAPITAL & SPECIAL REVENUE FUNDS

January Transfers Seeded the Capital Program for 2026-2027

Fund	Jan 1 cash	June 30 cash	YTD highlights
Streets (101)	\$354K	\$382K	Operations on plan; fuel tax and TBD support maintenance
Community Fund(103)	\$111K	\$152K	Passport allocation and interest accumulating for parks
Capital Improvement (303)	\$43K	\$103K	Received GF transfer; funding near-term facility projects
Real Property Acquisition (305)	\$33K	\$51K	Pass-through of \$1.02M January GF transfer for community center
REET (306)	\$704K	\$786K	Real estate excise tax ahead of pace; reserved for CIP
Parks Mitigation (304)	\$14K	\$26K	Impact fees accruing toward Jim Holm & Frank Mason park projects

PART 2

Strategic Plan & Goals 2027-2036

A ten-year roadmap that pairs the City's long-range financial forecast with the adopted \$35.5M Capital Improvement & Transportation Improvement Plan.

APPROACH

Built the Way High-Performing Cities Plan

Vision → Goals → Actions

- Like Snoqualmie, Maricopa, and other benchmark cities, the plan cascades from a vision statement to six goals, each with objectives, funded actions, and measures.

Financially constrained

- Following GFOA guidance, every goal is tied to the ten-year fund forecast and the adopted CIP/TIP - no unfunded promises.

Measured & reported

- Progress returns to Council through quarterly financial reports and an annual CIP/TIP update, per MRSC strategic-planning practice.

The plan horizon (2027-2036) matches the first decade of the CIP/TIP, with later projects (through FY2041) sequenced as fund balances recover.

One Vision, Six Goals

VISION Granite Falls: a safe, welcoming gateway to the Mountain Loop - where reliable infrastructure, a vibrant downtown, and sound finances sustain a growing community.

1 Safe & Welcoming Community

Sustain law-enforcement service levels; expand the public-safety coverage through FY2041.

2 Reliable Water, Sewer & Stormwater

Deliver \$15.5M of utility projects, starting with FY2027 well rehabilitation and the sewer program.

3 Vibrant Downtown & Economic Vitality

Open the Public Plaza & Veterans Memorial and EV fast chargers in FY2027.

4 Parks, Trails & Community Life

Upgrade Jim Holm and Frank Mason parks in FY2027; trails and playground by FY2031.

5 Safe & Connected Transportation

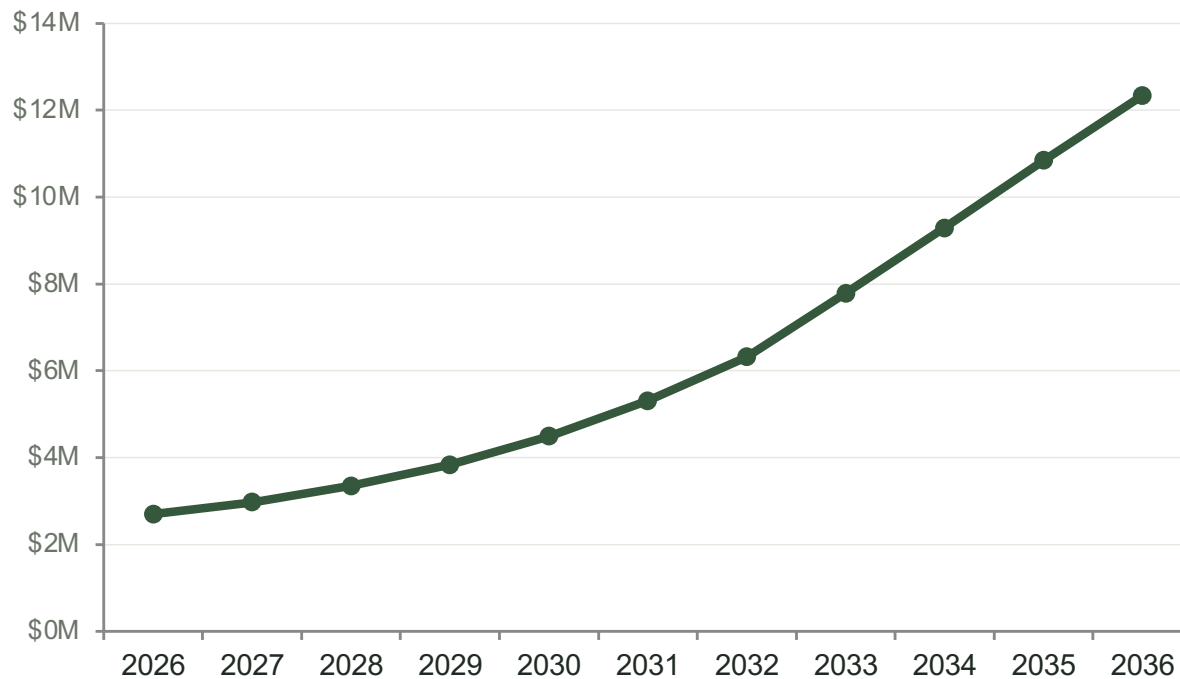
Deliver \$6.2M of overlays, illumination, and sidewalks - 84% grant-funded.

6 Fiscal Stewardship & Good Government

Grow the GF balance to \$12.3M by 2036 while funding the \$25.2M local CIP share. Drop city utility tax from 10% to 0%.

FINANCIAL FOUNDATION

The Ten-Year Forecast Funds the Plan: GF Balance Grows to \$12.3M



4.6x

Growth in the projected GF balance,
2026 → 2036

\$25.2M

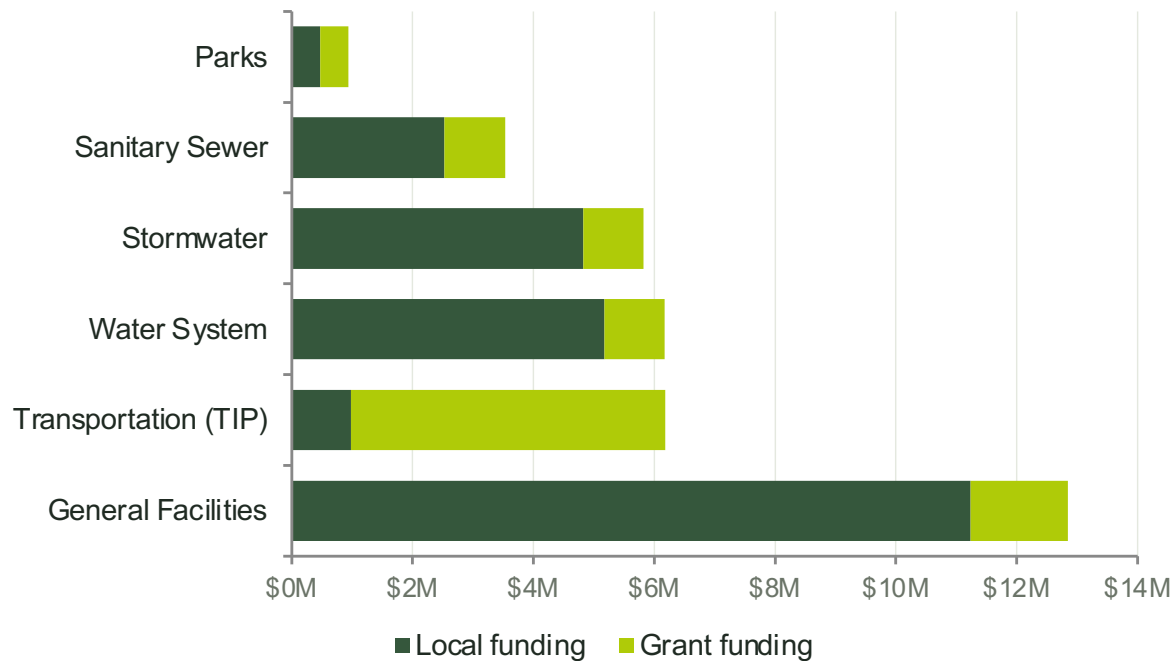
Local CIP/TIP share the forecast must
support (2027-2041)

\$3.1M

Projected 2036 REET balance - capital
funding source

CAPITAL STRATEGY

Adopted CIP/TIP: \$35.5M, 30 Projects, 29% Grant-Funded



\$35.5M

Total plan cost across six program areas

\$10.3M

Grant funding assumed - pursue aggressively

30

Projects sequenced FY2027-FY2041 by fund capacity

GOAL 2 - RELIABLE UTILITIES

\$15.5M of Water, Sewer & Stormwater Investment, Paced by Fund Health

Program / key projects	Cost	Local / Grant	Staff year
Water - Rehabilitate wells	\$2.90M	\$1.90M / \$1.00M	FY2027
Water - Mains (Menzel Lk, Wabash, Anderson) + AMI	\$3.27M	\$3.27M / -	FY2031
Sewer - Burn Rd lift station, Noble Way, I&I study, system impr.	\$3.53M	\$2.53M / \$1.00M	FY2027
Stormwater - Stanley St vault, downtown alley & overlay	\$1.17M	\$1.17M / -	FY2027
Stormwater - Anderson-Prospect LID + system impr.	\$4.65M	\$3.65M / \$1.00M	FY2036

Pacing constraint: the Water fund dips to a projected \$0.45M low after FY2027 well rehabilitation - FY2031 watermain work waits for recovery, and rate policy is reviewed annually.

GOALS 3 & 4 - DOWNTOWN, ECONOMY & PARKS

Visible Community Wins Land Early in the Plan

Downtown & economic vitality

Public Plaza & Veterans Memorial

\$1.50M • \$913K local / \$587K grant • FY2027

A civic centerpiece honoring veterans - the plan's highest-priority facility project.

EV Fast Charger Stations

\$345K • \$65K local / \$280K grant • FY2027

Positions downtown to capture Mountain Loop visitor traffic.

City Public Works Facility

\$6.50M • fully local • FY2036

Sequenced later as General Fund and REET balances build.

Parks, trails & community life

Jim Holm & Frank Mason Park improvements

\$310K • 50% grant • FY2027

Near-term upgrades at both community parks.

Pedestrian trail improvements

\$350K • 50% grant • FY2031

Extends the walking network toward the river corridor.

Community Center children's playground

\$275K • 50% grant • FY2031

Completes the parks program alongside the trail work.

Source: Adopted CIP/TIP, Exhibit A (2027 Budget)

GOAL 5 - SAFE & CONNECTED TRANSPORTATION

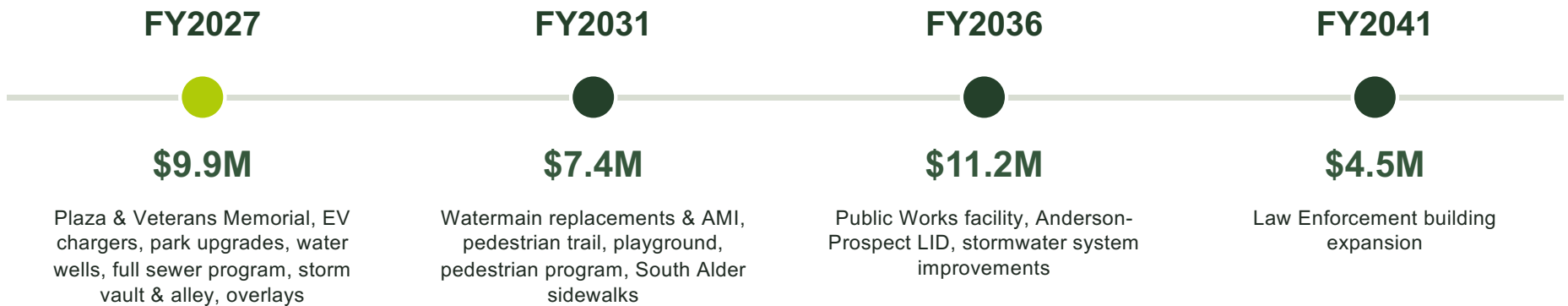
\$6.19M Program, 84% Grant-Funded - With a Known Grant Risk

Project	Cost	Local / Grant	Staff year
West Stanley St illumination	\$150K	\$150K / -	FY2027
100th St NE rechannelization	\$36K	\$31K / -	FY2027
North Granite Ave overlay	\$1.15M	\$115K / \$1.03M	FY2027
Annual overlay program	\$1.75M	\$175K / \$1.57M	FY2027
Annual pedestrian improvement program	\$1.75M	\$175K / \$1.57M	FY2031
South Alder Ave sidewalks	\$1.35M	\$337K / \$1.01M	FY2031

Grant risk: TIB small-city funding may no longer be available once population exceeds 5,000 - the plan front-loads grant-dependent projects into FY2027 while eligibility remains.

GOAL 6 & IMPLEMENTATION

Fiscal Stewardship Paces the Plan in Four Waves



Stewardship commitments: maintain positive ending balances in every fund each year of the plan • review utility rates and the TBD annually • pursue every eligible grant before committing local dollars • report progress to Council quarterly.

ACCOUNTABILITY

How Council Will See Progress

Goal	Key measures (reported annually)	2036 target
1 - Safe community	Law-enforcement cost per capita; response capability	Facility expansion funded by FY2041
2 - Reliable utilities	Fund balances vs. policy minimums; projects delivered on schedule	All utility funds positive every year
3 - Vibrant downtown	Plaza completion; sales-tax base growth	Sales tax back above \$1.1M by 2028
4 - Parks & trails	Projects completed; grant match secured	All four park projects done by FY2031
5 - Transportation	Grant dollars captured; overlay miles completed	\$5.2M in grants secured
6 - Fiscal stewardship	GF ending balance vs. forecast; quarterly reporting on time	GF balance $\geq$ \$12M by 2036

 COUNCIL ACTION

Staff Recommendations

Review

Review the H1 2026 Financial Report (through June 30, 2026) and provide course correction if needed.

Advise

Advise staff, the Strategic Plan and Goals 2027-2036, incorporating the adopted CIP/TIP as its capital element.

Monitor

Monitor the updated revenue trends and any recommended 2026 budget amendments, and annually each fall with a Strategic Plan progress report.



CITY OF
GRANITE FALLS

Questions & Discussion



CITY COUNCIL AGENDA BILL

Subject: AB 120-2026 Consideration to Approve the Services Agreement with Idemia Identity & Security USA, LLC (WA Universal Enrollment Services)

Originating Dept.: City Council

Approval(s): City Manager

Action Recommended: Motion to authorize the City Manager to execute the Services Agreement with Idemia Identity & Security USA, LLC, substantially in the form presented, for the City to serve as a service provider for biometric identification (fingerprinting/enrollment) services under the Washington Universal Enrollment Services program.

Meeting Date: August 5, 2026

Date Submitted: 7/27/2026

Exhibit(s):

1. WA_UES_Granite Falls_City of Granite Falls_Service Agreement update

Budgeted Amount: NA

BARS Code: N/A

Summary Statement:

Idemia Identity & Security USA, LLC is the prime contractor providing biometric identification services to government agencies, including Washington Universal Enrollment Services (WA_UES). Under this Agreement (effective June 11, 2026), the City would serve as a local enrollment site, collecting and transmitting applicant biometric and biographic information. Idemia furnishes, maintains, and supports all equipment (LiveScan device, computer, printer, etc.) at no cost to the City. The City collects applicant fees and remits them to Idemia daily, and Idemia pays the City service fees per the Attachment A fee schedule within 45 days of month-end (30 days if paid by

ACH).

Background:

This is for the new TWIC/TSA initiative. Staff reviewed the agreement with Idemia counterparts and negotiated the following changes to their standard template:

- Termination notice (Sec. 13.F) - The City's continued-service obligation following notice of termination was reduced from 120 days to 90 days.
- Governing law (Sec. 18) - Changed from the Commonwealth of Virginia to the State of New York, without regard to conflicts of law rules.
- Survival clause (Sec. 19) - Post-termination survival of enumerated sections is now limited to five (5) years after cessation of operations, rather than indefinite survival.
- Retail services (SOW) - Idemia must provide advance written notice before adding additional retail services to the Statement of Work.

Other:

- Term: Commences on the Effective Date and continues until terminated; either party may terminate for uncured material breach (30 days); Idemia on 30 days' notice for convenience; City on 120 days' written notice.
- Insurance: City maintains general/umbrella liability coverage of \$1,000,000 per occurrence and statutory workers' compensation.
- Records: Payment-substantiating records retained for a minimum of seven (7) years.
- Confidentiality/compliance: Standard confidentiality, background-check, and federal flow-down provisions apply to staff performing enrollment services.

Fiscal:

- The City receives per-transaction service fees per the Attachment A fee schedule.
- Equipment is provided and maintained by Idemia at no cost to the City.
- No appropriation is required.
- Staff time for enrollment services will be absorbed within existing passport operations.

Recommended Motion:

1) Move to authorize the City Manager to execute the Services Agreement with Idemia Identity & Security USA, LLC, substantially in the form presented.



Idemia Identity & Security USA, LLC

SERVICES AGREEMENT

This Services Agreement (“Agreement”) is entered into as of the 11th day of June, 2026 (“Effective Date”), by and between Idemia Identity & Security USA, LLC, a Delaware limited liability company with its principal office at 11951 Freedom Drive, Suite 1800, Reston, VA 20190 USA (“IDEMIA”) (“IDEMIA”) and City of Granite Falls, having an office at 215 South Granite Avenue. Granite Falls, WA 98252 (“Service Provider”).

WHEREAS: IDEMIA is the prime contractor under a contract to provide biometric identification services for one or more government agencies; and

WHEREAS: IDEMIA has requested Service Provider to provide biometric identification services as IDEMIA’s subcontractor and Service Provider agrees to provide such services under the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

1. DEFINITIONS

For purposes of this Agreement the following terms shall have the following meanings:

- A) “**Agency**” shall mean the government agency identified in Attachment A and to which IDEMIA transmits an Applicant’s biometric and biographic information.
- B) “**Applicant(s)**” shall mean those individuals who have their biometric and biographic information transmitted to the Agency.
- C) “**Applicant Fee(s)**” shall mean any fees due from Applicants, as specified in the SOW, or as otherwise communicated by IDEMIA to Service Provider from time to time.
- D) “**Equipment**” shall mean all necessary hardware and software for Service Provider to perform Services, which may include a LiveScan device, computer, monitor, printer, check scanner, router and required cabling.
- E) “**Fees**” shall mean those fees specified in the SOW for Service Provider’s provision of Services.
- F) “**Prime Contract**” shall mean the contract between IDEMIA and one or more government entities, or between IDEMIA and its higher-tier contractor, in support of a contract with one or more government entities.
- G) “**Services**” shall mean those services described in Attachment A or any subsequent SOW executed by the parties.
- H) “**Statement of Work**” or “**SOW**” shall mean Attachment A to this Agreement and any statement of work subsequently executed by the parties to identify Services to be provided under one or more Prime Contract.

2. SERVICES

In consideration of IDEMIA’s payment to Service Provider of the Fees, Service Provider hereby agrees to provide the Services in accordance with the terms and conditions of this Agreement and of all Attachments and Schedules hereto and any SOW, which shall be deemed incorporated into, and made a part of, this Agreement by this reference. Service Provider hereby agrees that IDEMIA may identify Service Provider as a subcontractor and provide relevant contact information in any proposals or bids IDEMIA submits for Prime Contracts or renewals thereof. IDEMIA may, from time to time, upon mutual written agreement (email is sufficient), license office space from Service Provider in order for IDEMIA employees to perform services that are the same or similar to Services. Service Provider will not receive any compensation under this Agreement for such services performed by IDEMIA employees or for the license of office space.

3. REMITTANCE OF APPLICANT FEES; TAXES

- A) Service Provider will collect and remit Applicant Fees to IDEMIA on a daily basis and in accordance with the terms of Attachment A hereto. All Applicant Fees are non-refundable and shall be remitted by Service Provider without any right of setoff or deduction. Where remittance of collected Applicant Fees is routinely late, IDEMIA may, at its sole discretion, deduct collected Applicant Fees not remitted to IDEMIA from Fees paid to Service Provider upon 30 days written notice to Service Provider.
- B) In jurisdictions where Applicant Fees are subject to sales or other taxes, IDEMIA will include such taxes within Applicant Fees. The Service Provider will collect and remit any such taxes to IDEMIA with the Applicant Fees. Service Provider is solely responsible for the reporting, collection, and /or remittance of all other taxes and governmental fees associated with Service Provider's business.

4. PAYMENT TO SERVICE PROVIDER

IDEMIA agrees to pay Service Provider the Fees set forth in Attachment A within forty-five (45) days of the last day of the month in which the relevant Services were performed. Should Service Provider agree to accept payment via ACH (Automated Clearing House), IDEMIA agrees to pay Service Provider the Fees set forth in Attachment A within Thirty (30) days of the last day of the month in which the relevant Services were performed.

5. EQUIPMENT

IDEMIA will provide Service Provider with all Equipment. Service Provider agrees that any Equipment provided by IDEMIA shall remain the sole property of IDEMIA and shall be used exclusively for the performance of Services. Except as otherwise provided in this Agreement, IDEMIA will maintain and support the Equipment at no charge to Service Provider. Service Provider agrees to use best efforts to keep the equipment in good working order. If any Equipment is lost or damaged while in the possession of Service Provider, IDEMIA may invoice Service Provider for the replacement value thereof or deduct the replacement value from Fees.

6. CONFIDENTIALITY

- A) "Confidential Information" means all information or material disclosed by one party hereto ("Discloser") in any manner, whether orally, visually or in tangible form, to the other party hereto ("Recipient"), or otherwise discovered by or made available to Recipient. Confidential Information includes, but is not limited to, the following types of information: any information collected from Applicants, software (in various stages of development), designs, drawings, specifications, models, source code, object code, know-how, techniques, documentation, diagrams, flow charts, marketing and development plans, business plans, financial information, customer lists, and other similar information and intellectual property that is proprietary to and confidential information of Discloser, and all copies, descriptions and summaries thereof, whether created by Discloser or Recipient. In the course of disclosing Confidential Information to the Recipient, Discloser shall endeavor to identify such information as "confidential", but failure to so identify such information as confidential shall not relieve Recipient of its obligations hereunder. Confidential Information shall not include information that: (a) is already known to Recipient without restriction on use or disclosure prior to receipt of such information from Discloser; (b) is or becomes part of the public domain other than by breach of this Agreement by Recipient; (c) is developed by Recipient independently of and without use of or reference to any of Discloser's Confidential Information; or (d) is received by Recipient from a third party who is not under any obligation to Discloser to maintain the confidentiality of such information. For the avoidance of doubt, all information provided by Applicants, the terms of this Agreement and the existence of any business relationship between the parties, shall be deemed Confidential Information.
- B) All Confidential Information disclosed by Discloser shall remain the sole property of Discloser. Nothing herein shall be construed as a grant by Discloser to Recipient or any third party of any license, directly or by implication, estoppel or otherwise, in any Confidential Information. Nothing contained herein shall create any obligation on the part of Discloser to provide Recipient with any Confidential Information.

- C) Discloser hereby authorizes Recipient to use Confidential Information solely for the purpose of performance of this Agreement and for no other purpose whatsoever. Such authorization shall automatically expire upon expiration or termination of this Agreement for any reason. Recipient covenants and agrees that it shall disclose, permit the disclosure of or allow access to Confidential Information to only those of its employees who (a) have a need to know such Confidential Information and (b) have executed written confidentiality agreements with obligations of confidentiality and restrictions on use substantially similar to those herein. Recipient agrees that in no event shall any other employee of Recipient or any third party, including but not limited to affiliates, customers and contractors of Recipient, have access or exposure to Confidential Information without the express written consent of Discloser.
- D) Recipient agrees that it will handle Confidential Information with the same degree of care it takes to safeguard its own confidential information of a like nature, but in no event less than a reasonable degree of care, and will not use, disclose or make available, directly or indirectly, any Confidential Information to any person, concern or entity, except as expressly permitted hereunder.
- E) Recipient shall notify Discloser immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of this Agreement by Recipient or its employees, and will cooperate with Discloser in every reasonable way to help Discloser regain possession of the Confidential Information and prevent its further unauthorized use or disclosure.
- F) Recipient shall not create derivative works from, reverse engineer, decompile or disassemble any software code and/or pre-release hardware devices disclosed by Discloser to the Recipient under the terms of this Agreement, except as expressly permitted by applicable law.
- G) Notwithstanding any other provision of this Agreement, Recipient may disclose Confidential Information in response to a valid order of a court, regulatory agency, or other governmental body in the United States or any political subdivision thereof, but only to the limited extent and for the limited purposes stated in such order; provided, however, that Recipient shall first notify Discloser in writing of the order and cooperate with Discloser if Discloser desires to seek an appropriate protective order.
- H) All Confidential Information, copies and summaries thereof shall be returned to Discloser within ten (10) days of Discloser's request. At Discloser's option, Confidential Information, including all copies, may instead be destroyed by Recipient, provided Recipient certifies such destruction in writing to Discloser within five (5) days of Discloser's instructions to Recipient. This obligation survives expiration or termination of this Agreement.
- I) It is agreed that due to the sensitive and highly valuable proprietary information contained in Confidential Information, Discloser would suffer irreparable harm from the unauthorized disclosure or use of Confidential Information. Accordingly, either party may seek injunctive relief from any court of competent jurisdiction if necessary to preserve the status quo or otherwise prevent irreparable harm from the unauthorized disclosure or use of its Confidential Information pending final resolution of a decision on the merits with respect to such disclosure or use. In the event any party takes legal action to enforce any of the terms of this Agreement, the unsuccessful party to such action shall pay the successful party's expenses, including actual attorneys' fees, incurred in such action.

7. NON-SOLICITATION; NON-COMPETE

- A) Each party agrees that during the term of this Agreement and for a period of two (2) years following the expiration or termination of this Agreement, regardless of the reason for termination and regardless of which party terminates, that it shall not: (a) divert or attempt to divert from the other party any business of the other party; (b) in the case of Service Provider, perform any services which are related or similar to the Services for any person or entity other than IDEMIA, which duty shall be interpreted as broadly as allowed under law to prevent Service Provider from interfering with IDEMIA's business opportunities and to prevent Service Provider from competing against IDEMIA or assisting other persons or entities to perform work which has the effect of reducing the work available to IDEMIA; or (c) in the case of Service Provider, otherwise interfere

with IDEMIA's (or its subsidiaries' or affiliates') employee relationships or with IDEMIA's customer or vendor relationships.

- B) For the duration of the Agreement, Service Provider, and its employees, shall not, directly or indirectly, solicit for hire any person being fingerprinted for a background check at the direction of a prospective or current employer while: (a) performing any and all services under this Agreement; or (b) representing IDEMIA in any capacity.
- C) In addition to other remedies available at law, including, without limitation, monetary damages, each party shall be entitled to injunctive and other equitable relief in the event of the other party's breach of this Section.

8. WARRANTIES

- A) Service Provider represents and warrants that all employees and contractors of Service Provider, who collect, submit or otherwise process biometric or biographic information of Applicants will i) if required by the applicable Prime Contract, be only United States citizens, as specified in the applicable SOW, and ii) have passed a criminal background check (written pass/fail criteria for adjudication thereof shall be as specified in the applicable SOW), a social security number verification, and validation of the identification documents presented by the employee or contractor. Subsections (i) and (ii) hereof are collectively "Background Check Requirements." Except as otherwise agreed to in a separate writing (email is acceptable), Service Provider shall be responsible for the costs of compliance with Background Check Requirements and IDEMIA may deduct such costs from Fees. Service Provider shall provide satisfactory evidence of a specific employee or contractor meeting Background Check Requirements, upon IDEMIA's request.
- B) For purposes of this Section 8, all individuals subject to Background Check Requirements shall hereinafter be referred to as "Restricted Personnel." Service Provider will not use Restricted Personnel in performance of this Agreement until after IDEMIA's Chief Security Officer has notified Service Provider in writing that such Restricted Personnel meet Background Check Requirements. It shall be a material breach of this Agreement by Service Provider if any Restricted Personnel begin to perform under this Agreement before IDEMIA has provided such notification.
- C) Service Provider further represents and warrants that:
 - i) Services will be performed in a timely, professional and workman-like manner and will conform to the specifications stated in all Statements of Work, Attachments, Schedules and Appendices to this Agreement, which are hereby incorporated by reference;
 - ii) Service Provider shall cause its facilities to comply with the Americans with Disabilities Act and shall maintain such compliance throughout the term of this Agreement; and
 - iii) Service Provider shall comply with all federal, state and local laws and regulations, any terms identified in Sections 23 (Special Provisions) and 24 (FAR Flow Downs).

9. INSURANCE

Service Provider agrees to obtain and maintain umbrella liability and General Public liability insurance with minimum limits of \$1,000,000.00 per occurrence for the entire duration of this Agreement. Service Provider further agrees to obtain and maintain workers' compensation insurance with at least the statutory required minimums for coverage as well as other state and federally mandated insurance coverage. Service Provider agrees to provide to IDEMIA a certificate of insurance evidencing the coverage required by this Section 9 and naming IDEMIA as an additional insured upon request.

10. INDEMNIFICATION

Each party ("Indemnifying Party") shall defend and indemnify the other, and their respective officers, directors, employees, and agents (the "Indemnified Party") from and against all claims, demands, actions, causes of action,

liabilities, damages, costs and expenses (including reasonable attorneys' fees) suffered by the Indemnified Party and arising out of or relating to (a) breach by Indemnifying Party of any of its representations, obligations or warranties in this Agreement or (b) any claims of physical injury or property damage occurring on Indemnifying Party's premises. The Indemnified Party shall promptly notify the Indemnifying Party of any such claim and shall not settle any such claim without the prior written consent of the Indemnifying Party. The Indemnifying Party shall have the right to control the defense of any such claim, with counsel reasonably acceptable to Indemnified Party.

11. OBLIGATION OF GOOD FAITH AND COOPERATION

- A) Each Party hereby agrees to deal with one another in good faith in furtherance of this agreement.
- B) Service Provider agrees to reasonably cooperate in the defense of IDEMIA against any threatened or pending litigation or in any investigation or proceeding that relates to any events or actions which occurred during or prior to the term of the Agreement. Furthermore, Service Provider agrees to reasonably cooperate in the prosecution of any claims and lawsuits brought by IDEMIA or any of its affiliates that are currently outstanding or that may in the future be brought relating to matters which occurred during or prior to the term of the Agreement.

12. LIMITATION OF LIABILITY

EXCEPT FOR BREACH OF EITHER PARTY'S OBLIGATIONS IN SECTION 6 OF THIS AGREEMENT (CONFIDENTIALITY) AND SERVICE PROVIDER'S FAILURE TO COMPLY WITH IDEMIA'S SECURITY REQUIREMENTS), IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY FOR ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF, OR RELATED TO THIS AGREEMENT, EXCEED THE TOTAL SUM OF ALL FEES PAID TO SERVICE PROVIDER BY IDEMIA DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE ON WHICH THE CAUSE(S) OF ACTION AROSE. EXCEPT FOR BREACH OF EITHER PARTY'S OBLIGATIONS IN SECTION 6 OF THIS AGREEMENT (CONFIDENTIALITY) AND SERVICE PROVIDER'S FAILURE TO COMPLY WITH IDEMIA'S SECURITY REQUIREMENTS, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES.

13. TERM AND TERMINATION

- A) This Agreement will commence on the Effective Date and remain in full force and effect until terminated by either party under the terms of this Agreement.
- B) IDEMIA may terminate this Agreement at any time upon written notice for any breach or non-compliance with this Agreement that IDEMIA reasonably believes denigrates its business reputation or could lead to termination of the Prime Contract.
- C) This Agreement shall terminate automatically and with immediate effect upon the expiration or termination of the Prime Contract or if the Agency or any party to the Prime Contract informs IDEMIA that Service Provider is no longer an approved subcontractor.
- D) Either party may terminate this Agreement in the event that a material breach by the other party remains uncured for a period of thirty (30) days from the date the party in breach receives written notice of such breach, if the breaching party is capable of curing the breach.
- E) IDEMIA may terminate this Agreement, in whole or in part (i.e., terminate the provision of a) Services provided under any one Prime Contract or b) Services provided at any individual location of Service Provider), at any time for any reason with thirty (30) days prior written notice. If requested by IDEMIA, Service Provider agrees to continue providing the Services during the thirty (30) day notice period and IDEMIA will pay Service Provider in accordance with the terms of this Agreement.

- F) Service Provider may terminate this Agreement, in whole or in part (i.e., terminate the provision of a) Services provided under any one Prime Contract or b) Services provided at any individual location of Service Provider), at any time for any reason with one hundred and twenty (120) days prior written notice. If requested by IDEMIA, Service Provider agrees to continue providing the Services during the ninety days (90) day notice period and IDEMIA will pay Service Provider in accordance with the terms of this Agreement.
- G) In the event of termination, Service Provider agrees to assist IDEMIA with any de-installation of the Equipment, transition of resources and work product and to provide full cooperation and support for transition to an alternate service provider.
- H) It is acknowledged that Service Provider's termination of this Agreement or cessation of Services within the first six (6) months of the date on which Service Provider begins providing Services ("Early Termination") will cause IDEMIA to incur economic damages and loss of types and in amounts which are impossible to compute and ascertain with certainty as a basis for recovery by IDEMIA of actual damages, and that liquidated damages represent a fair, reasonable and appropriate estimate thereof. Accordingly, in lieu of actual damages for Early Termination (even with the notice required under this Agreement), IDEMIA may assess and recover, as against Service Provider, without IDEMIA being required to present any evidence of the amount or character of actual damages sustained by reason thereof, liquidated damages in the amount of One Thousand Dollars (\$1,000) ("Liquidated Damages"). Liquidated Damages are intended to represent estimated actual damages and are not intended as a penalty, and Service Provider shall pay Liquidated Damages to IDEMIA without limiting IDEMIA's right to terminate this Agreement for default as provided elsewhere herein. IDEMIA may withhold any amounts due to Service Provider under this Agreement in order to recover Liquidated Damages from Service Provider.
- I) It is acknowledged that either party's termination of this Agreement or cessation of Services without proper notice will cause the non-terminating party to incur economic damages and loss of types and in amounts which are impossible to compute and ascertain with certainty as a basis for recovery by the non-terminating party of actual damages, and that liquidated damages represent a fair, reasonable and appropriate estimate thereof. Accordingly, in lieu of actual damages for termination without the notice periods prescribed by the terms of this Section 13I ("Notice Period"), the non-terminating party may assess and recover, as against the terminating party, without the non-terminating party being required to present any evidence of the amount or character of actual damages sustained by reason thereof, liquidated damages as follows ("Inadequate Notice Liquidated Damages"). In the event that Service Provider is the terminating party and provides less notice than the Notice Period, IDEMIA may withhold a) the amount due to Service Provider for the provision of Services during the month previous to that in which IDEMIA receives Service Provider's termination notice and b) an amount equal to what Service Provider would have earned through the end of the Notice Period, based on the average daily amount Service Provider earned during the term of the Agreement (i.e., total amount earned divided by number of days on which Service Provider has performed Services) ("Prorated Earnings") times the number of days remaining until the end of the Notice Period). If IDEMIA is the terminating party and provides less notice than the Notice Period, IDEMIA will pay Service Provider a) the amount due to Service Provider for the provision of Services during the month previous to that in which Service Provider receives IDEMIA's termination notice and b) 50% of Prorated Earnings times the number of days remaining until the end of the Notice Period). Inadequate Notice Liquidated Damages are intended to represent estimated actual damages and are not intended as a penalty, and the terminating party shall pay Inadequate Notice Liquidated Damages to the non-terminating party without limiting the non-terminating party's right to terminate this Agreement for default as provided elsewhere herein. In the event that Service Provider is the party terminating the Agreement without the notice period prescribed by this Section 13, IDEMIA may withhold any amounts due to Service Provider under this Agreement in order to recover Inadequate Notice Liquidated Damages from Service Provider.

14. DOCUMENT RETENTION; AUDIT

Service Provider shall maintain records, books, files and other data and in such detail as shall properly substantiate claims for payment, for a minimum retention period of seven (7) years, beginning on the date the Services were provided, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other

inquiry. Service Provider shall provide IDEMIA and the Agency with access to such records during Service Provider's regular business hours and upon reasonable prior notice, including on-site reviews and reproduction of such records at IDEMIA's expense.

15. NON-DISCRIMINATION; UNFAIR LABOR PRACTICES

Service Provider shall comply with all federal, state and local laws, rules and regulations promoting fair employment practices or prohibiting employment discrimination and unfair labor practices, and shall not discriminate against any employee or applicant for employment, nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment, because of race, creed, color, national origin, ancestry, age, sex, religion, height, weight, marital status, physical or mental disability, genetic predisposition, carrier status or sexual orientation, or for exercising any rights afforded by law.

16. CONFLICT OF INTEREST

The Service Provider must not have or acquire any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with IDEMIA's performance of its duties and responsibilities under the Prime Contract or otherwise create an appearance of impropriety with respect to the award or performance of the Prime Contract. The Service Provider agrees to notify IDEMIA about the nature of any such conflict or appearance of impropriety immediately upon discovery.

17. EXPORT CONTROL

Notwithstanding anything to the contrary in this Agreement, Service Provider acknowledges and agrees that it may be subject to regulations of the U.S. Department of Commerce that prohibit the export or diversion of certain products and technologies to certain countries. Service Provider agrees that it will not export or divert any information or technology provided hereunder without fully complying with all relevant laws of and regulations, including without limitation, the US Export Administration Act of 1979, as amended, any successor legislation, and the Export Administration Regulations issued by the US Department of Commerce.

18. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflicts of law rules.

19. SURVIVAL

The sections of this Agreement which by their nature require survival after termination or completion of the Services shall survive and remain notwithstanding any termination or completion of the Services. The Sections which shall survive for 5 years after cessation of operations include, but are not limited to, Sections 3 (Remittance of Applicant Fees; Taxes), 4 (Payment to Service Provider), 5 (Equipment), 6 (Confidentiality), 7 (Non-Solicitation;), 10 (Indemnification), 11 (Obligation of Good Faith and Cooperation), 12 (Limitation of Liability), 13 (Termination), 14 (Document Retention), 16 (Conflict of Interest), 17 (Export Control), 18 (Governing Law), 19 (Survival), 22 (Severability), 23 (Notices) and 27 (Entire Agreement).

20. INDEPENDENT CONTRACTOR

The relationship between the Parties subject to this Agreement shall be independent contractors. Service Provider employees or agents rendering services under this Agreement shall not be employees of IDEMIA, the Agency or any government entity that is a party to the Prime Contract for federal or state tax purposes, or for any other purpose. Service Provider shall be responsible for workers' compensation, social security, unemployment insurance and all applicable taxes.

21. ASSIGNMENT

Neither party may assign any of its rights or delegate any of its duties, in whole or in part, without the prior written consent of the other party. Any attempted assignment or delegation without such consent shall be null and void. Notwithstanding the foregoing, IDEMIA may assign this Agreement to any current or future parent or subsidiary of IDEMIA or of such parent without Service Provider's prior written consent.

22. SEVERABILITY

If any provision of this Agreement should be held to be invalid in any way or unenforceable, it shall be severed and the remaining provisions shall not in any way be affected or impaired. This Agreement shall be construed so as to most nearly give effect to the intent of the parties as originally executed.

23. NOTICES

Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services to the parties' respective addresses first set forth above. Except as otherwise provided herein, such notices shall be deemed given when received copies of all notices to IDEMIA shall be sent to:

IDEMIA Identity & Security USA, LLC
Attn: Enrollment Services
340 Seven Springs Way, Suite 200
Brentwood, TN 37027
partnerships@us.idemia.com

With copy to:
Idemia Identity & Security USA LLC
Attention: General Counsel
One Fountain Square
11911 Freedom Drive, Suite 650
Reston, VA 20190

24. NOTICE OF SERVICE

Immediately following receipt by Service Provider of any claim or notice of the commencement of any action, administrative, or legal proceeding, or investigation, or subpoena, or lawsuit, or any other legal action involving IDEMIA Identity & Security LLC, the Service Provider shall provide Notice thereof to IDEMIA.

25. SPECIAL PROVISIONS

The terms of the Special Provisions and National Security Agreement Flow Down Terms in Attachment B attached hereto are hereby incorporated by reference into this Agreement, except "Offeror" and "Contractor" shall mean "Service Provider" and "Government" and "Contracting Officer" shall mean "IDEMIA".

26. FAR FLOW DOWNS

The FAR and HSAR provisions listed in Attachment C are in their entirety hereby incorporated by reference into this Agreement, except that "Government" and "Contracting Officer" shall mean "IDEMIA", "Contractor" shall mean "Service Provider" and "Contract" shall mean this Service Agreement, unless by context the referenced terms should not be changed.

27. ENTIRE AGREEMENT

This Agreement and all Attachments and Schedules contain the entire understanding between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous communications and agreements with respect to such subject matter. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement. No provision of this Agreement can be waived or cancelled, and this Agreement cannot be changed, modified or amended, except by an instrument in writing executed by both parties. Notwithstanding the foregoing, the parties agree that IDEMIA may amend this Agreement by providing advance written notice thereof to Service Provider, stating that if Service Provider does not respond to such notice within the time period specified, Service Provider shall be deemed to have accepted the terms of any such amendment, without any requirement of Service Provider's written acknowledgement or signature.

28. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original Agreement for all purposes and which collectively shall constitute one and the same Agreement. The signature of either of the parties hereto may be evidenced by a facsimile or electronic (e.g., pdf) copy of this Agreement bearing such signature and transmitted to the other party. Such signature shall be valid and binding as if an original executed copy of the Agreement has been delivered.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

IDEMIA Identity & Security USA, LLC

City of Granite Falls

By: _____

By: _____

Name: Daniel Heldele

Name: Jeff Balentine

Title: Senior Director Universal Enrollment

Title: City Manager

STATEMENT OF WORK

The Agency for this SOW is the U. S. Transportation Security Administration (“TSA”).

SERVICE PROVIDER RESPONSIBILITIES:

The Service Provider shall provide electronic Applicant enrollment services and associated processing for non-criminal justice licensing, credentialing, and employment purposes pursuant to state and federal laws requiring background checks. Except as may be specifically stated elsewhere, Service Provider is responsible for all staffing, operations, building leases, equipment rental, consumables and office supplies required for the successful performance of Services and operation of the facilities at which Services will be performed (“Enrollment Center”). A Service Provider employee who collects Applicant information and operates an enrollment workstation is referred to as an “Enrollment Agent” or an “EA.”

Service Provider agrees that any Equipment provided by IDEMIA shall remain the sole property of IDEMIA and shall be used exclusively for the provision of Services.

Service Provider is responsible for abiding by IDEMIA policies and procedures and for establishing the availability of necessary facilities, trained personnel, and the delivery of all services described herein to the satisfaction of IDEMIA and IDEMIA’s customers.

Service Provider must be pre-approved to work on the Prime Contract. Pre-approval is established first through an internal IDEMIA vetting process and then through the Agency, if the Prime Contract requires this vetting process to be done. The vetting process is to determine a Service Provider’s eligibility and suitability to be engaged in a partnership for a specific government contract. The vetting process may include site visits, analysis of ADA suitability, and facility photographs. Service Providers must be approved through the contract-required vetting processes *prior* to beginning any work. Service Provider agrees to provide adequate parking, ADA accessibility, and access to reasonable accommodations for Applicants waiting for fingerprinting appointments.

Service Provider must provide a 30 day minimum notice if they intend to change the enrollment area, in writing to IDEMIA (email is acceptable) in order for IDEMIA to obtain the necessary TSA site approvals.

No Service Provider employees or contractors may perform Services, including but not limited to collecting fingerprints and biographic information from Applicants and performing administrative tasks under the Agreement, without having met Background Check Requirements and any additional vetting required by the TSA.

Service Provider is responsible for verifying the identity, in accordance with program requirements of the Prime Contract, of all Applicants prior to providing fingerprinting services. Service Provider shall review the Applicants’ presented forms of government issued photo identification before processing the Applicant. For approved third party entities paying for an Applicant’s processing services, Service Provider is responsible for verifying the Applicant’s identity and satisfaction of full payment obligation using either a valid coupon code, personal payment or a combination of payment methods. Additionally, Service Provider is responsible for performing PIN resets as needed or as requested by the Applicant.

All Service Provider employees will be held to a high standard of excellence, professionalism, accountability, integrity, honesty, and trust. Service Provider employees working on this contract will have the required education, skills, certification and experience.

Service Provider will be responsible for the work product delivery of its employees and for meeting all deliverable schedules, timelines, and due dates required under the Prime Contract and Statement of Work. All Service Provider employees are expected to perform work that is consistent with the intent and specificity of the SOW and this Agreement. IDEMIA reserves the contractual right to request the immediate removal of any Service Provider employee.

The Service Provider is responsible for maintaining a staff with an adequate number of personnel to ensure day-to-day continuity of operations, should someone leave the Service Provider for any reason or be reassigned to other work within the company.

If the Service Provider becomes aware of any misconduct or lapse of judgment on the part of any of its employees that may or would render the person ineligible to continue performing Services, the Service Provider will report the incident immediately to IDEMIA.

Service Provider will provide reliable internet connectivity, electrical power, and all organizational and program-related resources that could reasonably be foreseeable to deliver the Services.

Service Provider will accept payments from Applicants made in the form of a credit card, a cashier's check or a money order only unless otherwise agreed to in writing by IDEMIA. Applicants will have other payment options at the time of pre registering. For Applicants paying on site, the Service Provider collects the enrollment fee which includes applicable Federal, State or FBI channeling charges.

Service Provider will provide a receipt in a format approved by the Agency and supplied by IDEMIA to each individual fingerprinted as evidence of successful completion of the transaction, including a unique identifying number assigned and submitted with the electronic submission.

The Service Provider shall provide all Services and deliverables as required, described, and detailed herein and shall meet all Service and delivery timelines as specified.

Service Provider shall not collect an additional rolling Fees for any Applicant rejected by the State or FBI as a result of a fingerprint rolled from the Livescan device user by Service Provider.

Service Provider shall ensure that IDEMIA customer data and personal information is held strictly confidential. Service Provider is responsible for the security and dissemination of personal information obtained in the performance of this contract in accordance with State and federal law. In addition, Service Provider shall take reasonable steps to insure that customer data visible on the Livescan device is protected during the fingerprint collection process (privacy screens, room partitions, separate collection room or area, etc.).

The Service Provider shall provide Services in accordance with performance measurements that fall within the Service Level Agreements (SLAs) defined in Appendix I: Service Provider Performance Metrics.

Service Provider will strive to meet the standards described in the Enrollment Center Quality Control document attached to the Agreement as Attachment A-1.

Service Provider shall ensure that all Service Provider employees and contractors wear an identification badge at all times while performing Services. Other name tag requirements are as follows:

- Service Provider- provided name tags are acceptable.
- The name tags should have at least the employee's full first name and the initial of their last name. Service Provider's corporate logo may also be displayed on name tags.
- If Service Provider does not issue name tags, IDEMIA will provide an Identogo name tag for the initial onboarding staff at no cost. Payment for additional or replacement name tags will be the responsibility of the Service Provider.

Service Provider shall comply with any signage and branding guidelines provided by IDEMIA, including those in Schedule A. For the avoidance of doubt, Service Provider shall avoid all use of IDEMIA logos or that of its customers (e.g, the TSA) without IDEMIA's permission.

Service Provider shall not alter IDEMIA signage or any other IDEMIA-branded items (collectively "Signage"), or display any Signage not provided or previously authorized by IDEMIA. Signage is subject to change and IDEMIA may, from time to time, ask the Service Provider to update Signage and/or provide access to Service Provider's facility

so that IDEMIA may make any such updates. Service Provider shall not display any hand-made signage, and Service Provider hereby acknowledges that any such display is a violation of U.S. federal, state and international copyright and trademark law.

IDEMIA will provide initial training for Service Provider employees at IDEMIA expense. Service Provider employees must commit to focused training which includes approximately four to seven hours of computer based training outside of normal operating hours and three to five days of training with an IDEMIA Certified Trainer. The Certified Trainer will also observe the employee in a live environment for one day during normal hours of operation. The Certified Trainer will ensure that the employee is competent to work independently and demonstrates proficiency in the material presented before being certified as an Enrollment Agent. Examples of specific training topics include:

- Review of the Trusted Agent (defined below) User Manual
- Greeting and Sign-In Procedures
- Enrollment Processes
- Data Entry
- Payment Processing
- Fingerprint Capture
- Photograph Capture
- Card Management Functions (TWIC Activation Process, Inventory)
- Start of Day and End of Day Procedures
- Security Policies, IT Policies and Procedures, and Anti-Phishing Policies
- Equipment Care and Supplies

Only individuals who have completed all vetting and training requirements may operate the enrollment workstation.

IDEMIA's training process is initiated, maintained, and monitored by the UES training organization and recorded in the Learning Management System (LMS) as part of the program personnel's permanent training record.

IDEMIA will provide Briefings on average once a month that will most of the time align with the monthly release of the workstation update(s). A mandatory program refresher course will be assigned on an annual basis. New training modules will be initiated a minimum of 4 times per year as new services and/or features are released or refreshed. Assigned trainings take approximately 20 -90 minutes to complete.

Additional training due to lack of employee availability or attention during initial session will be at the expense of Service Provider.

Service Provider shall accept Applicants for fingerprinting during the following standard days and hours of operation: Monday - Saturday: 8:30AM - 12:30PM and 1:00PM - 6:30PM. Service Provider must communicate any requested changes to the agreed upon operating hours to the IDEMIA Supervisor/Manager with a minimum 30 days' notice. Any permanent changes to the operating schedules must be pre-approved in writing by IDEMIA. In the event of an unscheduled site closure, the Service Provider must notify IDEMIA immediately of the situation or no later than two hours prior to the scheduled opening time.

Service Provider agrees to accept the maximum number of appointments per hour, as specified by IDEMIA from time to time, during the agreed upon hours of operation.

FEE STRUCTURE

The following fee categories are applicable to this SOW:

- A. TWIC Enrollment Fee – \$5.00. This fee is earned upon completion of all enrollment steps required by the user manual and successful submission of a TWIC Transportation Worker's Applicant fingerprint record.
- B. Activations – \$2.00. This fee is earned upon successful activation and delivery of a TWIC card to the correct TWIC Transportation Worker.

- C. Card Replacement Fee - \$3.00. This fee is earned when a Transportation Worker initiates a replacement card or EED activity at an enrollment center rather than initiating the activity through IDEMIA's call center or website.
- D. HazPrint Enrollment Fee - \$4.00. This fee is earned upon completion of all enrollment steps required by the user manual and successful submission of a HazPrint Applicant's fingerprint record.
- E. TSA Pre✓® Enrollment Fee - \$4.00. This fee is earned upon completion of all enrollment steps required by the user manual and successful submission of a TSA Pre✓® Applicant's fingerprint record.

When new user groups are added to the program, IDEMIA will provide written notification as to which fee categories will apply to each user group. If new fee categories are required, an amendment to this Agreement will be negotiated.

RETAIL SERVICES

IDEMIA further agrees to pay Service Provider for the following retail services per each IDEMIA-directed Applicant to the Service Provider, and upon successful transaction, under the terms of Section 4 of the Agreement.

- FBI Identity History Check (pre-enrollment and walk-up; requires full enrollment processing): \$4.00
- FBI Identity History Check (single capture add on): \$2.00
- Birth Certify: \$2.50
- Passport Photo Services: \$4.00
- Sales of adjacent biometric ID products or Services: \$4.00
 - Identity Verification Support Services (IVSS)
- Out of State LiveScan Enrollment: \$3.00
- Commercial LiveScan Enrollment: \$3.00
- Print & Go: \$5.00

IDEMIA may, from time to time, and with advanced written notice add additional retail services to be provided by Service Provider, without formal amendment to the Agreement or this SOW. Such additional retail services may require training of Service Provider employees. A fee schedule for all retail services will be provided by IDEMIA on an annual basis.

Service Provider will support promotional marketing and merchandising for retail services.
Service Provider shall complete necessary reporting requirements for retail service transactions.

TECHNICAL REQUIREMENTS

1. Service Provider agrees that only authorized personnel shall have physical control of and access to the Idemia equipment. When the Idemia equipment are not under the physical control of authorized personnel, they shall be secured in a way that will not allow anyone else to gain possession of the equipment or gain access to the data contained on the equipment. If the Idemia equipment becomes compromised, lost, and or stolen at any time, the Service Provider agrees to immediately contact IDEMIA's TouchCare Support Center at (866) 326-5309 to report the matter.
2. Service Provider agrees to provide Internet connectivity within ten (10) feet of the area where the Idemia equipment is installed. Service Provider sites agree to meet the requirements for connectivity to the IDEMIA network, to include:
 - Broadband\High-Speed Business Connection; Usage of a wireless router is allowed with the workstation hardwired into the router. Wireless connectivity is not permitted
 - Internet minimum download and upload speeds that shall be provided are:
 - 3 Mbps download and 1 Mbps upload for 1 workstation
 - 6 Mbps download and 2 Mbps upload for 2 workstations
 - 20 Mbps download and 5 Mbps upload for 8 or more workstations
 - For each kiosk, add 1 Mbps download and 5 Mbps upload for each kiosk in service
 - Dynamic (DHCP) IP address must be provided including DNS
 - Latency must be below 100ms
 - Firewall protection in front of the Idemia firewall must allow outbound and inbound packets per the chart below.

- Idemia's devices have Trend Micro Anti-virus, which is managed by Idemia.
- Service Provider may not connect any peripheral devices (for example, phones; USB thumb drives) to the IDEMIA equipment and may not use the IDEMIA workstation for internet browsing or other functions.

The following network access is required to provide proper functionality of IDEMIA fingerprinting systems for SEP, UEP and UES.

	Host Names	IP Address/port(s)	DNS Enabled	Purpose
1	secure.ues.us.idemia.io, secure.us-gov-west-1.prod.ues.us.idemia.io [UES]	52.222.112.74 / TCP 7300	Yes	Win Magic SecureDoc pre-boot authentication process (This is prior to Windows booting; DNS access is required at this point.)
	uesecure.identogo.com [UEP/UE2]	52.61.181.99 / TCP 7300	Yes	
	secure.ibtfingerprint.com [SEP]	206.196.26.134 / TCP 8080	Yes	
2	vpn.ibtfingerprint.com [SEP]	206.196.26.132 TCP/UDP: 443/500/1023/4500/10000	Yes	FortiClient VPN Client, SSL VPN Software
	vpn.ues.us.idemia.io [UES]	3.32.197.208 / TCP 9443		
	fcems.ues.us.idemia.io [UES]	3.32.197.208 / TCP 8013, 10443		
	vpn.spm.us.idemia.io [UEP/UE2]	52.61.181.99 / TCP 9443		
	fcems.spm.us.idemia.io [UEP/UE2]	15.200.47.204 / TCP 8013, 10443		
3	support.ues.us.idemia.io [UES]	3.30.5.76 3.32.164.110 TCP: 80/443/8200	Yes	Bomgar remote access system.
	uesupport.identogo.com [SEP/UEP/UE2]	3.218.147.78 18.215.207.189 TCP: 80/443/8200		
4	am1.spm.us.idemia.io [UES/UEP/UE2]	15.200.47.204 TCP: 8083, 44900 UDP: 1190-1193	Yes	Router management server HTTPS Management Tunnel SSL VPN
	pool.ntp.org [UES/UEP/UE2]	Various UDP: 123		
5	[UES/UEP/UE2]	15.200.47.204 [ALL] UDP: 12181-12184 44.217.29.158 [UES] 3.212.231.235 [UEP/UE2] UDP: 12181-12182	No	RADIUS traffic
6	VOIP Telephone: Payload	208.85.187.210 208.85.187.212 207.182.251.211 207.182.251.212 UDP: 5060 TCP: 5061 UDP: 10000-20000 TCP: 443 UDP: 3478-3479	No	SIP Signaling RTP Media NAT Traversal/WebRTC

7	VOIP Telephone: Provisioning/Management	207.182.251.213 208.85.187.213 TCP: 80 TCP: 443	No	Provisioning/Management
9	crt.sectigo.com crl.sectigo.com	Various TCP 80	Yes	Certificate validation

Revision Date: 02/12/2026 V2.1

IDEMIA ENROLLMENT SERVICES RESPONSIBILITIES:

IDEMIA will manage the overall program needs, working with Agency and Service Provider. IDEMIA will provide initial training for Service Provider employees who will use Equipment to collect Applicant fingerprints and biographic data (“Trusted Agents”).

IDEMIA will provide enrollment workstation equipment that is capable of electronically capturing and submitting information compliant with the latest version of the FBI Criminal Justice Information System (CJIS) Electronic Biometric Transmission Specification (EBTS) and must meet all Federal, State and FBI certification standards.

IDEMIA shall provide Service Provider with all required hardware and software to perform each of the outlined services.

IDEMIA shall maintain and support the workstation at no charge to the Service Provider. However, if any Equipment is lost or damaged by the Service Provider, Service Provider agrees to replace the affected Equipment at the Service Provider’s expense.

IDEMIA will establish and maintain a website that allows Applicants to register and schedule fingerprint processing and collects all demographic information necessary for registration.

IDEMIA will provide a toll-free customer service phone number for Applicants to pre-register for fingerprint processing or to seek information, Monday through Friday from 8:00 AM to 10:00 PM Eastern, excluding IDEMIA approved holidays.

IDEMIA will accept credit/debit payments from Applicants at the time of registration.

IDEMIA may offer escrow accounts to any/all qualifying employers (“sponsors”) requesting bulk payment capability for their Applicants.

IDEMIA will provide technical and operational support to the Service Provider and their staff during normal operating hours. The Technical Help Desk is available Mon-Fri from 8 AM-10 PM and Sat 9 AM-9 PM Eastern time. Technical Help Desk support shall be available for any hours during which the enrollment centers are operating regardless of whether the enrollment center is located within or outside of the Continental US. The Call Center Customer Support is available Mon-Fri 8 AM-10 PM Eastern time.

SUMMARY OF BACKGROUND CHECK RESPONSIBILITIES & ASSOCIATED COSTS:

In event that the below Summary of Background Check Responsibilities & Associated Costs (“Summary”) conflicts with other terms of the SOW, the terms of the Summary shall control.

	TSA Vetting	Criminal and Financial History Check	IT and Phishing Training; Confirmation of U.S. Citizenship
Who conducts the process:	Idemia/TSA	Idemia	Idemia
Cost to Service Provider:	\$0 Per EA	\$35 Per EA	\$0 Per EA

SERVICE PROVIDER PERFORMANCE METRICS

The Service Provider shall provide IDEMIA with performance measures that fall within the Service Level Agreements (SLAs) defined below. The SLAs have been established to evaluate Service Provider performance. These metrics may also provide a benchmark to identify areas for future improvements. Repeated failure of compliance of these SLA measurements will result in corrective actions up to and including contract termination for non-performance.

The Service Provider shall, to the maximum extent possible, meet or exceed the desired outcomes summarized in the table below. These objectives are of equal importance to the IDEMIA and its clients. Acceptable quality levels (AQLs) are defined as the minimum level of performance accepted by the IDEMIA and its clients. The Service Provider shall support each performance measure with careful observance of established policies and procedures. IDEMIA will calculate and provide regular feedback of SLA performance for each Service Provider.

If performance falls below the identified AQL level for a period of measurement, the Service Provider agrees to adjust its operational performance promptly to assure adherence to the SLAs including adjustment of hours of operation and adding additional staff as needed. IDEMIA will provide necessary workstation equipment when it deems it necessary to support these efforts.

#	Performance Measure	Definition	Desired Outcome/Acceptable Quality Level (AQL)	Measurement Frequency
1.	Technical			
	FBI Fingerprint Rejection Rate	Percentage of fingerprints rejected by the FBI due to poor quality/erroneous processing.	≤ 1.5% of submitted fingerprints	Monthly
	Application/Enrollment Rejection Rate	Percentage of applications/enrollments rejected by the Agency or Agency authorized receiving system due to mismatched, misspelled, incorrectly formatted or incomplete application data.	< .5% % of submitted applications/enrollments	Monthly
2.	Security			
	Security Violations	A compromise or suspected compromise of information to persons not authorized to receive that information, or a serious failure to comply with the provisions of applicable security requirements which is likely to result in compromise. A practice dangerous to security is defined as any knowing, willful, or negligent action contrary to the provisions of applicable security requirements that does not rise to the level of a security violation. A pattern of repeated lesser security infractions committed by Service Provider personnel may result in determination of a practice dangerous to security.	0 violations The Service Provider does not commit any security violations or engage in any practices dangerous to security. The final determination as to the classification and severity of a security incident as either a security violation or practice dangerous to security is at the discretion of IDEMIA.	As soon as the violation is discovered
3.	Privacy			

	Privacy Violations	A compromise or suspected compromise of Personally Identifiable Information (PII) to persons not authorized to receive that information, or a serious failure to comply with the provisions of applicable privacy requirements which is likely to result in compromise. A practice dangerous to privacy is defined as any knowing, willful, or negligent action contrary to the provisions of applicable privacy requirements that does not rise to the level of a privacy violation. A pattern of repeated lesser privacy infractions committed by Service Provider personnel may result in a determination of a practice dangerous to privacy.	0 violations The Service Provider does not commit any privacy violations or engage in any practices dangerous to privacy. The final determination as to the classification and severity of a privacy incident as either a privacy violation or practice dangerous to privacy is at the discretion of IDEMIA.	As soon as the violation is discovered
4.	Customer Service			
	Average Wait Time, Appointments	Wait time achieved for all individuals with appointments at established enrollment centers. (Arrival at the enrollment center until the Applicant processing begins at the enrollment or activation equipment) For applicants with an appointment, the wait time begins at the time of the established appointment time or the check-in time, whichever is later.	5 minutes	Weekly
	Average Wait Time, Walk-ins	Wait time achieved for all individuals that "walk-in" at established enrollment centers. (Arrival at the enrollment center until the Applicant processing begins at the enrollment or activation equipment)	15 minutes	Weekly
	Enrollment Time (Duration)	Total elapsed time for enrollment processing calculated from beginning of enrollment process to the closing of the transaction.	< 10 minutes	Weekly
	Operational Availability	The percentage of time that an enrollment center is open (number of hours closed/ number of scheduled operational hours)	99%	Weekly
	Appointment Availability	The percentage of appointments available per enrollment center.	> 25% appointment availability within a 14 day window	Weekly
	Customer Satisfaction	Use of Agency-approved customer survey to determine customer satisfaction	>90%	Monthly
	Courteous/Respectful	Use of Agency-approved customer survey to determine	<1%	Monthly

		courteous/respectful service was provided		
5.	Operational			
	Lost Card Batches	Number of card batches that were lost due to enrollment center staff error (exclusive of common carrier errors)	<1% of batches issued	Monthly
	Trusted Agent Procedural Errors	Number of errors in procedure by Trusted Agents that are identified by audit, error detection, or other circumstances	Evaluation of seriousness and frequency of errors	Monthly
	Financial Instrument Handling Compliance	Number of incorrectly handled checks or money orders. This includes failing to process, submit, or control these financial instruments according to established procedures	Evaluation of seriousness and frequency of errors	Monthly
	One Visit	Number of TWIC enrollments completed for direct shipment to Applicant	>85% of total TWIC volume	Monthly

Critical Customer Service Measures are further defined below:

Wait Time – This is defined as the amount of time an Applicant waits at the enrollment center prior to the start of processing by the Trusted Agent. Both walk-ins and appointments shall be included in this measure. Processing by the Trusted Agent shall be as a result of any Applicant requested activity – enrollment, activation, personal identification number (PIN) reset, etc.

Applicant arrival and processing start times shall be recorded by systematic means as prescribed by IDEMIA.

Trusted Agents shall greet Applicants upon arrival at the facility, and the arrival time shall be recorded.

- If the Applicant is a walk-in, wait time shall be calculated from the time the Applicant reaches the end of the line to the time the Applicant is seen by a Trusted Agent for processing (enrollment, activation, PIN reset etc.).
- If the Applicant is early or on-time and has an appointment, wait time shall be calculated from the time of the appointment.

Operational Availability – This is defined as the time that an enrollment center is open as a percentage of its scheduled hours (i.e., number of hours open divided by number of scheduled hours). Any closures related to weather shall not be included in this metric.

1. IDEMIA-approved holidays (e.g., Thanksgiving Day) shall not be included as part of scheduled hours since it is anticipated that all enrollment centers shall be closed during these holidays.
2. Any pre-approved non-standard closures shall be excluded from this metric (e.g., Mardi Gras holiday closures in Louisiana), provided request for approval of such closure is submitted at least 30 days in advance of the requested closure.
3. System-related closures shall be excluded from the metric
 - a. For example, if the IDEMIA or Agency system or any provided components of UES system are unavailable, then those hours of outage will not be included in this metric.
4. For sites that are scheduled for operation on only one day of a week and have an unscheduled closure, the unscheduled closure time shall not be included in the metric as long as the operational hours are “made up” within three business days.
 - a. For example, if a site is scheduled for 9 AM – 5 PM operations on Mondays only and has an unscheduled closure, then the unscheduled closure shall be excluded from this metric if the site is open for a cumulative 8 operational hours within three business days.

Any closure that exceeds one hour shall require notification to IDEMIA and will be included in this metric.

Serious Incident Penalties - Any site with a Serious Incident caused by Service Provider will have their Fees reduced by \$1.40 each for two months following the month of the incident. Serious Incidents include, but are not limited to, to:

- Leaving enrollment work station unattended or leaving Trusted Agent's (TA's) TWIC card in the system unattended
- Improper receipt, recording, safeguarding, or shipping of TWIC card
- Improper safeguarding and disposal of PII
- Improper handling of fees
- Unscheduled site closure for reasons other than catastrophic event or severe weather
- Neglecting to complete mandatory Learning Management System (LMS) modules
- Improper use of assigned login credentials

A Serious Incident occurs when Service Provider fails to comply with procedures and processes defined in this Agreement or published program materials such as the user training manual, standard operating procedures and other program directives issued by IDEMIA or Agency.

Regardless of the number of Serious Incidents identified at Service Provider location, each line item will not be reduced by more than \$1.40 in any given month. IDEMIA will provide Service Provider with all penalty assessments within 30 days after month-end. Upon receipt of penalty assessments from IDEMIA, Service Provider will have 10 days to review and dispute any assessments.

ECQC ASSESSMENT

Location City:					Services:			OSCAR & Sites State abbreviation, street number, dash(-), zip code. There are no spaces in the OSSR #.	Total Items: 45
Location State: (TN, WA, CA, etc.)					OSCAR #:			Photos Required	Number of Items Identified
EC Name:					Program Manager:				
EC Type:					Assessor Name:			Check boxes once photo is captured	
Company Name:					Assessment Date:				
Classification	SORT	SET IN ORDER	SHINE	STANDARDIZE	SUSTAIN				
Location & Parking	Is the Enrollment Center easy to locate, near main thoroughfares and/or public transportation?	Is there adequate parking for applicant volume?	Auto & ADA parking spaces clearly marked. Semi-trailer parking available (Federal UES only).	Clean, orderly location and parking area?	Address plainly visible? Address, map, and driving directions on IdentityGO and UES websites are accurate?	☐ (Photo) - ADA parking, truck parking, and general parking area.		1	
		No parking available at the time of ECQC visit.						80%	
Center Exterior	Is the EC exterior clean and well maintained?	EC name listed on outdoor office marquees?	Are exterior walkways clear and unobstructed?	Are HOO sign, window decals, & floor banners posted and visible?	Is exterior signage free from obstruction, with neat and visible lettering?	☐ (Photo) - Front entrance showing exterior building signage or address.		1	
				No HOO sign posted.				80%	
Center Interior	Waiting area has adequate seating for applicant volume? Reception area for check in or greeting?	Can Enrollment Agent(s) see customers arrive or is there a notification system?	Center interior, restrooms clean, stocked, and well maintained?	Controlled-heat/air. Indo or restrooms with hot/cold water.	Is there a privacy wall to protect visual & aural PII in waiting area and workstation?	☐ (Photo) - Greeter desk/Greeting area.		1	
	Waiting area does not have adequate seating space for the applicant volume.							80%	
Furniture & Fixtures	All furniture and fixtures are necessary and in use? Atomic clock available for Federal?	Furniture and fixtures clean and well maintained? No tears, holes, or duct tape.	Is there adequate lighting and are all lights functioning?	Safe placed on the floor to avoid falling? (if applicable)	Safe operational & is locked when not in use? (if applicable)	☐ (Photo) - Waiting room area.		1	
		Paint on the wall is chipped or damaged.						80%	
Signage	All IdentityGO & program-related signage is necessary & up-to-date (i.e. UES, State, TSA Pre/*, Retail)?	Directional signage used moderately (i.e. used in hallways)?	Are counter and payment signs displayed?	All signage visible, clean, and well maintained? Free from visible tape and tape residue?	Are homemade or handwritten signs posted?	☐ (Photo) - Posted window signs and program related signs.		3	
			Missing "No Photo on Cell Phone" sign.	Signs damaged & taped & not visible.	Unapproved homemade or handwritten signs posted.			40%	
Workstation & Technology	All equipment (cameras, workstations, admin laptops, etc.) secured via functioning cable lock?	Workstation(s) and equipment operational and orderly?	All workstations (including retail stations, if applicable) are free from clutter, food, and beverage?	Wires neat and hidden from customer view? Privacy screen is utilized as needed?	Workstations locked when not in use? TWIC card left in card reader (if applicable)?	☐ (Photo) - Hallway/pathway to enrollment room(s).		1	
		Workstation not set up neatly & not functioning.						80%	
ADA Compliance	Drinking water available; water fountain, cooler, bottled water or upon request?	ADA compliant entrance to building (ground level or ramp)?	No obstructions to ADA ramps, elevators, doorways, hallways, water fountains, or restrooms?	Grab bars in restroom are clean and functional?		☐ (Photo) - Workstation(s).		1	
	No drinking water available.							80%	
Consumables & Storage	Fingerprinting supplies, office supplies, retail products & services materials (if applicable) neatly stocked and secured?	Restroom supplies stocked and maintained (if applicable)?	Enrollment Center storage area is free from clutter and unnecessary items?	Are things dirty, excessively dusty, or scattered?	Damaged or unused equipment returned?	☐ (Photo) - Fingerprinting supply storage area (if applicable).		3	
			Storage area needs to be organized.	Storage area dirt/dusty & needs to be cleaned.	Center has unutilized and damaged equipment that needs to be returned or discarded.			40%	
Enrollment Agents & Training	EAs able to log onto GreenLight for current Training Manual(s)? EAs have access to correct Program manuals?	EA appropriately attired (i.e. IdentityGO or TSA Pre/* shirt or business casual attire) & wearing name tags/retail buttons (if applicable)?	Enrollment Agent attire is free from dirt, holes, and/or tears? TSA Pre/* or IdentityGO logo visible on polo shirt (IDEMIA employees only).	Duties performed using Sustainment Schedule?	Internal monthly audits performed and marked on Sustainment Schedule?	☐ (Photo) - Drinking water available and accessible.		3	
		EA did not have name tag/retail button on.		Sustainment Schedule duties incomplete.	Internal monthly audits have not been performed or marked on the Sustainment Schedule.			40%	
Assessor Comments	To see the full drop down menu responses, please refer to the second tab of the ECQC Assessment Form file.							☐ Photo(s) captured for each issue identified.	
								Total Number of Items Identified	15
								Total Score %	67%

SUBCONTRACTOR BACKGROUND CHECK REQUIREMENTS FOR ENROLLMENT AGENTS

Only U.S. citizens, if required by the Prime Contract, and permanent residents of the U.S. who have passed a background check shall perform Services. References to “employees” and “staff” in this Attachment A-2 shall be deemed to include Service Provider employees, contractors and other Service Provider personnel performing Services. Unless otherwise specified, capitalized terms used herein or incorporated by reference shall have the same definitions as those specified in the Agreement.

Idemia’s US Chief Security Officer is the final adjudicator for all background checks.

Background Check CriteriaFailed SSN Trace

- Invalid or name mismatch.
- Failed e-Verify

Resume Falsifications

- Allowed date floats within a quarter for past employment.
- Allow similar job title variations within reason.
- Allow degree title variations within reason.
 - Example: BA Marketing is similar to BA Marketing Communications.
- Not employable for claims of education that are not valid.
- Not employable for claims of roles and employment that are not valid.
- False addresses.
- False names.

Professional References

- References nonexistent.
- Bad references.

Criminal*Criminal and Civil for Federal, Statewide, Multiple County, Civil Litigation*

- No felonies.
- No identity fraud arrests/guilty verdicts.
- No money fraud: Check cashing, credit card theft, etc.
- No computer hacking convictions.
- No prison time served as part of guilty verdict. If says “prison term release in lieu of probation time”, then allow for misdemeanors.
- Not on sex offender list or guilty of prostitution or human trafficking.
- No excessive arrests record regardless of category. Example arrested many times for separate incidents over time.
- Multiple separate guilty verdicts on any or combined misdemeanor that involve theft or violating probation or driving with a suspended license.
- No drug arrests with guilty verdicts within past five years, even misdemeanors.
- No guilty verdicts for acts of violence, child abuse, hate crimes, domestic violence.
- No arrests of acts against the government of the United States of America or NATO allies.
- No theft, break-in, armed robbery, regardless of time period.

- Allowable:
 - Restraining orders from former relationships, but not breaking of the orders, and not guilty verdict on acts of associated violence.
 - All items where candidate is found innocent by courts or case dropped.
 - All items where candidate is the plaintiff.

Driver's Records (if job requires driving, such as driving to temporary locations or "mobile enrollment events" at which Services will be performed).

The employee must have a regular, valid license to operate a vehicle. A motor vehicle record check and criminal background check are REQUIRED.

Any driving offense identified below will disqualify the employee from a position that requires driving while on Company business:

1. Driving Under the Influence (DUI) or Driving While Intoxicated (DWI) convictions within the last five (5) years.
2. If the information is available, more than one Disregard of Traffic Control Device violation in the past two years.
3. Reckless operation or unsafe-for-conditions violations in the past two years.
4. More than two speeding violations in the past two years.
5. Convictions for resisting arrest or leaving the scene of an accident in the past three years.
6. A combination of individual violations that do not meet the threshold in any one above criteria, but multiple violations of or convictions for the offenses identified in the above numbers 1 – 5.
 - Not employable if no current driver's license.
 - Clean DUI record for past two years, but if had more than one DUI conviction, then not eligible.
 - Not employable if DUI aligned with other convictions, such as criminal offenses.

Watch lists

- Watch list matches not allowed.
- Office of Foreign Assets and Control (OFAC) – Specially Designated Nationals and Blocked Persons.
- Interpol Most Wanted list.

Collections and Unpaid Tax Liens

Not Allowed:

- Any unpaid US federal, state, or local government tax. If on a payment plan with the government, then allowed.

Multiple unpaid judgments and unpaid collection rules:

IF (Person is to work on UES and is to be TSA-screened through eQIP) THEN
 [Unpaid (Medical Collections + Non-Medical Collection Accounts+ Judgments= **Total Past Due AMT** < \$7,000.00)]
 -AND-
 [Unpaid Non-Medical Collections + Unpaid Judgments must be under \$2000.00]

Allowed:

- Past due medical bills and medical collections.
- If collections are over the above limit, allow if on a collections payment plan to correct the collections issue.
- Proof that debt is not theirs, including that it is that of a former spouse, and now divorced and as indicated by an order by a court of record, or widower, or is only medical debt, and that current situation is corrected and not past due.

Citizenship Status

Proof of US Citizenship must be presented by all staff that will be working on federal Prime Contracts requiring US citizenship, including the UES Prime Contract.

Employment Eligibility

In addition, each employee or contractor must have a valid US Social Security Account Number card. If the card includes one of the following restrictions, then they are **not eligible** for employment/contract work:

- NOT VALID FOR EMPLOYMENT
- VALID FOR WORK ONLY WITH INS AUTHORIZATION
- VALID FOR WORK ONLY WITH DHS AUTHORIZATION

Full names must match 100% on all of the above identity documents. If not, then reject. The person is responsible for updating their documents for name changes (such as due to marriage, adoption, divorce, etc.).

Additional disqualifying criminal offenses:

(a) *Permanent disqualifying criminal offenses.* An employee has a permanent disqualifying offense if convicted or found not guilty by reason of insanity in a civilian or military jurisdiction of any of the following offenses:

- (1) Espionage.
- (2) Sedition.
- (3) Treason.
- (4) A crime listed in 18 U.S.C. Chapter 113B—Terrorism, or a State law that is comparable.
- (5) A crime involving a transportation security incident.
- (6) Improper transportation of a hazardous material under 49 U.S.C. 5124 or a State law that is comparable.
- (7) Unlawful possession, use, sale, distribution, manufacture, purchase, receipt, transfer, shipping, transporting, import, export, storage of, or dealing in an explosive or explosive device.
- (8) Murder.
- (9) Conspiracy or attempt to commit any of the crimes identified in this paragraph (a).
- (10) Violations of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961, *et seq.*, or a State law that is comparable, where one of the predicate acts found by a jury or admitted by the defendant, consists of one of the offenses listed in paragraphs (a)(4) or (a)(8) of this section.

(b) *Interim disqualifying criminal offenses.* The offenses listed in paragraphs (b)(1) through (b)(14) of this section are disqualifying if either of the following factors is true: the employee was convicted or found not guilty by reason of insanity of the crime in a civilian or military jurisdiction, within the 7 years preceding the date of the background check; or the employee was released from incarceration for the crime within the 5 years preceding the date of the background check.

(1) Assault with intent to murder.

(2) Kidnapping or hostage taking.

(3) Rape or aggravated sexual abuse.

(4) Unlawful possession, use, sale, manufacture, purchase, distribution, receipt, transfer, shipping, transporting, delivery, import, export of, or dealing in a firearm or other weapon.

(5) Extortion.

(6) Dishonesty, fraud, or misrepresentation, including identity fraud.

(7) Bribery.

(8) Smuggling.

(9) Immigration violations.

(10) Violations of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961, *et seq.*, or a State law that is comparable, other than the violations listed in paragraph (a)(10) of this section.

(11) Robbery.

(12) Distribution of, possession with intent to distribute, or importation of a controlled substance.

(13) Arson.

(14) Conspiracy or attempt to commit the crimes in this paragraph (b).

(c) *Under want or warrant.* An employee who is wanted or under indictment in any civilian or military jurisdiction for a crime listed in this section is disqualified until the want or warrant is released.

(d) *Determination of arrest status.* (1) When a fingerprint-based check discloses an arrest for a disqualifying crime listed in this section without indicating a disposition, TSA or the applicable federal agency will so notify the employee and provide instructions on how the employee must clear the disposition, in accordance with paragraph (d)(2) of this section.

(2) The employee must provide TSA or other applicable federal agency with written proof that the arrest did not result in a disqualifying criminal offense within 45 days after the service date of the notification in paragraph (d)(1) of this section. If TSA or other applicable federal agency does not receive proof in that time, TSA or other applicable federal agency will notify the employee and the State that the employee is disqualified.

Reference

<http://www.dhra.mil/perserec/adr/index.htm>

SIGNAGE AND BRANDING MINIMUM REQUIREMENTS

The elements below are required to be posted at all Enrollment Centers.



IdentoGO Wall Sign (27" W x 14" H)

- The Silver-framed Partner Sign is placed in a lobby, waiting area or the receptionist desk wall where the customer is greeted. A hanging wire is included on the back. The sign is the office or suite entry identifier for the customer to locate the Enrollment Center (EC) when arriving.



IdentoGO Window Decal (15" W x 6" H)

- The decal is placed on the front glass door or on a side window by the front door. This is the exterior identifier for a customer arriving at the EC.
- If the decal cannot be placed on the exterior, like in a multi-tenant building with a common area directory, the EC is to be identified by "IdentoGO – Suite 123" on the building directory, digital sign, or lettering board, etc.



Hours of Operation (HOO) (8.5" W x 11" H)

- The HOO is placed on an inside glass window or door facing out to the exterior. The sign is placed to inform a customer of the HOO from the exterior of the facility when approaching. A suction cup is included for hanging.



Digital Frame (11.5" W x 9" H)

- The Digital Frame is electronically displayed at the receptionist desk, sign-in counter or greeter's desk. The frame serves as a visual to verify payment types and Payable to IDEMIA. In addition, the frame offers a Customer Service Feedback number. Retail services vary by location, if the EC does not offer one of the advertised services, refer the customer to IdentoGO.com.



Form of Payment (8.5" W x 11" H)

- The Payable to IDEMIA sign is on the digital frame, which is placed at the receptionist desk, sign-in counter or greeter's desk, within view of the Greeter or Enrollment Agent (EA).



No Photography/No Cellphone Sign (7" W x 5" H)

- The sign is displayed at every workstation within the EC.

SPECIAL PROVISIONS

APPENDIX B-1, UES CONTRACT SPECIAL PROVISIONS

H.12.0 SAFEGUARDING OF SENSITIVE INFORMATION (MARCH 2015)

(a) Applicability. This clause applies to the Contractor, its subcontractors, and Contractor employees (hereafter referred to collectively as “Contractor”). The Contractor shall insert the substance of this clause in all subcontracts.

(b) Definitions. As used in this clause—

“Personally Identifiable Information (PII)” means information that can be used to distinguish or trace an individual's identity, such as name, social security number, or biometric records, either alone, or when combined with other personal or identifying information that is linked or linkable to a specific individual, such as date and place of birth, or mother's maiden name. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. In performing this assessment, it is important for an agency to recognize that non-personally identifiable information can become personally identifiable information whenever additional information is made publicly available—in any medium and from any source—that, combined with other available information, could be used to identify an individual.

PII is a subset of sensitive information. Examples of PII include, but are not limited to: name, date of birth, mailing address, telephone number, Social Security number (SSN), email address, zip code, account numbers, certificate/license numbers, vehicle identifiers including license plates, uniform resource locators (URLs), static Internet protocol addresses, biometric identifiers such as fingerprint, voiceprint, iris scan, photographic facial images, or any other unique identifying number or characteristic, and any information where it is reasonably foreseeable that the information will be linked with other information to identify the individual.

“Sensitive Information” is defined in HSAR clause 3052.204-71, Contractor Employee Access, as any information, which if lost, misused, disclosed, or, without authorization is accessed, or modified, could adversely affect the national or homeland security interest, the conduct of Federal programs, or the privacy to which individuals are entitled under section 552a of Title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense, homeland security or foreign policy. This definition includes the following categories of information:

- (1) Protected Critical Infrastructure Information (PCII) as set out in the Critical Infrastructure Information Act of 2002 (Title II, Subtitle B, of the Homeland Security Act, Public Law 107-296, 196 Stat. 2135), as amended, the implementing regulations thereto (Title 6, Code of Federal Regulations, Part 29) as amended, the applicable PCII Procedures Manual, as amended, and any supplementary guidance officially communicated by an authorized official of the Department of Homeland Security (including the PCII Program Manager or his/her designee);
- (2) Sensitive Security Information (SSI), as defined in Title 49, Code of Federal Regulations, Part 1520, as amended, “Policies and Procedures of Safeguarding and Control of SSI,” as amended, and any supplementary guidance officially communicated by an authorized official of the Department of Homeland Security (including the Assistant Secretary for the Transportation Security Administration or his/her designee);
- (3) Information designated as “For Official Use Only,” which is unclassified information of a sensitive nature and the unauthorized disclosure of which could adversely impact a person's privacy or welfare, the conduct of Federal programs, or other programs or operations essential to the national or homeland security interest; and
- (4) Any information that is designated “sensitive” or subject to other controls, safeguards or protections in accordance with subsequently adopted homeland security information handling procedures.

“Sensitive Information Incident” is an incident that includes the known, potential, or suspected exposure, loss of control, compromise, unauthorized disclosure, unauthorized acquisition, or unauthorized access or attempted access of any Government system, Contractor system, or sensitive information.

“Sensitive Personally Identifiable Information (SPII)” is a subset of PII, which if lost, compromised or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual. Some forms of PII are sensitive as stand-alone elements. Examples of such PII include: Social Security numbers (SSN), driver's license or state identification number, Alien Registration Numbers (A-number), financial account number, and biometric identifiers such as fingerprint, voiceprint, or iris scan. Additional examples include any groupings of information that contain an individual's name or other unique identifier plus one or more of the following elements:

- (1) Truncated SSN (such as last 4 digits)
- (2) Date of birth (month, day, and year)
- (3) Citizenship or immigration status
- (4) Ethnic or religious affiliation
- (5) Sexual orientation
- (6) Criminal History
- (7) Medical Information
- (8) System authentication information such as mother's maiden name, account passwords or personal identification numbers (PIN)

Other PII may be "sensitive" depending on its context, such as a list of employees and their performance ratings or an unlisted home address or phone number. In contrast, a business card or public telephone directory of agency employees contains PII but is not sensitive.

(c) Authorities. The Contractor shall follow all current versions of Government policies and guidance accessible at <http://www.dhs.gov/dhs-security-and-training-requirements-contractors>, or available upon request from the Contracting Officer, including but not limited to:

- (1) DHS Management Directive 11042.1 Safeguarding Sensitive But Unclassified (for Official Use Only) Information
- (2) DHS Sensitive Systems Policy Directive 4300A
- (3) DHS 4300A Sensitive Systems Handbook and Attachments
- (4) DHS Security Authorization Process Guide
- (5) DHS Handbook for Safeguarding Sensitive Personally Identifiable Information
- (6) DHS Instruction Handbook 121-01-007 Department of Homeland Security Personnel Suitability and Security Program
- (7) DHS Information Security Performance Plan (current fiscal year)
- (8) DHS Privacy Incident Handling Guidance
- (9) Federal Information Processing Standard (FIPS) 140-2 Security Requirements for Cryptographic Modules accessible at <http://csrc.nist.gov/groups/STM/cmvp/standards.html>
- (10) National Institute of Standards and Technology (NIST) Special Publication 800-53 Security and Privacy Controls for Federal Information Systems and Organizations accessible at <http://csrc.nist.gov/publications/PubsSPs.html>
- (11) NIST Special Publication 800-88 Guidelines for Media Sanitization accessible at <http://csrc.nist.gov/publications/PubsSPs.html>

(d) Handling of Sensitive Information. Contractor compliance with this clause, as well as the policies and procedures described below, is required.

(1) Department of Homeland Security (DHS) policies and procedures on Contractor personnel security requirements are set forth in various Management Directives (MDs), Directives, and Instructions. MD 11042.1, Safeguarding Sensitive But Unclassified (For Official Use Only) Information describes how Contractors must handle sensitive but unclassified information. DHS uses the term "FOR OFFICIAL USE ONLY" to identify sensitive but unclassified information that is not otherwise categorized by statute or regulation. Examples of sensitive information that are categorized by statute or regulation are PCII, SSI, etc. The DHS Sensitive Systems Policy Directive 4300A and the DHS 4300A Sensitive Systems Handbook provide the policies and procedures on security for Information Technology (IT) resources. The DHS Handbook for Safeguarding Sensitive Personally Identifiable Information provides guidelines to help safeguard SPII in both paper and electronic form. DHS Instruction Handbook 121-01-007 Department of Homeland Security Personnel Suitability and Security Program establishes procedures, program responsibilities, minimum standards, and reporting protocols for the DHS Personnel Suitability and Security Program.

(2) The Contractor shall not use or redistribute any sensitive information processed, stored, and/or transmitted by the Contractor except as specified in the contract.

(3) All Contractor employees with access to sensitive information shall execute DHS Form 11000-6, Department of Homeland Security Non-Disclosure Agreement (NDA), as a condition of access to such information. The Contractor shall maintain signed copies of the NDA for all employees as a record of compliance. The Contractor shall provide copies of the signed NDA to the Contracting Officer's Representative (COR) no later than two (2) days after execution of the form.

(4) The Contractor's invoicing, billing, and other recordkeeping systems maintained to support financial or other administrative functions shall not maintain SPII. It is acceptable to maintain in these systems the names, titles and contact information for the COR or other Government personnel associated with the administration of the contract, as needed.

(e) Authority to Operate. The Contractor shall not input, store, process, output, and/or transmit sensitive information within a Contractor IT system without an Authority to Operate (ATO) signed by the Headquarters or Component CIO, or designee, in consultation with the Headquarters or Component Privacy Officer. Unless otherwise specified in the ATO letter, the ATO is valid for three (3) years. The Contractor shall adhere to current Government policies, procedures, and guidance for the Security Authorization (SA) process as defined below.

(1) Complete the Security Authorization process. The SA process shall proceed according to the DHS Sensitive Systems Policy Directive 4300A (Version 11.0, April 30, 2014), or any successor publication, DHS 4300A Sensitive Systems Handbook (Version 9.1, July 24, 2012), or any successor publication, and the Security Authorization Process Guide including templates.

(i) Security Authorization Process Documentation. SA documentation shall be developed using the Government provided Requirements Traceability Matrix and Government security documentation templates. SA documentation consists of the following: Security Plan, Contingency Plan, Contingency Plan Test Results, Configuration Management Plan, Security Assessment Plan, Security Assessment Report, and Authorization to Operate Letter. Additional documents that may be required include a Plan(s) of Action and Milestones and Interconnection Security Agreement(s). During the development of SA documentation, the Contractor shall submit a signed SA package, validated by an independent third party, to the COR for acceptance by the Headquarters or Component CIO, or designee, at least thirty (30) days prior to the date of operation of the IT system. The Government is the final authority on the compliance of the SA package and may limit the number of resubmissions of a modified SA package. Once the ATO has been accepted by the Headquarters or Component CIO, or designee, the Contracting Officer shall incorporate the ATO into the contract as a compliance document. The Government's acceptance of the ATO does not alleviate the Contractor's responsibility to ensure the IT system controls are implemented and operating effectively.

(ii) Independent Assessment. Contractors shall have an independent third party validate the security and privacy controls in place for the system(s). The independent third party shall review and analyze the SA package, and report on technical, operational, and management level deficiencies as outlined in NIST Special Publication 800-53 Security and Privacy Controls for Federal Information Systems and Organizations. The Contractor shall address all deficiencies before submitting the SA package to the Government for acceptance.

(iii) Support the completion of the Privacy Threshold Analysis (PTA) as needed. As part of the SA process, the Contractor may be required to support the Government in the completion of the PTA. The requirement to complete a PTA is triggered by the creation, use, modification, upgrade, or disposition of a Contractor IT system that will store, maintain and use PII, and must be renewed at least every three (3) years. Upon review of the PTA, the DHS Privacy Office determines whether a Privacy Impact Assessment (PIA) and/or Privacy Act System of Records Notice (SORN), or modifications thereto, are required. The Contractor shall provide all support necessary to assist the Department in completing the PIA in a timely manner and shall ensure that project management plans and schedules include time for the completion of the PTA, PIA, and SORN (to the extent required) as milestones. Support in this context includes responding timely to requests for information from the Government about the use, access, storage, and maintenance of PII on the Contractor's system, and providing timely review of relevant compliance documents for factual accuracy. Information on the DHS privacy compliance process, including PTAs, PIAs, and SORNs, is accessible at <http://www.dhs.gov/privacy-compliance>.

(2) Renewal of ATO. Unless otherwise specified in the ATO letter, the ATO shall be renewed every three (3) years. The Contractor is required to update its SA package as part of the ATO renewal process. The Contractor shall update its SA package by one of the following methods:

(1) Updating the SA documentation in the DHS automated information assurance tool for acceptance by the Headquarters or Component CIO, or designee, at least 90 days before the ATO expiration date for review and verification of security controls; or

(2) Submitting an updated SA package directly to the COR for approval by the Headquarters or Component CIO, or designee, at least 90 days before the ATO expiration date for review and verification of security controls. The 90 day review process is independent of the system production date and therefore it is important that the Contractor build the review into project schedules. The reviews may include onsite visits that involve physical or logical inspection of the Contractor environment to ensure controls are in place.

(3) Security Review. The Government may elect to conduct random periodic reviews to ensure that the security requirements contained in this contract are being implemented and enforced. The Contractor shall afford DHS, the Office of the Inspector General, and other Government organizations access to the Contractor's facilities, installations,

operations, documentation, databases and personnel used in the performance of this contract. The Contractor shall, through the Contracting Officer and COR, contact the Headquarters or Component CIO, or designee, to coordinate and participate in review and inspection activity by Government organizations external to the DHS. Access shall be provided, to the extent necessary as determined by the Government, for the Government to carry out a program of inspection, investigation, and audit to safeguard against threats and hazards to the integrity, availability and confidentiality of Government data or the function of computer systems used in performance of this contract and to preserve evidence of computer crime.

(4) Continuous Monitoring. All Contractor-operated systems that input, store, process, output, and/or transmit sensitive information shall meet or exceed the continuous monitoring requirements identified in the Fiscal Year 2014 DHS Information Security Performance Plan, or successor publication. The plan is updated on an annual basis. The Contractor shall also store monthly continuous monitoring data at its location for a period not less than one year from the date the data is created. The data shall be encrypted in accordance with FIPS 140-2 Security Requirements for Cryptographic Modules and shall not be stored on systems that are shared with other commercial or Government entities. The Government may elect to perform continuous monitoring and IT security scanning of Contractor systems from Government tools and infrastructure.

(5) Revocation of ATO. In the event of a sensitive information incident, the Government may suspend or revoke an existing ATO (either in part or in whole). If an ATO is suspended or revoked in accordance with this provision, the Contracting Officer may direct the Contractor to take additional security measures to secure sensitive information. These measures may include restricting access to sensitive information on the Contractor IT system under this contract. Restricting access may include disconnecting the system processing, storing, or transmitting the sensitive information from the Internet or other networks or applying additional security controls.

(6) Federal Reporting Requirements. Contractors operating information systems on behalf of the Government or operating systems containing sensitive information shall comply with Federal reporting requirements. Annual and quarterly data collection will be coordinated by the Government. Contractors shall provide the COR with requested information within three (3) business days of receipt of the request. Reporting requirements are determined by the Government and are defined in the Fiscal Year 2014 DHS Information Security Performance Plan, or successor publication. The Contractor shall provide the Government with all information to fully satisfy Federal reporting requirements for Contractor systems.

(f) Sensitive Information Incident Reporting Requirements.

(1) All known or suspected sensitive information incidents shall be reported to the Headquarters or Component Security Operations Center (SOC) within one hour of discovery in accordance with 4300A Sensitive Systems Handbook Incident Response and Reporting requirements. When notifying the Headquarters or Component SOC, the Contractor shall also notify the Contracting Officer, COR, Headquarters or Component Privacy Officer, and US-CERT using the contact information identified in the contract. If the incident is reported by phone or the Contracting Officer's email address is not immediately available, the Contractor shall contact the Contracting Officer immediately after reporting the incident to the Headquarters or Component SOC. The Contractor shall not include any sensitive information in the subject or body of any e-mail. To transmit sensitive information, the Contractor shall use FIPS 140-2 Security Requirements for Cryptographic Modules compliant encryption methods to protect sensitive information in attachments to email. Passwords shall not be communicated in the same email as the attachment. A sensitive information incident shall not, by itself, be interpreted as evidence that the Contractor has failed to provide adequate information security safeguards for sensitive information, or has otherwise failed to meet the requirements of the contract.

(2) If a sensitive information incident involves PII or SPII, in addition to the reporting requirements in 4300A Sensitive Systems Handbook Incident Response and Reporting, Contractors shall also provide as many of the following data elements that are available at the time the incident is reported, with any remaining data elements provided within 24 hours of submission of the initial incident report:

- (i) Data Universal Numbering System (DUNS);
- (ii) Contract numbers affected unless all contracts by the company are affected;
- (iii) Facility CAGE code if the location of the event is different than the prime contractor location;
- (iv) Point of contact (POC) if different than the POC recorded in the System for Award Management (address, position, telephone, email);
- (v) Contracting Officer POC (address, telephone, email);
- (vi) Contract clearance level;
- (vii) Name of subcontractor and CAGE code if this was an incident on a subcontractor network;
- (viii) Government programs, platforms or systems involved;
- (ix) Location(s) of incident;

- (x) Date and time the incident was discovered;
- (xi) Server names where sensitive information resided at the time of the incident, both at the Contractor and subcontractor level;
- (xii) Description of the Government PII and/or SPII contained within the system;
- (xiii) Number of people potentially affected and the estimate or actual number of records exposed and/or contained within the system; and
- (xiv) Any additional information relevant to the incident.

(g) Sensitive Information Incident Response Requirements.

- (1) All determinations related to sensitive information incidents, including response activities, notifications to affected individuals and/or Federal agencies, and related services (e.g., credit monitoring) will be made in writing by the Contracting Officer in consultation with the Headquarters or Component CIO and Headquarters or Component Privacy Officer.
- (2) The Contractor shall provide full access and cooperation for all activities determined by the Government to be required to ensure an effective incident response, including providing all requested images, log files, and event information to facilitate rapid resolution of sensitive information incidents.
- (3) Incident response activities determined to be required by the Government may include, but are not limited to, the following:
 - (i) Inspections,
 - (ii) Investigations,
 - (iii) Forensic reviews, and
 - (iv) Data analyses and processing.
- (4) The Government, at its sole discretion, may obtain the assistance from other Federal agencies and/or third-party firms to aid in incident response activities.

(h) Additional PII and/or SPII Notification Requirements.

- (1) The Contractor shall have in place procedures and the capability to notify any individual whose PII resided in the Contractor IT system at the time of the sensitive information incident not later than 5 business days after being directed to notify individuals, unless otherwise approved by the Contracting Officer. The method and content of any notification by the Contractor shall be coordinated with, and subject to prior written approval by the Contracting Officer, in consultation with the Headquarters or Component Privacy Officer, utilizing the DHS Privacy Incident Handling Guidance. The Contractor shall not proceed with notification unless the Contracting Officer, in consultation with the Headquarters or Component Privacy Officer, has determined in writing that notification is appropriate.
- (2) Subject to Government analysis of the incident and the terms of its instructions to the Contractor regarding any resulting notification, the notification method may consist of letters to affected individuals sent by first class mail, electronic means, or general public notice, as approved by the Government. Notification may require the Contractor's use of address verification and/or address location services. At a minimum, the notification shall include:
 - (i) A brief description of the incident;
 - (ii) A description of the types of PII and SPII involved;
 - (iii) A statement as to whether the PII or SPII was encrypted or protected by other means;
 - (iv) Steps individuals may take to protect themselves;
 - (v) What the Contractor and/or the Government are doing to investigate the incident, to mitigate the incident, and to protect against any future incidents; and
 - (vi) Information identifying who individuals may contact for additional information.

(i) Credit Monitoring Requirements. In the event that a sensitive information incident involves PII or SPII, the Contractor may be required to, as directed by the Contracting Officer:

- (1) Provide notification to affected individuals as described above; and/or
- (2) Provide credit monitoring services to individuals whose data was under the control of the Contractor or resided in the Contractor IT system at the time of the sensitive information incident for a period beginning the date of the incident and extending not less than 18 months from the date the individual is notified. Credit monitoring services shall be provided from a company with which the Contractor has no affiliation. At a minimum, credit monitoring services shall include:
 - (i) Triple credit bureau monitoring;

- (ii) Daily customer service;
 - (iii) Alerts provided to the individual for changes and fraud; and
 - (iv) Assistance to the individual with enrollment in the services and the use of fraud alerts;
- and/or

(3) Establish a dedicated call center. Call center services shall include:

- (i) A dedicated telephone number to contact customer service within a fixed period;
- (ii) Information necessary for registrants/enrollees to access credit reports and credit scores;
- (iii) Weekly reports on call center volume, issue escalation (i.e., those calls that cannot be handled by call center staff and must be resolved by call center management or DHS, as appropriate), and other key metrics;
- (iv) Escalation of calls that cannot be handled by call center staff to call center management or DHS, as appropriate;
- (v) Customized FAQs, approved in writing by the Contracting Officer in coordination with the Headquarters or Component Chief Privacy Officer; and
- (vi) Information for registrants to contact customer service representatives and fraud resolution representatives for credit monitoring assistance.

(j) Certification of Sanitization of Government and Government-Activity-Related Files and Information. As part of contract closeout, the Contractor shall submit the certification to the COR and the Contracting Officer following the template provided in NIST Special Publication 800-88 Guidelines for Media Sanitization.

INFORMATION TECHNOLOGY SECURITY AND PRIVACY TRAINING (MAR 2015)

(a) Applicability. This clause applies to the Contractor, its subcontractors, and Contractor employees (hereafter referred to collectively as "Contractor"). The Contractor shall insert the substance of this clause in all subcontracts.

(b) Security Training Requirements.

(1) All users of Federal information systems are required by Title 5, Code of Federal Regulations, Part 930.301, Subpart C, as amended, to be exposed to security awareness materials annually or whenever system security changes occur, or when the user's responsibilities change. The Department of Homeland Security (DHS) requires that Contractor employees take an annual Information Technology Security Awareness Training course before accessing sensitive information under the contract. Unless otherwise specified, the training shall be completed within thirty (30) days of contract award and be completed on an annual basis thereafter not later than October 31st of each year. Any new Contractor employees assigned to the contract shall complete the training before accessing sensitive information under the contract. The training is accessible at <http://www.dhs.gov/dhs-security-and-training-requirements-contractors>. The Contractor shall maintain copies of training certificates for all Contractor and subcontractor employees as a record of compliance. Unless otherwise specified, initial training certificates for each Contractor and subcontractor employee shall be provided to the Contracting Officer's Representative (COR) not later than thirty (30) days after contract award. Subsequent training certificates to satisfy the annual training requirement shall be submitted to the COR via e-mail notification not later than October 31st of each year. The e-mail notification shall state the required training has been completed for all Contractor and subcontractor employees.

(2) The DHS Rules of Behavior apply to every DHS employee, Contractor and subcontractor that will have access to DHS systems and sensitive information. The DHS Rules of Behavior shall be signed before accessing DHS systems and sensitive information. The DHS Rules of Behavior is a document that informs users of their responsibilities when accessing DHS systems and holds users accountable for actions taken while accessing DHS systems and using DHS Information Technology resources capable of inputting, storing, processing, outputting, and/or transmitting sensitive information. The DHS Rules of Behavior is accessible at <http://www.dhs.gov/dhs-security-and-training-requirements-contractors>. Unless otherwise specified, the DHS Rules of Behavior shall be signed within thirty (30) days of contract award. Any new Contractor employees assigned to the contract shall also sign the DHS Rules of Behavior before accessing DHS systems and sensitive information. The Contractor shall maintain signed copies of the DHS Rules of Behavior for all Contractor and subcontractor employees as a record of compliance. Unless otherwise specified, the Contractor shall e-mail copies of the signed DHS Rules of Behavior to the COR not later than thirty (30) days after contract award for each employee. The DHS Rules of Behavior will be reviewed annually and the COR will provide notification when a review is required.

(c) Privacy Training Requirements. All Contractor and subcontractor employees that will have access to Personally Identifiable Information (PII) and/or Sensitive PII (SPII) are required to take Privacy at DHS: Protecting Personal Information before accessing PII and/or SPII. The training is accessible at <http://www.dhs.gov/dhs-security-and-training-requirements-contractors>. Training shall be completed within thirty (30) days of contract award and be completed on an annual basis thereafter not later than October 31st of each year. Any new Contractor employees assigned to the contract shall also complete the training before accessing PII and/or SPII. The Contractor shall maintain copies of training certificates for all Contractor and

subcontractor employees as a record of compliance. Initial training certificates for each Contractor and subcontractor employee shall be provided to the COR not later than thirty (30) days after contract award. Subsequent training certificates to satisfy the annual training requirement shall be submitted to the COR via e-mail notification not later than October 31st of each year. The email notification shall state the required training has been completed for all Contractor and subcontractor employees.

APPENDIX B-2, NATIONAL SECURITY AGREEMENT FLOW DOWN TERMS

If the Company will be a vendor, subcontractor or other form of supplier to Idemia, then Company shall comply with the following required flow down clauses under Idemia's Letter of Assurance ("LOA"), a form of national security agreement entered into with the United States Committee on Foreign Investment in the United States ("CFIUS"):

LOA Flow Downs

1. The Company shall notify IDEMIA in writing of any change in ownership or control of the Company. Such notice shall occur within two (2) business days of the date that Company enters into a written agreement that provides for the change of control, and in no event later than the closing date unless Company is legally or contractually prohibited from providing such written notice. IDEMIA shall, in turn, notify CFIUS of such event. As the LOA is a form of national security agreement with the U.S. Government, in no event shall IDEMIA be liable to Company or any successor in interest to Company under any cause of action if CFIUS instructs IDEMIA to terminate this Agreement with Company.
2. If Company provides IDEMIA with source code to any Company Deliverables that the parties contemplate will be included in IDEMIA's deliverables to the Customer, then Company shall comply with IDEMIA's requests for additional information and support with the preparation of Information Assurance (IA) and Verification and Validation (V&V) testing processes to apply to the Company Deliverables and to IDEMIA's deliverables to the Customer.
3. If under this Agreement IDEMIA provides Company with IDEMIA developed software in furtherance of Company's contract with the Customer, then unless agreed in advance and in writing by IDEMIA's U.S. Chief Security Officer, Company shall not provide, share, allow access to, or otherwise disclose any such IDEMIA developed software to anyone not employed by IDEMIA or the Customer.
4. In furtherance of its performance obligations under this Agreement, Company shall comply with all IDEMIA Security Policies that IDEMIA provides to Company during the term of this Agreement.

Company shall not assign any of its rights or delegate any of its performance duties and obligations as a subcontractor to any third parties without the prior express written consent of IDEMIA's U.S. Chief Security Officer.

FAR, TSA AND HSAR FLOW DOWNS

The full text of a clause may be accessed electronically at this/these address(es): <http://farsite.hill.af.mil/> or <https://www.acquisition.gov/far>.

CLAUSE	TITLE	DATE
52.203-13	Contractor Code of Business Ethics and Conduct (if subcontract value greater than \$5.5M with period of performance more than 120 days.	October 2015
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	JAN 2017
52.219-8	Utilization of Small Business Concerns	NOV 2016
52.222-17	Nondisplacement of Qualified Workers	MAY 2014
52.222-21	Prohibition of Segregated Facilities	APR 2015
52.222-26	Equal Opportunity	SEP 2016
52.222-35	Equal Opportunity for Veterans (if subcontract value is greater than \$150,000)	OCT 2015
52.222-36	Equal Opportunity for Workers with Disabilities (if subcontract value is greater than \$150,000)	OCT 2015
52.222-37	Employment Reports on Veterans (if subcontract value is greater than \$150,000)	OCT 2015
52.222-40	Notification of Employee Rights under the National Labor Relations Act	MAY 2014
52.222-50	Combating Trafficking in Persons	Mar 2015
52.222-54	Employment Eligibility Verification (if subcontract is for commercial services not in connection with supply of COTS item, value is greater than \$3,500, and includes work performed in U.S.)	OCT 2015

HSAR**3052.242-71 Dissemination of Contract Information****TSA SPECIAL TERMS****H.5200.204.04 REQUIREMENTS AND DUTIES FOR HANDLING SENSITIVE INFORMATION (SSI) (JUL 2015)****H.5200.223.002 SECTION 504 COMPLIANCE (APR 2017)****H.5200.224.004 SECURITY REQUIREMENTS FOR HANDLING PERSONALLY IDENTIFIABLE INFORMATION AND PRIVACY INCIDENT RESPONSE (JUL 2018)**

1. Definitions.

- (a) "Breach" (may be used interchangeably with "Privacy Incident") as used in this clause means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar situation where persons other than authorized users, and for other than authorized purpose, have access or potential access to Personally Identifiable Information, in usable form whether physical or electronic.
- (b) "Personally Identifiable Information (PII)" as used in this clause means any information that permits the identity of an individual to be directly or indirectly inferred, including any other information that is linked or linkable to that individual regardless of whether the individual is a citizen of the United States, legal permanent resident, or a visitor to the United States. Examples of PII include: name, date of birth, mailing address, telephone number, Social Security Number (SSN), email address, zip code, account numbers, certificate/license numbers, vehicle identifiers including license plates, uniform resource locators (URLs), Internet protocol addresses, biometric identifiers (e.g., fingerprints), photographic facial images, or any other unique identifying number or characteristic, and any information where it is reasonably foreseeable that the information will be linked with other information to identify the individual.
- (c) "Sensitive Personally Identifiable Information (Sensitive PII)" as used in this clause is a subset of Personally Identifiable Information, which if lost, compromised or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual. Complete social security numbers (SSN), alien registration numbers (A-number) and biometric identifiers (such as fingerprint, voiceprint, or iris scan) are considered Sensitive PII even if they are not coupled with additional PII. Additional examples include any groupings of information that contains an individual's name or other unique identifier plus one or more of the following elements:

- (1) Driver's license number, passport number, or truncated SSN (such as last 4 digits)
- (2) Date of birth (month, day, and year)
- (3) Citizenship or immigration status
- (4) Financial information such as account numbers or Electronic Funds Transfer Information
- (5) Medical Information
- (6) System authentication information such as mother's maiden name, account passwords or personal identification numbers (PIN)

Other Personally Identifiable information may be "sensitive" depending on its context, such as a list of employees with less than satisfactory performance ratings or an unlisted home address or phone number. In contrast, a business card or public telephone directory of agency employees contains Personally Identifiable Information but it is not sensitive.

2. **Systems Access.** Work to be performed under this contract requires the handling of Sensitive PII. The Government may elect to conduct random periodic reviews to ensure that the security requirements contained in this contract are being implemented and enforced. The contractor shall provide the Government access to, and information regarding the contractor's systems, when requested by the Government, as part of its responsibility to ensure compliance with security requirements, and shall otherwise cooperate with the Government in assuring compliance with such requirements. Government access shall include independent validation testing of controls, system penetration testing by the Government, Federal Information Security Management Act (FISMA) data reviews, and access by agency Inspectors General for its reviews.
3. **Systems Security.**
 - (a) In performing its duties related to management, operation, and/or access of systems containing Sensitive PII under this contract, the contractor, its employees and subcontractors shall comply with applicable security requirements described in the most current versions of DHS Sensitive System Publication 4300A or any replacement publication and rules of conduct as described in TSA Management Directive (MD) 3700.4.
 - (b) All Contractor-operated systems that input, store, process, output, and/or transmit SPII shall meet or exceed the continuous monitoring requirements identified in the Fiscal Year 2014 DHS Information Security Performance Plan, or successor publication. The plan is updated on an annual basis. The Contractor shall also store monthly continuous monitoring data at its location for a period not less than one year from the date the data is created. The data shall be encrypted in accordance with FIPS 140-2 Security Requirements for Cryptographic Modules and shall not be stored on systems that are shared with other commercial or Government entities. The Government may elect to perform continuous monitoring and IT security scanning of Contractor systems from Government tools and infrastructure.
 - (c) Use of contractor-owned laptops or other media storage devices to process or store PII is prohibited under this contract until the contractor provides, and the contracting officer in coordination with CISO approves, written certification by the contractor that the following requirements are met:
 - (i) Laptops employ encryption using a NIST Federal Information Processing Standard (FIPS) 140-2 or successor approved product;
 - (ii) The contractor has developed and implemented a process to ensure that security and other applications software are kept current;
 - (iii) Mobile computing devices utilize anti-viral software and a host-based firewall mechanism;
 - (iv) When no longer needed, all removable media and laptop hard drives shall be processed (i.e., sanitized, degaussed, or destroyed) in accordance with DHS security requirements.
 - (v) The contractor shall maintain an accurate inventory of devices used in the performance of this contract;
 - (vi) Contractor employee training requirements are covered in FAR 52.224-3.
 - (vii) All Sensitive PII obtained under this contract shall be removed from contractor-owned information technology assets upon termination or expiration of contractor work. Removal must be accomplished in accordance with DHS Sensitive System Publication 4300A, which the contracting officer will provide upon request. Certification of data removal will be performed by the contractor's Project Manager and written notification confirming certification will be delivered to the contracting officer within 15 days of termination/expiration of contractor work.
4. **Data Security.**
 - (a) Contractor shall limit access to the data covered by this clause to those employees and subcontractors who require the information in order to perform their official duties under this contract.
 - (b) The contractor, contractor employees, and subcontractors must physically secure Sensitive PII when not in use and/or under the control of an authorized individual, and when in transit to prevent unauthorized access or loss. When Sensitive PII is no longer needed or required to be retained under applicable Government records retention

policies, it must be destroyed through means that will make the Sensitive PII irretrievable. The contractor shall only use Sensitive PII obtained under this contract for purposes of the contract, and shall not collect or use such information for any other purpose without the prior written approval of the contracting officer. At expiration or termination of this contract, the contractor shall turn over all Sensitive PII obtained under the contract that is in its possession to the Government.

- (c) The Contractor's invoicing, billing, and other recordkeeping systems maintained to support financial or other administrative functions shall not maintain Sensitive PII. It is acceptable to maintain in these systems the names, titles and contact information for the COR or other Government personnel associated with the administration of the contract, as needed.
5. Breach Response. The contractor agrees that in the event of any actual or suspected breach of SPII (i.e., loss of control, compromise, unauthorized disclosure, access for an unauthorized purpose, or other unauthorized access, whether physical or electronic), it shall immediately, and in no event later than one hour of discovery, report the breach to the Contracting Officer, the Contracting Officer's Representative (COR), and the TSA Director of Privacy Policy & Compliance (TSAprivacy@dhs.gov<mailto:TSAprivacy@tsa.dhs.gov>). The contractor is responsible for positively verifying that notification is received and acknowledged by at least one of the foregoing Government parties. The report of a breach shall not, by itself, be interpreted as evidence that the contractor failed to provide adequate safeguards for SPII.

Award fee contracts:

- (a) For any portions of this contract that involve an award fee, the contractor may be awarded no award fee for any evaluation period in which there is a breach of privacy or security, including any loss of sensitive data or equipment containing sensitive data. Lost award fee due to a breach of privacy or security may not be allocated to future evaluation periods.
 - (b) For any portions of this contract that involve an award fee, to ensure that the final award fee evaluation at contract completion reflects any breach of privacy or security in an interim period, the overall award fee pool shall be reduced by the amount of the fee available for the period in which the breach occurred if a zero fee determination was made because of a breach of privacy or security.
6. Personally Identifiable Information Notification Requirement.
- (a) The contractor shall have in place procedures and the capability to promptly notify any individual whose Sensitive PII was, or is reasonably believed to have been, breached, as determined appropriate by the Government. The method and content of any notification by the contractor shall be coordinated with, and subject to the prior approval of the Government, based upon a risk-based analysis conducted by the Government in accordance with DHS Privacy Incident Handling Guidance. Notification shall not proceed unless the Government has determined that: (i) notification is appropriate; and (ii) would not impede a law enforcement investigation or jeopardize national security.

Subject to Government analysis of the breach and the terms of its instructions to the contractor regarding any resulting breach notification, a method of notification may include letters to affected individuals sent by first class mail, electronic means, or general public notice, as approved by the Government. At minimum, a notification should include: (i) a brief description of how the breach occurred; (ii) a description of the types of personal information involved in the breach; (iii) a statement as to whether the information was encrypted or protected by other means; (iv) steps an individual may take to protect themselves; (v) what the agency is doing, if anything, to investigate the breach, to mitigate losses, and to protect against any further breaches; and (vi) point of contact information identifying who affected individuals may contact for further information.

- (b) In the event that a PII breach occurs as a result of the violation of a term of this contract by the contractor or its employees, the contractor shall, as directed by the contracting officer and at no cost to the Government, take timely action to correct or mitigate the violation, which may include providing notification and/or other identity protection services to affected individuals for a period not less than 18 months from discovery of the breach. Should the Government elect to provide and/or procure notification or identity protection services in response to a breach, the contractor will be responsible for reimbursing the Government for those expenses.
7. Pass-Through of Security Requirements to Subcontractors. The contractor agrees to incorporate the substance of this clause, its terms and requirements, in all subcontracts under this contract, and to require written subcontractor acknowledgement of same. Violation by a subcontractor of any provision set forth in this clause will be attributed to the contractor.



CITY COUNCIL AGENDA BILL

Subject: AB 121-2026 Consideration to Approve the Letter of Support for Councilmember Nate Nehring's Amendment to the Snohomish County Public Safety Enhancement Sales Tax (PSEST) Ordinance

Originating Dept.: City Manager

Approval(s): City Manager

Action Recommended: Motion to authorize the Mayor to sign and transmit, on behalf of the City Council, the letter to the Snohomish County Council supporting Councilmember Nate Nehring's amendment to the proposed Public Safety Enhancement Sales Tax (PSEST) ordinance.

Meeting Date: August 5, 2026

Date Submitted: 7/27/2026

Exhibit(s):

1. COGF LOS Nehring PSEST Amendment

Budgeted Amount: NA

BARS Code: NA

Summary Statement:

The Snohomish County Council is considering a countywide Public Safety Enhancement Sales Tax (PSEST) of 1/10 of 1%. Councilmember Nate Nehring has offered an amendment that would dedicate fifteen percent of the revenue, an estimated \$3.58 million annually, to a Jail Services and Law Enforcement Grant Program available to cities and towns throughout Snohomish County.

Background:

The proposed letter takes no position in favor of the tax itself; it expressly states that the City Council does not endorse imposition of the sales tax increase. It does urge that if the County Council proceeds with the PSEST ordinance, it must include the Nehring amendment, for three reasons:

1. City residents pay the tax in full, but the ordinance as drafted returns none of the revenue to the cities where a substantial share of it is generated. The measure county voters considered (and rejected) in November 2024 included revenue sharing with cities; a councilmanic enactment should not offer cities less.
2. Cities bear rapidly escalating public safety costs: law enforcement, jail, and detention costs are among the largest and fastest-growing demands on the City's general fund, while small-city revenue tools remain limited.
3. Public safety is a shared county-city responsibility, the amendment preserves the regional partnership across police, courts, jail, and behavioral health and diversion programs.

If the PSEST ordinance is adopted with the Nehring amendment, Granite Falls would be eligible to apply for grant funding to offset jail services and law enforcement costs currently borne by the general fund.

Recommended Motion:

1) Move to authorize the Mayor to sign and transmit, on behalf of the City Council, the letter to the Snohomish County Council supporting Councilmember Nate Nehring's amendment to the proposed Public Safety Enhancement Sales Tax (PSEST) ordinance.



GRANITE FALLS

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

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

August 5, 2026

Honorable Chair and Members of the Snohomish County Council

3000 Rockefeller Avenue, M/S 609

Everett, WA 98201

Re: Support for Councilmember Nehring's Amendment to the Proposed Public Safety Enhancement Sales Tax (PSEST) Ordinance - Jail Services and Law Enforcement Grant Program for Cities and Towns

Dear Chair and Members of the Council:

The Granite Falls City Council writes regarding the amendment offered by Councilmember Nate Nehring to the proposed Public Safety Enhancement Sales Tax (PSEST) ordinance, which would dedicate fifteen percent of the revenue generated by the proposed countywide 1/10 of 1% sales tax, an estimated \$3.58 million annually, to a Jail Services and Law Enforcement Grant Program available to cities and towns throughout Snohomish County.

At the outset, we want to be clear about the scope of this letter: **the City Council does not support, and should not be understood as endorsing, the imposition of the proposed sales tax increase itself.** Our residents and businesses already face significant cost pressures, and county voters rejected a public safety sales tax as recently as November 2024. Whether to enact this tax is a decision that rests with the County Council, and this letter takes no position in favor of it.

Our position is simply this: **if the County Council nonetheless chooses to adopt the PSEST ordinance, it must include Councilmember Nehring's amendment.** A countywide tax without revenue sharing would be fundamentally unfair to city residents, for the following reasons:

First, city residents will pay this tax in full. Every dollar of this tax collected within Granite Falls will be paid by our residents, businesses, and visitors at the same rate paid in unincorporated Snohomish County. Under the ordinance as currently drafted, however, none of that revenue would return to support public safety services within the cities where a substantial share of it is generated. Notably, the measure county voters considered in November 2024 included revenue sharing with cities; a councilmanic enactment should not offer cities less than what was proposed to the voters.

Second, cities and towns are bearing rapidly escalating public safety costs. For a small city such as Granite Falls, law enforcement, jail, and detention services represent one of the largest and fastest-growing demands on our general fund. Booking fees, daily maintenance rates, and related detention costs continue to climb, while the revenue tools available to small cities remain limited. If county government is to receive new public safety revenue drawn in part from city taxpayers, a portion of it should provide direct relief where these costs are actually incurred.

Third, public safety is a shared responsibility that works best as a partnership. Criminal justice does not stop at city limits. Our police officers, the County's courts, the County's jail, and regional behavioral



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health and diversion programs function as one interconnected system. Councilmember Nehring's amendment recognizes that reality and preserves the county-city partnership that has long characterized effective public safety policy in Snohomish County.

For these reasons, the Granite Falls City Council respectfully urges that, should the County Council proceed with the PSEST ordinance, it adopt Councilmember Nehring's amendment as an integral part of that ordinance. We thank Councilmember Nehring for his leadership and his consistent engagement with the cities and towns of Snohomish County on this issue.

If we can provide any additional information, please contact City Manager Jeff Balentine at 360-691-6441 or jeff.balentine@ci.granite-falls.wa.us.

Sincerely,

GRANITE FALLS CITY COUNCIL

Matthew Hartman, Mayor

On behalf of the Granite Falls City Council

cc: Councilmember Nate Nehring, Snohomish County Council, District 1

Snohomish County Executive

Granite Falls City Council

Jeff Balentine, City Manager



CITY COUNCIL AGENDA BILL

Subject: AB 122-2026 Consideration to Approve Amendment No. 1 to the Interlocal Agreement with Snohomish County for Municipal Road and Street Services - Term Extension

Originating Dept.: City Manager

Approval(s): City Manager

Action Recommended: Motion to authorize the Mayor to execute Amendment No. 1 to the Interlocal Agreement between Snohomish County and the City of Granite Falls for Municipal Road and Street Services, extending the term of the Agreement through December 31, 2031.

Meeting Date: August 5, 2026

Date Submitted: 7/27/2026

Exhibit(s):

1. Aid Agreement for Street and Road Maintenance_Executed
2. Granite Falls Street and Road Services Amendment No1

Budgeted Amount: NA

BARS Code: NA

Summary Statement:

Since 2013, and most recently under the Interlocal Agreement executed October 26, 2021 (pursuant to Chapter 39.34 RCW, RCW 35.77.020-.040, and RCW 36.75.207), the City and Snohomish County have provided road and street services to one another on a cost-reimbursement basis.

Background:

The Agreement covers:

- Construction of small capital projects on City or County streets and bridges (not subject to mandatory competitive bidding; up to \$10,000 per project as established by state law)
- Maintenance services on streets and bridges, including annual work orders for winter maintenance, ongoing maintenance, and emergency response
- Engineering and administrative services supporting street and bridge planning, construction, and maintenance

Services are initiated by work order; the performing party may accept or reject each request and provide a non-binding estimate, and the requesting party reimburses actual costs (time, labor, equipment, materials, and administrative overhead).

Recommended Motion:

1) Move to authorize the Mayor to execute Amendment No. 1 to the Interlocal Agreement between Snohomish County and the City of Granite Falls for Municipal Road and Street Services, extending the term of the Agreement through December 31, 2031.

INTERLOCAL AGREEMENT FOR MUNICIPAL ROAD AND STREET SERVICES WITHIN THE CITY OF GRANITE FALLS

This INTERLOCAL AGREEMENT FOR MUNICIPAL ROAD AND STREET SERVICES WITHIN THE CITY OF GRANITE FALLS (this “Agreement”), is made and entered into, by and between SNOHOMISH COUNTY, a political subdivision of the State of Washington (the “County”), and the CITY OF GRANITE FALLS, a Washington municipal corporation (the “City”) pursuant to Chapter 39.34 RCW.

RECITALS

A. Pursuant to an Interlocal Agreement for Municipal Road and Street Services within the City of Granite Falls (hereinafter “the Original Agreement”) dated October 21, 2013, the County has historically performed street and road services for the City.

B. The County and the City agree that it is mutually beneficial for the County and the City to continue working together cooperatively. Pursuant to this Agreement, chapter 39.34 RCW, RCW 35.77.020 through .040 and RCW 36.75.207, the City and County wish to both provide and receive street and road services from one another.

C. It is the intention of the parties that the duties and obligations of this Agreement substitute for, and supersede the duties and obligations of, the Original Agreement as set forth in Section 17.1 below.

D. Pursuant to Section 4 below, the requesting party shall reimburse the performing party for its actual costs incurred in performing the requested services, including time, labor, equipment, materials, and administrative overhead, all as more fully described in this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the respective agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the City agree as follows:

1. Purpose of Agreement.

This Agreement is authorized by and entered into pursuant to chapter 39.34 RCW, RCW 35.77.020 through .040 and RCW 36.75.207. The purpose and intent of this Agreement is for the County and the City to work together to design and construct small capital projects on City and County streets and bridges and to maintain City and County streets and bridges.

2. Effective Date and Duration.

This Agreement shall not take effect unless and until it has been duly executed by both parties and either filed with the County Auditor or posted on the County's Interlocal Agreements website. This Agreement shall remain in effect through December 31, 2026, unless earlier terminated pursuant to the provisions of Section 14 below; PROVIDED HOWEVER, that the term of this Agreement may be extended or renewed for up to two (2) additional three (3) year terms by written notice from the County to the City, PROVIDED FURTHER that each party's obligations after December 31, 2021, are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with applicable law.

3. Administrators.

Each party to this Agreement shall designate an individual (an "Administrator"), who may be designated by title or position, to oversee and administer such party's participation in this Agreement. The parties' initial Administrators shall be the following individuals:

County's Initial Administrator:

Doug McCormick, P.E., County Engineer
Snohomish County Public Works
3000 Rockefeller Avenue M/S 607
Everett, WA 98201

City's Initial Administrator:

Brent Kirk, Public Works Director
City of Granite Falls
P.O. Box 1440
Granite Falls, WA 98252

Either party may change its Administrator at any time by delivering written notice of such party's new Administrator to the other party

4. Scope of Services.

The scope of the road and street services (the "Services") includes but shall not be limited to the following:

- a. Construction of small capital projects on City or County streets and bridges, not subject to mandatory competitive bidding, as determined by the City or County, and which do not exceed \$10,000 for a single project or activity as established by state law.
- b. Maintenance services on City or County streets and bridges (including, but not limited to the list of municipal road and street services contained in Appendix A and B), to maintain the facility, as nearly as practical in its original as constructed condition or its subsequently improved condition, and the operation of roadway facilities and services to provide satisfactory and safe motor vehicle transportation.

- c. Engineering and administrative services including clerical services, necessary for the planning, establishment, construction, and maintenance of the streets and bridges of the City or County.

5. Process for Delivery of Services.

5.1 Submission of Work Orders. If the City or County (the “requesting party”) desires that the other party perform (the “performing party”) any of the Services, the requesting party shall submit to the performing party’s Administrator, or his or her designee, a Work Order in substantial form to that attached hereto in Appendix C. The performing party shall complete a Work Order in which it shall describe in detail the Services to be performed and shall state the desired completion date. The performing party may in its sole discretion require additional information from the requesting party, including but not limited to, a road plan and profile or sketches. Neither party shall submit any Work Orders for which the cost for design, right-of-way acquisition, construction, or maintenance are reimbursable with Federal funds or Federal grants.

5.1.1 Work Orders for Winter Maintenance. Either party, at its own discretion, may submit an annual Work Order for winter maintenance operations. Any such annual Work Order shall include a plan identifying the routes on which the requesting party desires winter maintenance services to be performed. Unless otherwise notified by the requesting party, the performing party will conduct winter maintenance operations on the roads and streets identified in the plan at those times the performing party has mobilized winter operations in the general area. Provided an annual Work Order request has been submitted by the requesting party and accepted by the performing party, individual Work Order requests will not be required to initiate a response to snow and ice events.

5.1.2 Work Orders for Ongoing Maintenance. Either party, at its own discretion, may submit an annual Work Order for ongoing maintenance operations. Any such annual Work Order shall include a plan identifying the routes on which the requesting party desires ongoing maintenance and describe in detail the maintenance operations requested. Unless otherwise notified by the requesting party, the performing party will conduct ongoing maintenance operations on the requesting party’s roads and streets identified in the plan. Provided an annual Work Order request has been submitted by the requesting party and accepted by the performing party, individual Work Order requests will not be required to initiate the performance of ongoing maintenance operations.

5.1.3 Work Orders for Emergency Response Services. Either party, at its own discretion, may submit an annual Work Order for emergency response services. Any such annual Work Order shall include a plan identifying triggering emergency events and the routes on which the requesting party desires emergency response services as well as describe in detail the emergency operations requested. Unless otherwise notified by the requesting party, the performing party will conduct emergency response operations on the roads and streets identified in the plan upon the occurrence of an emergency event. Provided an annual Work Order request has been submitted by the requesting party and accepted by the performing party, individual Work Order requests will not be required to

initiate the response to an emergency event.

5.2 Response to Work Orders. Upon receipt of a Work Order, the performing party shall review the Services requested therein. In its sole discretion, the performing party may agree to accept or reject the Work Order. Should the Work Order be rejected, the performing party shall make a notation to that effect on the Work Order and return it to the requesting party. Should the Work Order be accepted, the performing party shall (1) make a notation to that effect on the Work Order, and (2) prepare an Estimate of the time and costs for the requested Services as well as the time and cost of preparing said Estimate, which it will attach to the Work Order. The Estimate is non-binding and does not constitute a bid or contract maximum, and the requesting party shall remain liable for the entire actual cost as described in Section 8 below. Once the Estimate has been attached to the Work Order, the Work Order and Estimate shall be returned to the requesting party.

5.3 Notice to Proceed. Upon receipt of a responsive Work Order and Estimate the requesting party may issue a written Notice to Proceed authorizing the performing party to perform the requested Services. The issuance of a Notice to Proceed shall constitute a representation by the requesting party that (1) it finds the Estimate acceptable, and (2) sufficient funds are appropriated to cover the cost of the Services.

5.4 Performing Party. Upon issuance of a Notice to Proceed, the Administrators or their designated agents shall finalize working procedures associated with the delivery of the Services. The performing party shall furnish and supply all necessary labor, supervision, machinery, equipment, material and supplies other than those required to be furnished by the requesting party, PROVIDED HOWEVER that the performance of work shall be subject to availability of personnel, equipment, and materials necessary to perform the Services without unduly disrupting the normal operations and functions of the performing party. The performing party shall notify the requesting party of any inability to perform under this Agreement, including postponement of Services due to workload constraints.

5.5 Changes to Work Orders by the Requesting Party. The requesting party may make changes to the requested Services by submitting a new Work Order outlining in detail the desired changes to the Services. The performing party, in its sole discretion, may accept or reject the new Work Order, PROVIDED HOWEVER that the acceptance is not required where the requesting party is terminating work pursuant to Section 14.2 below. The requesting party shall be liable for all increases in cost, if any, which may be incurred by changes to the Services, including but not limited to clean-up and striping costs and any non-cancelable costs.

5.6 Changes to Work Orders by the Performing Party. After issuance of a Notice to Proceed, the performing party shall provide the requesting party with written notification of any changes to the Work Order required by the performing party when such changes will substantially alter the nature of the Services or the Estimate. The performing party shall obtain the requesting party's written approval to any such changes before implementing them.

5.7 Authority of Administrators. By entering into this Agreement and upon it becoming effective as described in Section 2 above, both parties authorize their respective Administrators to accept, deny, and negotiate the Work Orders described in this Section 4, including any associated increase, decrease, or other change to the costs of the Services.

6. Services Provided.

6.1 Lead Agency. The County shall serve as the lead agency for the Services provided by the County. The City shall serve as the lead agency for Services provided by the City.

6.2 Services. The performing party shall solely determine the schedule for the Services. The performing party will provide the requesting party with a full and complete copy of any construction design plans. The performing party shall segregate the costs of the Services from other work they may be performing.

6.3 Independent Contractor. The performing party shall perform the work as an independent contractor and not as an agent, employee, or servant of the other party. The performing party shall be solely responsible for control, supervision, direction and discipline of its personnel, who shall be employees and agents of the performing party.

7. Cooperation by Requesting Party.

7.1 Agreement to Cooperate. The requesting party shall cooperate in completing the Services. The requesting party shall make its personnel, including but not limited to its Police and Public Works Department staff, available at reasonable times and upon reasonable advance notice, for purposes of facilitating the performance of the Services, including but not limited to any safety planning meeting the performing party schedules for purposes of discussing traffic control issues. Upon request by the performing party's Administrator or his or her agent and before any work is commenced, the requesting party shall order the temporary closing to traffic of all roads and streets, or portions thereof, as deemed necessary by the performing party, in its sole discretion, to perform the Services.

7.2 Grant of Access. The requesting party certifies that it owns the real property or right-of-ways upon which the Services shall be rendered and additional real property or right-of-ways are not needed to complete the Services. The requesting party further grants to the performing party, for the purpose of performing Services pursuant to this Agreement, permission and right-of-entry on, over, under, above and through real property owned by the requesting party and those rights-of-way and WSDOT rights-of-way that the requesting party is responsible for maintaining that are necessary or convenient for the performing party to access in performing the Services.

7.3 Coordination with WSDOT and Utilities. Should, in providing the Services, it become necessary or convenient for the performing party to enter in, on, over, under or above a right-of-way owned by WSDOT or any utility or impact any equipment owned by WSDOT or any utility, the performing party shall notify the requesting party,

and the requesting party shall cooperate in the efforts to coordinate with WSDOT and/or the utility to obtain any required approvals and/or permits authorizing such activity.

7.4 Permitting. At least thirty (30) days prior to the delivery of any requested Services, the requesting party shall obtain and provide to the performing party copies of all permits necessary for the Services.

7.5 Party's Powers. Nothing contained herein shall be construed as in any way divesting either party of any of its powers with respect to the supervision, management, and control of roads and streets within its boundaries.

8. Payment by Requesting Party.

8.1 Actual Costs. The performing party shall be reimbursed in full by the requesting party for the actual costs of the Services provided on a time and materials basis plus an administrative overhead charge as described in Section 8.2 below. The performing party agrees that only those costs directly allocable to the Services under generally accepted accounting procedures will be charged to the requesting party. In computing the cost of the use of machinery and equipment, the performing party shall charge the requesting party for the full cost to the performing party of rental machinery and equipment and any operator furnished therewith and/or the performing party's equipment rental rate on performing party-owned machinery and equipment.

8.2 Administrative Overhead. For the purpose of fixing the compensation to be paid by the requesting party for the Services, it is agreed that there shall be included in each billing, to cover administrative costs, an amount not to exceed each party's administrative rate. The County rate is currently set at 20% of the total labor cost to the County for those County employees performing Services for the City under this Agreement. The City rates is currently set at ____ of the total labor cost to the City for those City employees performing Services for the County under this Agreement. Charges for administrative costs are in addition to charges for materials and equipment. This rate may be reasonably adjusted annually to reflect changes in actual administrative costs without the need for a formal amendment of this Agreement.

8.3 Invoicing and Payment. The performing party shall invoice the requesting party or its designee for all Services performed by the performing party. The requesting party shall remain liable for complete and timely payment of all amounts invoiced. Invoices may be sent monthly, quarterly or on any other schedule that is mutually convenient to the parties. The performing party shall include in each invoice, documentation of all costs for labor, materials and equipment included in the invoice. Unless the requesting party delivers written notice to the performing party disputing the amount of a particular invoice, the requesting party shall make payment on all invoices submitted by the performing party within thirty (30) days of the invoice date. Amounts not paid within 30 days of the invoice date shall thereafter accrue interest at a rate of twelve percent per annum or one percent per month.

8.4 Records. The parties shall maintain accurate time and accounting records related to the Services for a period of three (3) years following final payment.

9. Indemnification/Hold Harmless.

Each party shall protect, defend, indemnify and save harmless the other party, its officers, officials, employees and agents while acting within the scope of their employment as such, from any and all suits, costs, claims, actions, losses, penalties, judgments, and/or awards of damages, of whatsoever kind arising out of, or in connection with, or incident to the services associated with this Agreement caused by or resulting from each party's own negligent acts or omissions. Each party agrees that it is fully responsible for the acts and omissions of its own subcontractors, their employees and agents, acting within the scope of their employment as such, as it is for the acts and omissions of its own employees and agents. Each party agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. The foregoing indemnity is specifically and expressly intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance act, RCW Title 51, as respects the other party only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

The provisions of this Section 9 shall survive the expiration or earlier termination of this Agreement.

10. Liability Related to Ordinances, Policies, Rules and Regulations.

In executing this Agreement, the performing party does not assume liability or responsibility for or in any way release the requesting party from any liability or responsibility which arises in whole or in part from the existence or effect of the requesting party's ordinances, policies, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such ordinance, policy, rule or regulation is at issue, the requesting party shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the County, or both, the requesting party shall satisfy the same, including all chargeable costs and reasonable attorney's fees.

11. Insurance.

Each party shall maintain its own insurance and/or self-insurance for its obligations from damage to property and/or injuries to persons arising out of its activities associated with this Agreement as it deems reasonably appropriate and prudent. The maintenance of, or lack thereof of insurance and/or self-insurance shall not limit the liability of the indemnifying part to the indemnified party(s). Each Party shall provide the other with a certificate of insurance or letter of self-insurance annually as the case may be.

Each party shall provide or purchase workers' compensation insurance coverage to meet the Washington State Industrial Insurance regulations and cause any subcontractors working on behalf of said party to also carry such insurance prior to performing work under the Agreement.

12. Compliance with Laws.

In the performance of its obligations under this Agreement, each party shall comply with all applicable federal, state, and local laws, rules and regulations.

13. Default and Remedies.

13.1 Default. If either the County or the City fails to perform any act or obligation required to be performed by it hereunder, the other party shall deliver written notice of such failure to the non-performing party. The non-performing party shall have thirty (30) days after its receipt of such notice in which to correct its failure to perform the act or obligation at issue, after which time it shall be in default ("Default") under this Agreement; provided, however, that if the non-performance is of a type that could not reasonably be cured within said thirty (30) day period, then the non-performing party shall not be in Default if it commences cure within said thirty (30) day period and thereafter diligently pursues cure to completion.

13.2 Remedies. In the event of a party's Default under this Agreement, then after giving notice and an opportunity to cure pursuant to Section 13.1 above, the non-Defaulting party shall have the right to exercise any or all rights and remedies available to it in law or equity.

14. Early Termination.

14.1 30 Days' Notice. Except as provided in Section 14.2 below, either party may terminate this Agreement at any time, with or without cause, upon not less than thirty (30) days' advance written notice to the other party. The termination notice shall specify the date on which the Agreement shall terminate.

14.2 Lack of Funding. This Agreement is contingent upon governmental funding and local legislative appropriations. In the event that funding from any source is withdrawn, reduced, limited, or not appropriated after the effective date of this Agreement, this Agreement may be terminated by either party immediately by delivering written notice to the other party. The termination notice shall specify the date on which the Agreement shall terminate.

14.3 Calculation of Costs Due Upon Early Termination. Upon early termination of this Agreement as provided in this Section 14, the City and County shall pay for all Services performed up to the date of termination, as well as the costs of any and all non-cancelable obligations. The County and County shall notify the other within thirty (30) days of the date of termination of all remaining costs including non-cancelable costs.

Termination costs charged shall not exceed the actual costs incurred as a result of early termination. No payment shall be made for any expense incurred or Services performed following the effective date of termination unless authorized in writing by the other party.

15. Dispute Resolution.

In the event differences between the parties should arise over the terms and conditions or the performance of this Agreement, the parties shall use their best efforts to resolve those differences on an informal basis. If those differences cannot be resolved informally, the matter shall be referred for mediation to a mediator mutually selected by the parties. If mediation is not successful, either of the parties may institute legal action for specific performance of this Agreement or for damages.

16. Notices.

All notices required to be given by any party to the other party under this Agreement shall be in writing and shall be delivered either in person, by United States mail, or by electronic mail (email) to the applicable Administrator or the Administrator's designee. Notice delivered in person shall be deemed given when accepted by the recipient. Notice by United States mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, and addressed to the Administrator, or their designee, at the addresses set forth in Section 3 of this Agreement. Notice delivered by email shall be deemed given as of the date and time received by the recipient.

17. Miscellaneous.

17.1 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes any and all prior oral or written agreements between the parties regarding the subject matter contained herein, including but not limited to the Original Agreement PROVIDED HOWEVER, that the parties' duties and obligations under the Original Agreement regarding insurance and indemnification shall survive as to any claims, actions, suits, liability, loss, expenses, damages and judgments of any nature whatsoever, including costs and attorneys' fees in defense thereof, known or unknown, for injury, sickness, disability or death to persons or damage to property or business, arising prior to the Effective Date of this Agreement. This Agreement may not be modified or amended in any manner except by a written document executed with the same formalities as required for this Agreement and signed by the party against whom such modification is sought to be enforced.

17.2 Conflicts between Attachments and Text. Should any conflicts exist between any attached exhibit or schedule and the text or main body of this Agreement, the text or main body of this Agreement shall prevail.

17.3 Governing Law and Venue. This Agreement shall be governed by and enforced in accordance with the laws of the State of Washington. The venue of any action arising out of this Agreement shall be in the Superior Court of the State of Washington, in

and for Snohomish County. In the event that a lawsuit is instituted to enforce any provision of this Agreement, the prevailing party shall be entitled to recover all costs of such a lawsuit, including reasonable attorney's fees.

17.4 Interpretation. This Agreement and each of the terms and provisions of it are deemed to have been explicitly negotiated by the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the parties hereto. The captions and headings in this Agreement are used only for convenience and are not intended to affect the interpretation of the provisions of this Agreement. This Agreement shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

17.5 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be found invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected thereby, but shall instead continue in full force and effect, to the extent permitted by law.

17.6 No Waiver. A party's forbearance or delay in exercising any right or remedy with respect to a Default by the other party under this Agreement shall not constitute a waiver of the Default at issue. Nor shall a waiver by either party of any particular Default constitute a waiver of any other Default or any similar future Default.

17.7 No Assignment. This Agreement shall not be assigned, either in whole or in part, by either party without the express written consent of the other party, which may be granted or withheld in such party's sole discretion. Any attempt to assign this Agreement in violation of the preceding sentence shall be null and void and shall constitute a Default under this Agreement.

17.8 Warranty of Authority. Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign this Agreement.

17.9 No Joint Venture. Nothing contained in this Agreement shall be construed as creating any type or manner of partnership, joint venture or other joint enterprise between the parties.

17.10 No Separate Entity Necessary. The parties agree that no separate legal or administrative entities are necessary to carry out this Agreement.

17.11 Ownership of Property. Except as expressly provided to the contrary in this Agreement, any real or personal property used or acquired by either party in connection with its performance under this Agreement will remain the sole property of such party, and the other party shall have no interest therein.

17.12 No Third Party Beneficiaries. This Agreement and each and every provision hereof is for the sole benefit of the City and the County. No other persons or parties shall be deemed to have any rights in, under or to this Agreement.

17.13 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of the last party to sign.

COUNTY:

Snohomish County, a political subdivision
of the State of Washington

CITY:

City of Granite Falls, a Washington
municipal corporation

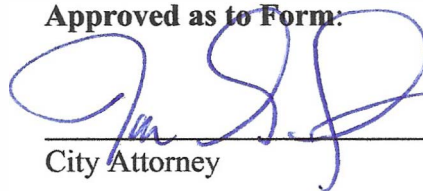
By _____
County Engineer

By _____
Title:

Approved as to Form:

/s/ George Marsh 10/06/2021
Deputy Prosecuting Attorney

Approved as to Form:



City Attorney

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APPENDIX A
MUNICIPAL ROAD AND STREET SERVICES
Snohomish County - Road Maintenance Division

Work Operations (Estimates provided on a per project basis)
Drainage:
• Catch Basin Routine Maintenance: Manually clean catch basins to ensure drainage flow is not restricted. This includes removing debris from the inlet and/or cleaning the catch portion of the structure.
• Catch Basin Mechanical Cleaning: Mechanically remove sediment and debris from the catch basin using a vactor or eductor truck using vacuum hose and water jet as necessary to ensure drainage system remains free of material and flows are not restricted.
• Culvert Cleaning, and Inspection, Manual: Inspecting and manually cleaning culvert inlets and outlets.
• Culvert Cleaning, Mechanical: Use mechanical equipment for cleaning the culvert such as vactor, flusher or a backhoe to clean inlets and outfalls to remove obstructions.
• Detention/Retention Basin Maintenance: Remove accumulated sediment, vegetation and debris from detention/retention basins to maintain design capacity to allow for proper function of the structure. Removal may be by manual or mechanical means and may include cleaning inlet and outlet grates/pipes.
• Ditch Maintenance: Cleaning or re-shaping a man-made, open, storm water conveyance system that was constructed to carry storm water onto, through, or away from the highway right-of-way (i.e., not a modified stream). This operation does not include the acquisition of any permitting if required.
• Underground Retention/Detention Facility Maintenance: Mechanically or manually clean and/or inspect underground detention/retention facilities on the right of way to maintain proper design capacity for the structure. This activity requires compliance with confined space regulations.
Pavement Maintenance and Repair:
• Crack and Joint Sealing: Repair defects in pavement surface by installing crack filling material to prevent water from entering the sub-grade. Cracks are cleaned and routed prior to filling.
• Install Lane Markers/Raised Pavement Markers: Install lane markers to replace worn markers or to facilitate design changes in the channelization.

• Installation, Maintenance and Repair of Guardrail: Maintain and repair guardrail; adjust cable tension; repair damage caused by collisions; upgrade terminal end sections; adjust height and alignment; Install new guardrail to design specifications.
• Manual Pavement Patching: To repair the road surface by hand spreading asphalt mix (typically hot mix), raking to establish proper grade and compacting with a roller or other available means. Repair potholes, edge failures, dips, etc.
• Pavement Markings -Thermo-plastic/Durable: Apply durable channelization material (typically thermo-plastic) to the roadway to delineate the lane limits.
• Pavement Markings - Paint: Applying channelization to the roadway surface to delineate lane limits, such as edge lines (including gore lines), skip lines, no pass lines, centerlines, etc.
• Sweeping & Cleaning Pavement with Mechanical Pickup Broom: Use mechanical pickup sweeper to remove sand, dirt and accumulated debris from the roadway and shoulders. Special consideration: An advance person may be needed to pick up large debris prior to the sweeping operation. Additional trucks may be needed to haul the sweeper spoils to an approved waste site. 'No Parking' signs may be needed in advance.
• Traffic Sign Repair, Replacement, Maintenance and Installation: Repair, replace, maintain; or install new traffic signs to ensure that operational safety is maintained on the roadway system.
Shoulder Maintenance:
• Grade / Reshape Shoulders: Use motor grader to pull aggregate from shoulder slope back towards the roadway to eliminate the vertical edge at the edge of pavement.
• Shoulder Buildup Removal: Use a motor grader and belt loader to remove buildup of sand, dirt and vegetation at the edge of shoulder to allow for proper drainage.
Snow & Ice:
• Anti-Icing and De-icing Application, Liquids: Apply anti-icing liquid to the roadway to reduce the probability of ice forming on the roadway. Apply de-icing liquids to the roadway to aid in ice removal.
• Plowing/Sanding/Solid Deicer Application: Remove accumulated snow and slush from the roadway and shoulder of the roadway with a truck-mounted snowplow. Apply sand or other abrasives to roadways to improve traction during freezing weather and snowstorm conditions. This may include sand applied with pre-wet salt systems or blended with salt in solid form.
Vegetation:
• Control Vegetation Obstructions - Manual: Remove vegetation obstructions by manual methods, i.e. shovels, weed eaters, cutters or pulling weeds, to ensure visibility of signing and intersections.
• Cutting/Pruning/Selective Thinning: Use hand tools to cut, trim or thin small amounts of plants in or around planting beds.

• Noxious and Nuisance Weed Control - Spot Spray Non-power Equipment: Use hand sprayer to control noxious weeds, as identified on the state or county noxious weed list, with approved herbicides applied at the recommended application rate. Also manually spray nuisance weeds. An herbicide application record is required for the treated area.
• Nuisance Vegetation Control - Manual: Use of manual means, i.e., hand operated trimmers, mowers, lopping shears, hand sprayer, saws, axes, to control undesirable vegetation obstructing line of sight or clear zone i.e., alders, blackberries and certain species of grasses.
• Nuisance Vegetation Control - Mechanical: Use power-operated equipment, i.e., mowers and brush cutters, to control undesirable vegetation i.e., alders, and blackberries, etc.
• Tree Trimming/Tree Canopy Maintenance: Use boom truck/bucket truck, saws and chippers to trim trees and canopied/encroaching shrubs to maintain clear zones, sight distance, pedestrian access, etc.
• Roadside Mowing: Mow with mechanical mower to control grass height and trim undesirable vegetation.

Other services provided:
• Call-out Response for urgent or emergency situations • Catch Basin/ Manhole Repair or Replacement • Chip Seals; Project or Patching • Culvert Repair or Replacement • Guidepost and Delineator Replacement • Hauling and Disposal of Waste Material • Hydro Seeding and Mulching • Instructor, Equipment Training and Other Training Courses • Maintenance and Repair of Concrete Structures • Mechanical Pavement Patching, Paverbox • Noxious Weed Control - Mechanical • Noxious Weed Control - Manual • Pavement Milling/Full Depth Repair (small, localized areas) • Pavement Patching with Subgrade Repair • Rip Rap and Cribbing Repair • Seeding, Mulching, and Planting including native species. • Shoulder Washout Repair • Slope Repair, Slide Clean up & Maintenance • Traffic Control for Mobile Operations • Traffic Control for Stationary Operations • Vector Waste Recycling/Disposal

APPENDIX B
MUNICIPAL ROAD AND STREET SERVICES
Snohomish County – Bridge Operations

Work Operations (Estimates provided on a per project basis)
Bridge Inspection:
• Bridge Inspection Services: Routine and special bridge inspections, completion of bridge inspection reports (including photos and descriptions of the inspection), and entry of bridge inspection data into the Washington State Bridge Inventory System. The County’s performance of inspections and reports shall be consistent with the National Bridge Inspection Standards as set forth in the current version of the Washington State Bridge Inspection Manual.
Other services provided:

APPENDIX C
MUNICIPAL ROAD AND STREET SERVICES
Snohomish County - Road Maintenance Division
Engineering Services Division – Bridge Group

Work Order Forms

Samples provided below are to be used for Work Order requests made to Snohomish County. Work Order request made to the City shall be provided on a City Work order form. The City Work Order form does not need to be identical to the County Work Order but should contain the same elements including an approval section.



ROAD MAINTENANCE AID AGREEMENT WORK ORDER

Agency/Jurisdiction: _____

Submitted By: _____ Date Submitted: _____

Contact Info: _____ Requested Completion Date: _____

Authorized By: _____ Position/Title: _____

(Signature from Agency/Jurisdiction for approval to proceed per Estimated Cost Below)

Date Approved: _____

WORK TO BE PERFORMED (Description and/or Sketch) (Attach Additional Pages If Needed)

Once completed please email to: Contact.PWRoad@snoco.org

For Completion by Snohomish County Road Maintenance Division

Estimated Cost For Services: _____ Reimbursable Service Number: **RR** _____

Approved By:

RM Operations Manager: _____ Date: _____

RM Director: _____ Date: _____

Date of Completion: _____ By: _____



PUBLIC WORKS BRIDGE INSPECTION SERVICES WORK ORDER

Agency/Jurisdiction: _____

Submitted By: _____ **Date Submitted:** _____

Contact Info: _____ **Requested Completion Date:** _____

Authorized By: _____ **Position/Title:** _____

(Signature from Agency/Jurisdiction for approval to proceed per Estimated Cost Below)

Date Approved: _____

WORK TO BE PERFORMED (Description) (Attach Additional Pages If Needed)

Once completed please email to: Contact.PWBridge@snoco.org

For Completion by Snohomish County Engineering Services Division

County's Estimated Cost For Services: _____

County Reimbursable Service Number: **RR** _____

County Work Order Number: _____ (progressive number assigned by order of request)

Approved By:

Bridge Group Supervisor: _____ Date: _____

ES Director: _____ Date: _____

Date of Completion: _____ By: _____

INTERLOCAL AGREEMENT FOR MUNICIPAL ROAD AND STREET SERVICES WITHIN THE CITY OF GRANITE FALLS

This AMENDMENT NO. 1 TO THE INTERLOCAL AGREEMENT BETWEEN SNOHOMISH COUNTY AND THE CITY OF GRANITE FALLS FOR MUNICIPAL ROAD AND STREET SERVICES WITHIN THE CITY OF GRANITE FALLS (this “First Amendment”), is made and entered into this ____ day of _____, 2026, by and between Snohomish County, a political subdivision of the State of Washington (the “County”), and the City of Granite Falls, a Washington municipal corporation (the “City”) pursuant to Chapter 39.34 RCW.

RECITALS

A. The County and the City executed an agreement titled “Interlocal Agreement for Municipal Road and Street Services within the City of Granite Falls” (the “Original Agreement”), on October 26, 2021.

B. The County and the City agree that it is mutually beneficial for the County and the City to extend the term of the Original Agreement.

AGREEMENT

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

Section 2 of the Original Agreement is amended to read as follows:

2. Effective Date and Duration.

This Agreement shall not take effect unless and until it has been duly executed by both parties and either filed with the County Auditor or posted on the County’s Interlocal Agreements website. This Agreement shall remain in effect through December 31, 2031, unless earlier terminated pursuant to the provisions of Section 14 below; PROVIDED HOWEVER, that the term of this Agreement may be extended or renewed for up to one (1) additional three (3) year term by amendment; PROVIDED FURTHER, that each party’s obligations after December 31, 2027, are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with applicable law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COUNTY:

Snohomish County, a political subdivision of the State of Washington

CITY:

City of Granite Falls, a Washington municipal corporation

By: _____
Douglas W. McCormick
County Engineer

By: _____
Mayor

Template Reviewed by:

Approved as to Form:

July 16, 2026
Deputy Prosecuting Attorney

By: _____
City Attorney



CITY COUNCIL AGENDA BILL

Subject: AB 123-2026 Consideration to Approve the Boys & Girls Club Galena Street Property Lease for Parking Lot Site Improvements

Originating Dept.: City Manager

Approval(s): City Manager
Attorney

Action Recommended: Motion to authorize the Mayor to execute the Lease Agreement with the Boys & Girls Club of Snohomish County for the City-owned parcel at the northeast corner of Galena Street, for construction and operation of a public parking lot and children's play area.

Meeting Date: August 5, 2026

Date Submitted: 7/27/2026

Exhibit(s):

1. Boys & Girls Club Lease Agreement 2026 (Revised)
2. Plan and Profile-Parking Lot
3. Plan and Profile-Alley (1)

Budgeted Amount: NA

BARS Code: NA

Summary Statement:

In the 2026 legislative session, the Boys & Girls Club of Snohomish County was awarded \$463,000 in grant funding from the State Capital Budget to pay for improvements to City property on the NE corner of Galena Street, providing a parking lot area and playground space for small children in the Club's care. The engineering and design for this project is being paid for by the City and includes improvements to the City's stormwater conveyance system and the alley connecting Stanley Street and Galena Street behind the Club's facilities. The design plan and profile drawings for the parking lot and alley improvements are attached.

As a condition of the grant funding, the Club must demonstrate site control of the property where the funds will be spent for a period of no less than ten (10) years. The proposed lease satisfies this requirement with an initial term of August 6, 2026 through December 31, 2036.

Background:

When the Boys & Girls Club constructed the Gymnasium as a multipurpose facility with support from the City and various grant sources, the intent was to seek funding for a public parking lot on the adjacent City-owned parcel (acquired in 2017) as part of the overall master plan for this community services campus. The City and the Club have both unsuccessfully sought funding for this project over the past six years; the Club finally received funding this year for the improvements needed to complete the campus area on the City parcel.

The City and the Club also have a facilities agreement in place for use of the Gymnasium for City civic events and emergency/disaster relief services as needed. The terms of this lease for the parking lot/playground area align with that existing facilities agreement.

Terms

- Rent: \$1.00 per year (nominal), with the Council finding that the value of improvements, maintenance, insurance, and public access constitutes adequate consideration exceeding the fair market value of the unimproved lot; no gift of public funds.
- Use: Play area for small children, Club activities and programs, and associated parking. The parking improvements remain open to the general public without charge.
- City reserved rights: The City may require use of the premises and parking for City-sponsored community events (10 working days' notice) and immediately for public safety incidents, emergency management, or emergency housing; consistent with the existing Gymnasium facilities agreement.
- Improvements: Constructed at the Club's cost per the City's engineered design plans; all improvements (parking lot, play area, fencing) become City property upon expiration or termination, without compensation.
- Maintenance and insurance: The Club maintains the premises at its sole cost and carries commercial general liability coverage of \$1,000,000 per occurrence / \$2,000,000 aggregate.
- Termination: The City may terminate on 90 days' written notice if the public interest requires.

Recommended Motion:

1) Move to authorize the Mayor to execute the Lease Agreement with the Boys & Girls Club of Snohomish County for the City-owned parcel at the northeast corner of Galena Street, for construction and operation of a public parking lot and children's play area.

LEASE

THIS LEASE, is made by and between the CITY OF GRANITE FALLS, WASHINGTON, a municipal corporation of the State of Washington, hereinafter “Landlord,” and BOYS & GIRLS CLUB OF SNOHOMISH COUNTY, a Washington nonprofit corporation, hereinafter “Tenant.”

RECITALS

WHEREAS, THE CITY OF GRANITE FALLS SEEKS TO PROMOTE ACCESS TO CHILDCARE, YOUTH RECREATIONAL SERVICES, AND PUBLIC EVENT FACILITIES;

WHEREAS, THE BOYS AND GIRLS CLUB, WITH SUPPORT FROM THE CITY OF GRANITE FALLS, HAS CONSTRUCTED A NEW GYMNASIUM TO BE USED FOR COMMUNITY RECREATIONAL ACTIVITIES AS WELL AS A LOCATION FOR A DISASTER RELIEF CENTER IN THE EVENT OF A NATURAL DISASTER;

WHEREAS, THE CITY OF GRANITE FALLS ACQUIRED LAND IN 2017 ADJACENT TO THE BOYS AND GIRLS CLUB FACILITY AND THE NEW BOYS AND GIRLS CLUB GYMNASIUM FOR USE AS PARKING AND ADDITIONAL SPACE AS NEEDED FOR A FUTURE COMMUNITY SERVICES CAMPUS AREA;

WHEREAS, THE BOYS AND GIRLS CLUB OF SNOHOMISH COUNTY HAS RECEIVED STATE GRANT FUNDING TO CONSTRUCT ADDITIONAL PUBLIC OFF STREET PARKING FOR THESE FACILITIES AS WELL AS AN OUTDOOR PLAY AREA FOR SMALL CHILDREN ON THE LOT ACQUIRED BY THE CITY, SUBJECT TO A LEASE VERIFYING SITE CONTROL BY THE CLUB;

WHEREAS, BOTH PARTIES AGREE THAT ALL IMPROVEMENTS, INCLUDING PARKING LOT, PLAY AREA, AND FENCING, BECOME THE PROPERTY OF THE LANDLORD UPON EXPIRATION OR TERMINATION OF LEASE WITHOUT COMPENSATION;

WHEREAS, THE CITY COUNCIL FINDS THAT THE VALUE OF IMPROVEMENTS, MAINTENANCE, INSURANCE, AND PUBLIC ACCESS CONSTITUTES ADEQUATE CONSIDERATION EXCEEDING THE FAIR MARKET VALUE OF THE UNIMPROVED LOT, AND THAT NO GIFT OR DONATIVE INTENT EXISTS; AND

WHEREAS, THE CITY COUNCIL HAS DETERMINED THAT IT IS IN THE PUBLIC INTEREST TO LEASE THIS PROPERTY TO THE BOYS AND GIRLS CLUB TO CONSTRUCT THE IMPROVEMENTS NEEDED FOR USE AS A PUBLIC PARKING LOT AND PLAY AREA FOR SMALL CHILDREN AS PART OF THE PROGRAMS AND SERVICES THAT THEY PROVIDE TO THE COMMUNITY, AND THEREFORE TO CHARGE NOMINAL RENT FOR SAID LOT;

Now, therefore, it is agreed between the parties as follows:

1. **DESCRIPTION OF PREMISES.** Landlord hereby leases to Tenant and Tenant leases from Landlord on the terms, covenants and conditions set forth herein, the following-described unimproved property legally described in **EXHIBIT A** as depicted on **EXHIBIT B**, both attached hereto and incorporated herein by this reference, hereinafter the “Leased Premises.”

2. **TERM.**

(a) Initial Term: The initial term of this Lease shall commence on August 6, 2026, and end on December 31, 2036, unless sooner terminated as provided herein.

(b) Renewal: By mutual agreement of the parties, this Lease may be renewed for one or more additional years.

(c) Right to terminate: Notwithstanding the term provided, if the public interest requires, Landlord may terminate this Lease on 90 days advance written notice to Tenant. In light of the nominal rent, no rent proration or return shall occur.

3. **RENT.**

(a) Rental Amount. Throughout the entire term of this Lease and any extension or holdover thereof, Tenant covenants and agrees to pay Landlord as rental for said premises the sum of ONE DOLLAR AND NO/100THS DOLLAR (\$1.00) per year.

(b) Payments. Rent payments shall be due annually in advance, with the first payment due upon commencement of this Lease and subsequent payments due on the first day of each calendar year, and shall be paid at:

City of Granite Falls
PO Box 1440
Granite Falls, WA 98252

or at such other place as may be designated by Landlord.

(c) Leasehold Excise Tax. During any period when Tenant does not qualify for exemption from leasehold excise tax pursuant to Chapter 82.29A RCW, as additional rent Tenant shall pay to Landlord with the annual rent a sum equal to 12.84% of the annual rent for leasehold excise tax. Said additional rent rate shall be modified in accordance with any change in the leasehold excise tax occurring during the term of this Lease, or any extension or holdover thereof, which modification shall be effective on the date the tax rate changes. Landlord shall give written notice to Tenant of any change in the leasehold excise tax rate. Tenant shall be solely responsible for providing Landlord with proof and documentation demonstrating Tenant’s exemption from leasehold excise tax.

4. **SECURITY DEPOSIT**: No security deposit will be required for this lease.

5. **USE OF PREMISES.**

(a) The Leased Premises may be used and occupied for a play area for small children, for activities and programs of the Tenant, and for parking associated with such activities and programs, and all uses incidental thereto, subject to the rights reserved to Landlord in subsection (b) below. The parking improvements shall remain open and available to the general public without charge.

(b) Landlord reserves the right, without rent reduction, offset, or compensation to Tenant, to require that the Leased Premises and the parking improvements thereon be made available for parking by Landlord and the general public as follows: (i) upon specific direction of Landlord, with not less than ten (10) working days' advance written notice to Tenant; (ii) during City-sponsored or City-designated community events; and (iii) immediately and without advance notice in the event of a public safety incident, or as required for emergency management or emergency housing purposes, for the duration of such event or emergency. Landlord shall coordinate any such use with Tenant so as to minimize disruption to Tenant's programs when reasonably practicable.

(c) Tenant shall promptly comply with all laws, ordinances, orders, and regulations now in effect, or as hereafter amended, affecting the Leased Premises and their cleanliness, safety, occupation and use. Tenant will not use or permit the use of the premises in any such manner as will tend to create a nuisance, or unnecessarily or unreasonably disturb other lessees or occupants of the Leased Premises.

(d) Tenant shall not use any machinery or equipment in the Leased Premises that might be injurious to the Leased Premises or any improvements thereon. Tenant will not perform any act or carry on any practices that may damage the Leased Premises or be a nuisance to or menace or injure the public, other tenants, or Landlord's employees, contractors or agents. Tenant shall not commit or suffer any waste upon the Leased Premises.

(e) Upon termination of the Lease, Tenant shall quit and surrender the Leased Premises in as good a state and condition as they were at the commencement of the Lease, reasonable wear and tear or other actions not caused by Tenant, its employees, agents, customers or invitees, excepted. Tenant shall return all keys and gate access devices, if any, to Landlord.

6. **UTILITIES.** No utilities or utility connections will be made to the leased premises.

7. **ACCEPTANCE OF PREMISES/INITIAL IMPROVEMENTS.** Tenant acknowledges that Tenant has examined the Leased Premises and accepts the same in their condition on the date of Tenant's execution of this Lease. PROVIDED, prior to commencement of the Lease, Tenant shall fence the premises as directed by Landlord. Tenant shall be responsible for the costs of all improvements on the property as shown in the engineered design plans provided by the Landlord.

8. **ALTERATIONS, LIENS, CONDITION OF PREMISES UPON TERMINATION OF LEASE.** The premises may only be altered based upon the engineered design plans provided by the Landlord. All improvements to the Leased Premises, including without limitation the parking lot, play

area, and fencing, shall upon expiration or earlier termination of this Lease become the property of Landlord, without compensation to Tenant and free of all liens and encumbrances.

9. **INSURANCE/CASUALTY:** All of Tenant's personal property on the Leased Premises shall be at the risk of the Tenant. Each party hereto waives any and every claim which arises, or may arise, in its favor against the other party hereto during the term of this Lease for all loss of, or damage to, any of its property located within or upon, or constituting a part of the Leased Premises, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies to the extent such loss or damage is recoverable under said insurance policies. Said mutual waivers shall be in addition to and not a limitation or derogation of any other waiver or release contained in this Lease with respect to any loss of or damage to property of the parties hereto. Insomuch as the above mutual waivers will preclude the assignment of any such claim by way of subrogation to an insurance company (or any other person), each party hereby agrees immediately to give each insurance company which has issued to its policies of fire and extended coverage insurance written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent invalidation of said insurance coverages by reason of said waivers.

Tenant acknowledges that Landlord's casualty insurance upon the leased premises is for the benefit of the Landlord, and will not benefit Tenant or provide any coverage for Tenant's possessions.

10. **INSURANCE/LIABILITY**

A. Insurance Term

The Tenant 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 Tenant's operation and use of the leased Premises.

B. No Limitation

Tenant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Tenant to the coverage provided by such insurance, or otherwise limit the Landlord's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance.

Tenant shall obtain insurance of the types and coverage described below:

1. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Public Entity Landlord shall be named as additional insured on Tenant's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage.
2. Property insurance shall be written on an all risk basis.

D. Minimum Amounts of Insurance

Tenant shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
2. Property insurance shall be written covering the full value of Tenant's property and improvements with no coinsurance provisions.

E. Other Insurance Provisions

The Tenant's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Landlord. Any insurance, self-insurance, or self-insured pool coverage maintained by the Landlord shall be excess of the Tenant's insurance and shall not contribute with it.

F. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

G. Verification of Coverage

Tenant shall furnish the Landlord with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insured requirements of the Tenant.

H. Waiver of Subrogation

Tenant and Landlord hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

I. Notice of Cancellation

The Tenant shall provide the Landlord with written notice of any policy cancellation within two business days of their receipt of such notice.

J. Failure to Maintain Insurance

Failure on the part of the Tenant to maintain the insurance as required shall constitute a material breach of lease, upon which the Landlord may, after giving five business days notice to the Tenant to correct the breach, terminate the Lease 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 Landlord Entity on demand.

K. Public Entity Full Availability of Tenant Limits

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

11. **RISK OF LOSS:** All personal property of Tenant kept or maintained at the Leased Premises shall be at the risk of Tenant.

12. **INDEMNIFICATION:**

(a) Landlord shall protect, hold harmless, indemnify, and defend, at its own expense, the Tenant, its officers, employees, and agents from any loss or claim for damages of any nature whatsoever, including claims by third parties or by Landlord's employees from which it would otherwise be immune under Title 51 RCW or other law, arising out of any act or omission on or about the Leased Premises or relating to this Lease by Landlord, its appointed or elected officials, officers, assignees, agents, employees, invitees, contractors, or subcontractors. If a loss or claim is caused by or results from the concurrent negligence of Landlord, its appointed or elected officials, officers, employees, or agents and the Tenant, its officers, employees, or agents, this clause shall be valid and enforceable only to the extent of the negligence of the Landlord, its appointed or elected officials, officers, employees, or agents.

(b) Tenant shall protect, hold harmless, indemnify, and defend, at its own expense, the Landlord, its appointed or elected officials, officers, employees, and agents from any loss or claim for damages of any nature whatsoever, including claims by third parties or by the Tenant's employees from which it would otherwise be immune under Title 51 RCW or other law, arising out of any act or omission on or about the Leased Premises or relating to this Lease by the Tenant, its officers, employees, or agents. If a loss or claim is caused by or results from the concurrent negligence of the Tenant, its officers, employees, or agents and the Landlord, its appointed or elected officials, officers, employees, or agents, this clause shall be valid and enforceable only to the extent of the negligence of the Tenant, its officers, employees, or agents.

The parties acknowledge that the foregoing indemnity provisions were mutually negotiated and survive the termination of this Lease.

13. **HAZARDOUS SUBSTANCES.** As used in this Lease, the term "Hazardous Substance" means any substance or material, the storage, use or disposal of which is or becomes regulated under any law now or hereafter in effect, including, but not limited to flammable explosives, radioactive materials, asbestos, petroleum and related byproducts and hydrocarbons, organic compounds known as

polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxins, pollutants, contaminants, hazardous wastes, toxic substances or related materials.

Without Landlord's prior written consent, Tenant shall not receive, store or otherwise allow any Hazardous Substance on the Leased Premises. In the event of any release or presence of any Hazardous Substance on or about the Leased Premises occurring on or after the commencement date of this Lease, Tenant agrees to immediately, fully and completely remove all of such Hazardous Substance from the Leased Premises and to dispose of such in accordance with applicable law, even if the quantity or concentration of such Hazardous Substance would not require remediation under the provision of the law. Tenant further agrees to defend, indemnify, and hold harmless Landlord, its elected officials, officers, employees, agents and contractors from and against any and all losses, claims, liabilities, damages, demands, fines, costs and expenses, including reasonable attorneys' fees, arising out of or resulting from any release or presence of any Hazardous Substance on or about the Leased Premises; the provisions of this sentence shall survive and be enforceable after the termination or expiration of the Lease and the surrender of the Leased Premises by Tenant. If Tenant becomes aware of the release or presence on the Leased Premises of any Hazardous Substance, Tenant shall immediately notify Landlord in writing of such release or presence, and Tenant shall promptly provide Landlord with copies of any reports, studies, recommendations or requirements received by Tenant from any third person, including a governmental agency.

14. **MAINTENANCE AND REPAIRS.** Tenant shall, at its sole cost, keep and maintain all elements of the Leased Premises and appurtenances and every part thereof.

If Tenant refuses or neglects to repair and maintain the Leased Premises as required herein to the reasonable satisfaction of Landlord as soon as reasonably possible after written demand, Landlord may make such repairs and do required maintenance without liability to Tenant for any loss or damage that may accrue to Tenant's fixtures or other property, or to Tenant's business by reason thereof, and upon completion thereof, Tenant shall pay Landlord's costs for such work, plus 15% for overhead, together with 12% per annum interest from the date Landlord tenders Tenant an invoice for such work to the date of payment.

15. **SIGNS AND LANDSCAPING.** Tenant shall be permitted to erect a business sign and directional signage; provided Landlord shall have the right to control and approve the location, size, quality and appearance of the same.

16. **ENTRY BY LANDLORD.** Tenant shall permit Landlord and Landlord's agents to enter the Leased Premises at all reasonable times for the purpose of inspecting the same.

17. **ASSIGNMENT AND SUBLETTING:** Tenant shall not sublease, sublet, or assign the Leased Premises, or any other portion thereof, except by the written permission and consent of Landlord, in Landlord's sole discretion. This Lease shall not be assignable by operation of law.

18. **INSOLVENCY OF TENANT.** The occurrence of any of the following: (a) the appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or (b) a

general assignment by Tenant for the benefit of creditors, or (c) any action taken or suffered by Tenant under any insolvency or bankruptcy act shall, if any such appointments, assignments or action continues for a period of thirty (30) days, constitute a breach of this Lease by Tenant, and Landlord may at its election without notice, terminate this Lease, and in that event be entitled to immediate possession of the Leased Premises and damages as provided below.

19. TENANT DEFAULT:

(a) If Tenant shall fail to perform any of the covenants and agreements herein contained (and regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency, or other legal or equitable proceedings that have or might have the effect of preventing the Tenant from complying with the terms of this Lease), then Landlord may cancel this Lease upon giving the notice required by law, and re-enter said premises.

(b) If Landlord must commence an unlawful detainer action to seek restitution of the rental premises as a result of the Tenant's default in the payment of rent, Landlord shall be entitled to judgement in the amount of double the rent due at the time of judgement pursuant to RCW 59.12.170.

(c) In the event of any entry in, or taking possession of, the Leased Premises, Landlord shall have the right, but not the obligation, to remove from the Leased Premises all personal property located thereon and may place the same in storage at a public warehouse, at the expense and risk of the owners.

(d) If at any time Landlord waives any breach or default, or any right or option, such waiver shall not be construed to be a waiver of any other right or option, or any other past, existing or future breach or default.

(e) In the event Tenant is in default on any provision of this Lease and Landlord seeks the service of an attorney to enforce such provision in default, Landlord shall be entitled to recover all attorney's fees and costs expended in such enforcement, including the cost of preparation and service of all notices, and such fees, costs and expenses shall constitute additional rent due hereunder.

20. LANDLORD DEFAULT: In the event Landlord shall neglect or fail to perform or observe any of the covenants, provisions or conditions contained in this Lease on its part to be performed or observed within 30 days after Tenant's written notice to Landlord (or if more than 30 days shall be required because of the nature of the breach, if Landlord shall fail to proceed diligently to cure such breach after notice), then, in that event, Landlord shall be in default under the provisions of this Lease and shall be responsible to Tenant for any and all damages sustained by Tenant as a result of Landlord's default. Further, after such default and upon giving Landlord ten (10) days advance written notice of intent to do so, Tenant shall have the right to cure any such default at Landlord's expense, including in such expenditure all costs and attorney's fees incurred to cure such default, and may offset the costs of curing such default against rents next due. In the event Landlord fails and refuses to cure its default and Tenant is unable to remedy Landlord's default, Tenant shall have the option of terminating this lease upon 30 days written notice to Landlord.

21. **ATTORNEY FEES.** In the event of any legal action or proceeding between the parties hereto, the substantially prevailing party shall be entitled to collect, in addition to any judgement awarded by a court, a reasonable sum as attorneys' fees, and all costs and expenses incurred in connection with such lawsuit, including attorneys' fees, costs, and expenses of any appeal of judgement, and if the substantially prevailing party shall recover judgement in and such action or proceeding, such costs, expenses, and attorney's fees shall be included in and as a part of such judgement. This Lease shall be governed by the laws of the State of Washington. The venue for any dispute related to this Lease shall be Snohomish County, Washington. Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy hereunder, Tenant shall pay to Landlord its cost and expenses incurred in such suit, including a reasonable attorney fee.

22. **NOTICES.** All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments, or designations under this Lease by either party to the other shall be in writing and shall be sufficiently given and served upon the other party, if sent by certified mail, return receipt requested, postage prepaid, and addressed as follows:

TENANT:

Boys & Girls Club of Snohomish County

Telephone: _____

Email: _____

LANDLORD:

City of Granite Falls
PO Box 1440
Granite Falls, WA 98252

or at such other address as either party designates by written notice to the other party. All notices shall be effective upon the earlier of personal delivery or three (3) days after being mailed.

23. **NO WAIVER OF COVENANTS.** No waiver shall be implied from an omission by either party to take any action related to breach of any covenant, term, or condition of this Lease. The acceptance by Landlord of rent with knowledge of the breach of any of the terms, conditions, or covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

24. **DELAYED POSSESSION.** In the event of the inability of Landlord to deliver possession of the Leased Premises for any reason whatsoever at the time of the commencement of the term of this Lease, neither Landlord nor its agents shall be liable for any damage caused thereby, nor shall this Lease thereby become void or voidable, nor shall the term herein specified be in any way extended, but in such event Tenant shall not be liable for any rent until such time as Landlord can deliver possession, and in the event that possession is delayed over ninety (90) days, Tenant shall have the right to terminate this Lease.

25. **EFFECT OF HOLDING OVER.** If Tenant should remain in possession of the Leased Premises after the expiration of the Lease term, or the renewal thereof, without executing a new lease, then such holding over shall be construed as a tenancy from month to month, subject to all the conditions, provisions, and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy.

26. **SUCCESSORS AND ASSIGNS.** The rights, liabilities, and remedies provided for herein shall extend to the heirs, legal representatives, successors and, so far as the terms of this Lease permit, assigns, of the parties hereto. The words "Landlord" and "Tenant" and their accompanying verbs and pronouns, wherever used in this Lease, shall apply equally to all persons, firms or corporations which may be or become parties to this Lease.

27. **RULES.** Tenant agrees to abide by the rules and regulations governing the operation of the Leased Premises which may be made by Landlord from time to time, and will use reasonable methods to induce its employees, customers, clients, guests and all persons invited or permitted by Tenant onto said Premises to observe the same.

28. **TIME.** Time is of the essence of this Lease.

29. **ENTIRE AGREEMENT AND AMENDMENTS.** This Lease contains all of the agreements between the parties with respect to any matter covered or mentioned in the Lease, and no prior agreement, letter of intent, or understanding relating to any such matter will be effective for any purpose. No provision in this Lease may be amended or added to except by an agreement signed by the parties or their respective successors in interest and using the same formalities as are required by the execution of this Lease.

IN WITNESS WHEREOF Landlord and Tenant have executed this Lease as of the day and year first above written. Individuals signing on behalf of a principal warrant that they have the authority to bind their principals.

THE CITY OF GRANITE FALLS,
Landlord

BOYS & GIRLS CLUB OF SNOHOMISH
COUNTY, Tenant

By _____
CITY MANAGER

By _____

Title_____

Date_____ Date_____

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that JEFF BALENTINE is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath acknowledged that he was authorized to execute the instrument, and acknowledged it as the CITY MANAGER of the CITY OF GRANITE FALLS to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this_____day of_____, 2026.

(Legibly sign name of notary)

(Legibly print name of notary)

NOTARY PUBLIC in and for the State of

Washington, residing at_____

My commission expires_____

STATE OF WASHINGTON)

) ss.

COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the _____ of BOYS & GIRLS CLUB OF SNOHOMISH COUNTY to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this _____ day of _____, 2026.

(Legibly sign name of notary)

(Legibly print name of notary)

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

My commission expires _____

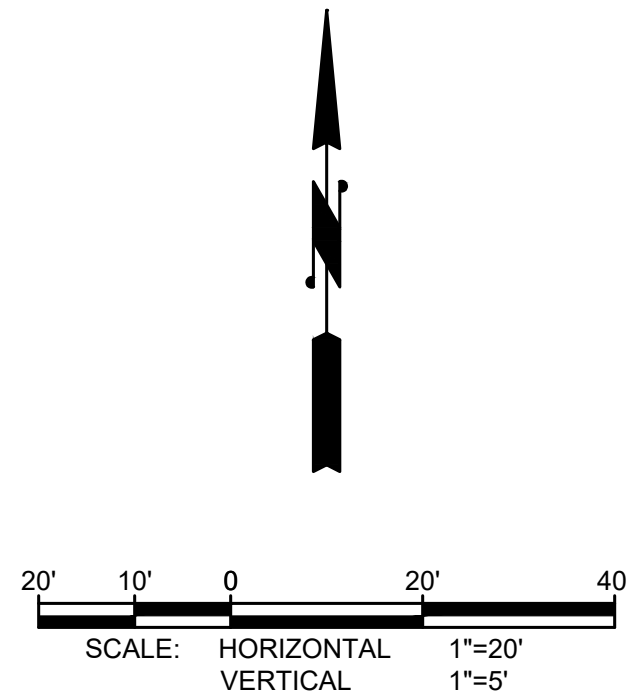
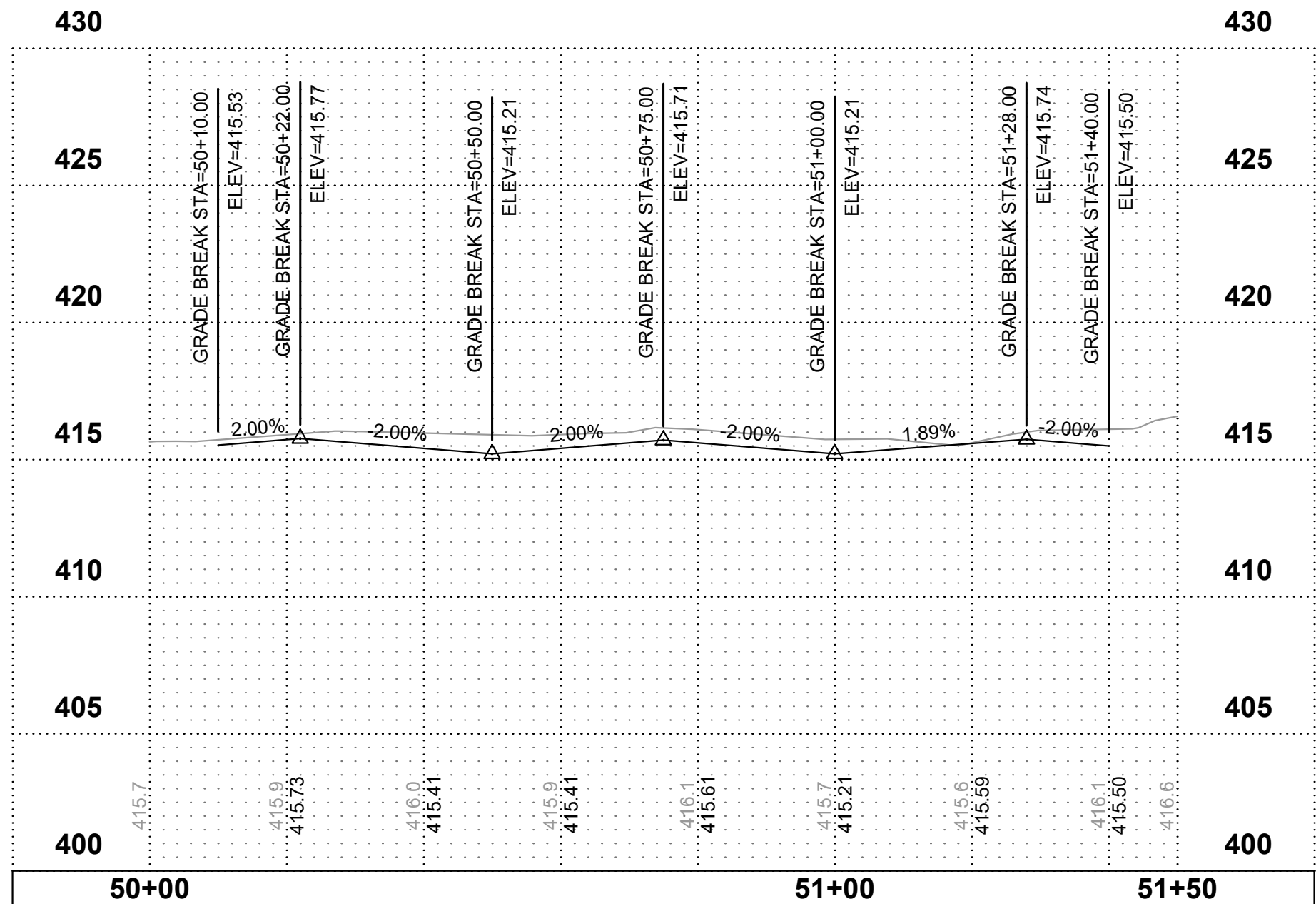
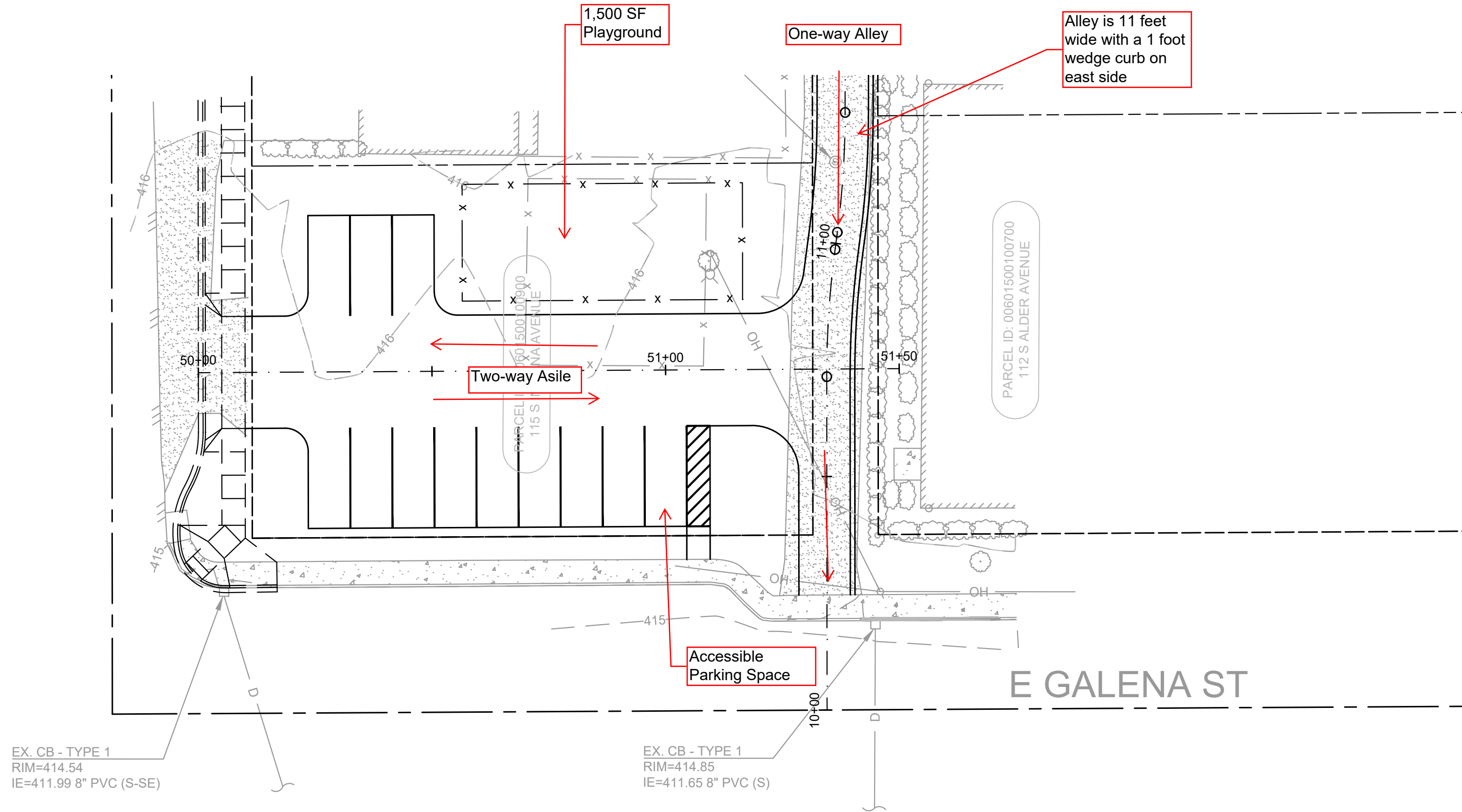
EXHIBIT A
LEGAL
DESCRIPTION

Section 18 Township 30 Range 7 Quarter SW M E TURNERS 4TH ADD TO
GRANITE FALLS BLK 001 D-00-ALL LOTS 9-10 LESS N 10FT OF SD LOT 10
AKA PAR A PER BLA REC UND AFN 2001709260239 AND DEPICTED PER
ROSREC UND AFN 201709265001

EXHIBIT B
DRAWING



L:\GrFalls\26479.00 Boys and Girls Club Parking\01 Design\PLANSET\Civil\Plan and Profile.dwg, 6/9/2026 11:15 AM, KEVIN BROWN



Gray & Osborne, Inc.
CONSULTING ENGINEERS
3710 168TH STREET NORTHEAST,
BUILDING B, SUITE 210
ARLINGTON, WA 98223
(360) 454-5490



**BOYS & GIRLS CLUB
PARKING LOT**

No.	DATE	REVISION

ISSUED FOR:
**PRELIMINARY,
NOT FOR
CONSTRUCTION**

ISSUE DATE: JUNE 2026

APPROVED BY: KWB

CHECKED BY: SAC

DRAWN BY: SEM

G & O JOB NO.: 26479.00

FILE: PLAN AND PROFILE.DWG



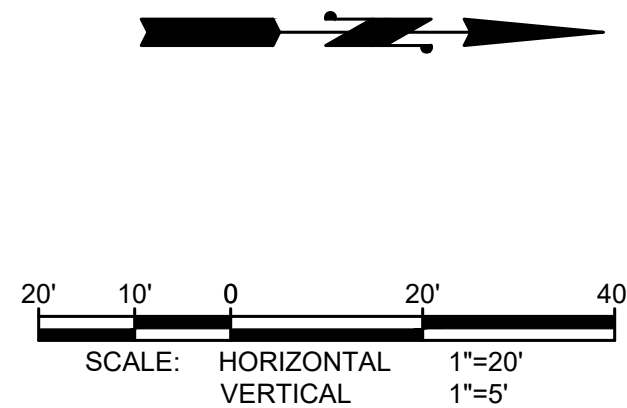
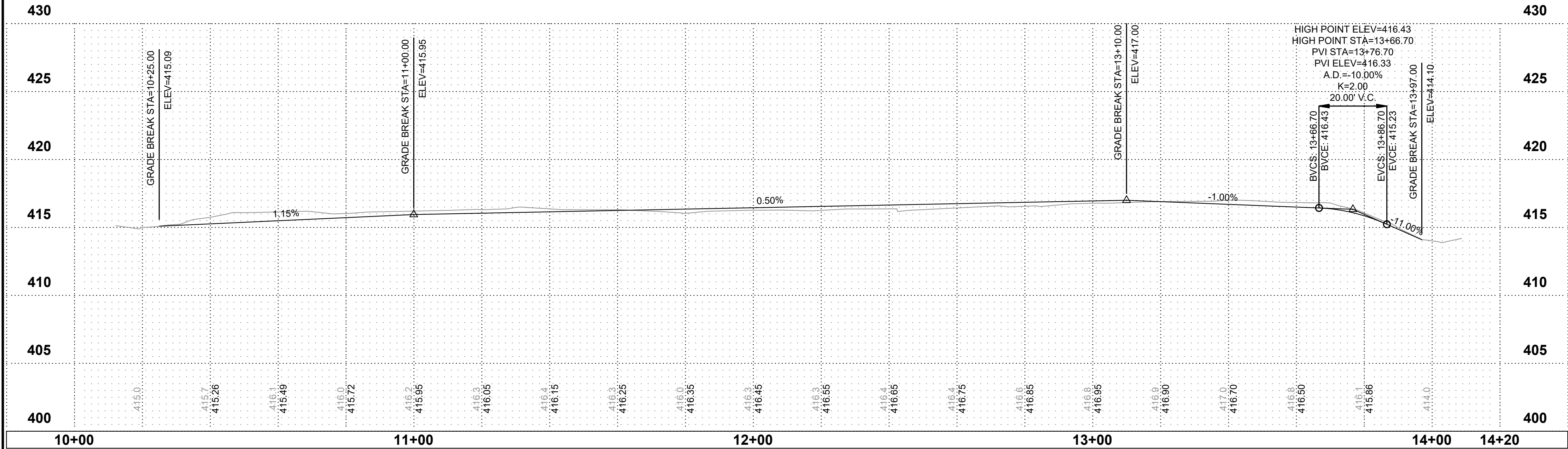
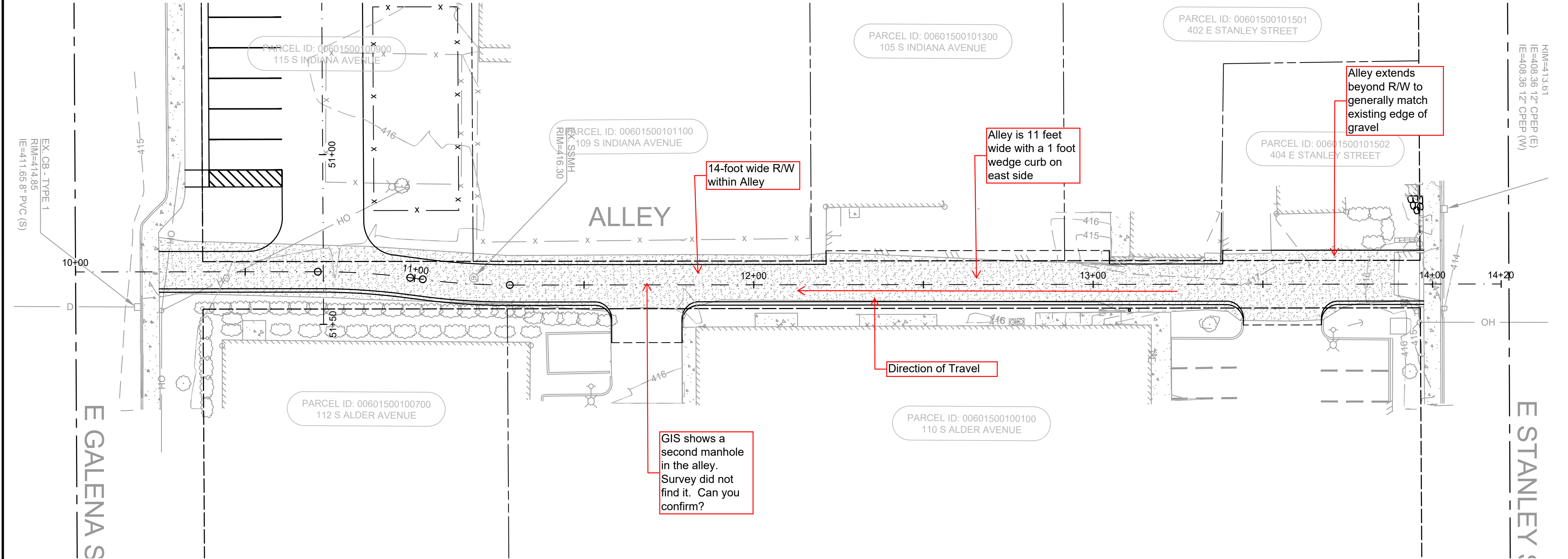
RIGHT-OF-WAY DISCLAIMER

THE RIGHT-OF-WAY, EASEMENTS,
AND/OR PROPERTY LINES SHOWN
HEREON ARE BASED ON AVAILABLE
INFORMATION, NOT ON A SURVEYED
LOCATION AND ARE ONLY
APPROXIMATE. FURTHERMORE, NOT
ALL EASEMENTS ARE SHOWN.

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SHEET: #### OF: XX

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RIGHT-OF-WAY DISCLAIMER

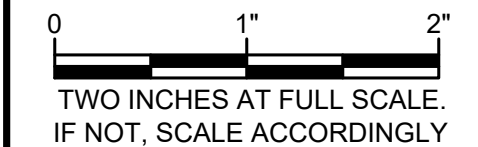
THE RIGHT-OF-WAY, EASEMENTS, AND/OR PROPERTY LINES SHOWN HEREON ARE BASED ON AVAILABLE INFORMATION, NOT ON A SURVEYED LOCATION AND ARE ONLY APPROXIMATE. FURTHERMORE, NOT ALL EASEMENTS ARE SHOWN.

Gray & Osborne, Inc.
CONSULTING ENGINEERS
3710 168TH STREET NORTHEAST,
BUILDING B, SUITE 210
ARLINGTON, WA 98223
(360) 454-5490



**BOYS & GIRLS CLUB
PARKING LOT**

No.	DATE	REVISION
ISSUED FOR: PRELIMINARY, NOT FOR CONSTRUCTION		
ISSUE DATE: JUNE 2026		
APPROVED BY: KWB		
CHECKED BY: SAC		
DRAWN BY: SEM		
G & O JOB NO.: 26479.00		
FILE: PLAN AND PROFILE.DWG		



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SHEET: #### OF: XX