

**TOWN COUNCIL MEETING  
AGENDA  
Remote: Go-To-Meeting  
May 10, 2022  
6:30 pm**

**CALL TO ORDER**

**CHANGES AND APPROVAL OF AGENDA**

**MAYOR'S REPORT**

**AUDIENCE INPUT – See NOTE**

**PUBLIC HEARING**

- **Resolution 22-03 regarding declaring land owned by the Water Utility surplus and providing for its exchange.**
- **Ordinance 774 amending Coupeville Town Code Section 13.08.020 regarding utility connection fees**

**NEW BUSINESS**

1. Approve Resolution 22-03 declaring land owned by the Water Utility surplus and provide for its exchange with parcel owned by the Whidbey Camano Land Trust.
2. Approve Ordinance 774 amending Coupeville Town Code Section 13.08.020 regarding utility connection fees.
3. Approve Ordinance 772 Amending Section 16.10.060 of the Coupeville Town Code stipulating detached accessory building connected to the Town's water and sewer service will be subject to application requirements and related fees.
4. Appoint Margaret Bailey, co-owner of the Anchorage Inn B & B at the Town's lodging representative on the Whidbey and Camano Islands Tourism Board.

**STAFF REPORTS**

**COUNCIL REPORTS**

**ADJOURN**

**NOTE:** Under our Declaration of Emergency, due to the COVID 19 pandemic, the Town of Coupeville will be holding Town Council meetings remotely. The public will be able to access the meetings in real time, by phone, computer or tablet. Audience members wishing to be heard during the Audience Input portion of the meeting are asked to join the remote meeting at least five minutes before the meeting is scheduled to start, and to notify the Clerk Treasurer at that time, of their desire to speak.

*As a reminder: This is time set aside for members of the public to speak to the Council about subjects of concern or interest, or items not already set aside for a public hearing. Input requiring more lengthy comment is best submitted in writing. You may send your comments to [clerktreasurer@townofcoupeville.org](mailto:clerktreasurer@townofcoupeville.org) and they will be provided to the Council.*

**To access the Town Council meeting remotely, by phone dial 571-317-3122 and use access code 707-347-805.**

**To join the meeting from your computer, tablet or smartphone.**  
<https://www.gotomeet.me/TownOfCoupeville/coupeville-town-council-meeting>

1101 N.E. Parker Road

April 28, 2020

To: Coupeville Town Council

Re: Safety Concerns Regarding Maintenance of Storm Water Ditches and Trenches

Dear Mayor, and Council Members;

As a more recent resident of Coupeville, I have realized the dangers of simply standing outside along my side of Parker Road. My property is across the road from the well maintained trail. There is a nice wide allowance for foot traffic. Managing vegetation growth on my side is another matter.

There is approximately eight to eleven inches between the road's white line, and where the vegetation begins. As work trucks and semi's come speeding up the hill, I don't believe it is possible for them to see me, let alone have time to react. I cannot hear them since I am using power equipment.

I am asking the council to have Coupeville's maintenance crews resume caring for the storm water ditches, trenches, and culverts on both sides of Parker Road. Initially, I saw a city worker mowing up the hill along the trail. When he finished going up the hill, I assumed he would cross Parker at the top and mow coming back down the hill. He didn't.

I have read through the town codes including 13.20.090. I understand property owners caring for their easement. Caring for an easement in a town with sidewalks, etc. is different than the situation here on Parker. It is an unsafe endeavor for private land owners.

The Island County roadside vegetation, and drainage systems are expressly maintained by the county for safety reasons. The trees and surrounding vegetation make Parker less visible to spot people outside maintaining their portion of the storm system ditches and trenches.

Thank you for taking the time to consider my concerns, and request. I surely don't want to be hit while trying to care for the storm water system. And thank you for tolerating my "wordiness." It's always been an issue for me...

Sincerely,



Sandra Glenn

360-333-1973

April 28, 2020

Dear Mayor Molly, and Council Members,

Could you please read aloud, the enclosed letter I've written, at the next town council meeting?

It's concerning a town safety issue.

Thank you, and Sincerely,

A handwritten signature in cursive script that reads "Sandra Glenn".

Sandra Glenn

## **COUPEVILLE PUBLIC HEARING FORMAT**

1. The Chair opens the Public Hearing.
2. The Chair asks if there are any possible conflict of interest or appearance of fairness problems.
3. Staff makes their report and recommendations.
4. The Applicant makes their presentation.
5. **The public is invited to comment.**
6. Comment letters are acknowledged for the record.
7. The Applicant is provided an opportunity to respond to the public comment.
8. Council asks questions of the applicant, staff or public to clarify the proposal or acquire more facts.
9. The Chair closes the Public Hearing -- **no public comment is permitted once the hearing is closed.**

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### **YOU ARE ENCOURAGED TO PARTICIPATE IN PUBLIC HEARINGS**

The purpose of public hearings is to provide the public with an opportunity to make comments about proposals being considered by the Town Council

If you wish to make a comment during a public hearing please indicate so by raising your hand during the comment period. When you are recognized by the Chair, rise and clearly state your name and address before giving your comments. This will help the Town Clerk make an accurate record of the hearing.

Please direct your comments to the Chair and not to the applicant or other members of the public.



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## STAFF REPORT

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**DATE:** May 5, 2022  
**TO:** Town Council  
**FROM:** Mayor Molly Hughes  
**RE:** Resolution 22-03

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Council,

Attached is Resolution 22-03 declaring surplus what we have referred to lately as the Engle Road Cistern Property, or Town property in the documents. This makes final the plans we have had to exchange parcels with the Whidbey Camano Land Trust (WCLT).

-The Town owns a parcel with an old water cistern that we no longer use. The cistern is in bad shape and is a liability to the Town. We have no use for the parcel and want to declare it surplus.

-The WCLT owns a five-acre wooded parcel at the Town entrance on Broadway. This parcel is protected from development so therefore serves no purpose to the Land Trust.

-If we exchange properties the Town will own a nice, wooded parcel at the entrance to town, can maintain the forest for the climate benefit and provide a wildlife habitat with no safety liability.

-If the WCLT get our parcel out on Engle Road, they can provide a small parking lot for the trail head on the property they own next door. They will not have to cut any trees on their forested property, they provide a safe parking area for town hikers and they take on the liability and maintenance of the parking lot.

-We are required to hold a Public Hearing declaring this parcel surplus because it belongs to the Water Utility.

Attached is the Resolution declaring our parcel surplus and the Land Exchange document that I am recommending you approve. The motion below could be used during New Business on our agenda, after the Public Hearing is closed.

**Staff Recommendation:** *Mayor recommends motion approving Ordinance 22-03 declaring Parcel #13116-418-4070 belonging to the Town's Water Utility surplus and allowing for a land exchange with Whidbey Camano Land Trust for Parcel #13233-100-2130*

TOWN OF COUPEVILLE

RESOLUTION 22-03

A RESOLUTION OF THE TOWN OF COUPEVILLE, WASHINGTON DECLARING CERTAIN REAL PROPERTY OWNED BY THE TOWN WATER UTILITY AS SURPLUS TO THE TOWN'S NEEDS AND AUTHORIZING THE EXCHANGE OF SUCH PROPERTY WITH THE WHIDBEY CAMANO LAND TRUST.

WHEREAS, the Town previously purchased certain real property outside of Town limits, Parcel #13116-418-4070, located on Engle Road, in unincorporated Island County, described in Exhibit A to this Resolution, and

WHEREAS, the Property was purchased for the purpose of using an underground water cistern, located on said property, for storage of the Town's water supply and the Town has not used the cistern for over two decades and has no need to do so in the future, and

WHEREAS, this Property is surplus to the needs of the Town, and

WHEREAS, the Town has been offered Parcel #13233-100-2130, 4.98 acers of undeveloped forest boarding the Broadway Street entrance to the Town, described in Exhibit B to this Resolution, in exchange for the unused town property, and

WHEREAS, the Whidbey Camano Land Trust property would be of public benefit preserving an undeveloped entrance to the historic Town of Coupeville, ensure continued climate resilience and air quality, and protect an important wildlife habitat, and

WHEREAS, the Town property would be of public benefit because the Whidbey Camano Land Trust will use it as a free parking area to a trail head which, when complete, will connect 61 miles of the Walking Ebey's trail system for our Town residents to use, and

WHEREAS, Town of Coupeville and the Whidbey Camano Land Trust have negotiated a "Public Benefit and Real Property Land Exchange Agreement" described in Exhibit C to this Resolution, and

NOW, THEREFORE, it is hereby resolved by the Council of the Town of Coupeville, Washington as follows:

Section 1. The property described in Exhibit A hereto is hereby declared unnecessary to the needs and purpose of the Town of Coupeville Water Utility and is surplus property.

Section 2. The terms and conditions of the Public Benefit and Real Property Land Exchange Agreement, Exhibit C hereto are hereby ratified and approved.

Section 3. The execution of the Public Benefit and Real Property Land Exchange Agreement between the Town of Coupeville and the Whidbey Camano Land Trust for the exchange of The Land Trust's property, Exhibit B, hereto is hereby authorized, ratified and confirmed and the Mayor is further authorized to take all further necessary and appropriate steps to exchange said surplus Property in accordance with applicable federal, state and local law, including but not limited to execution of all other legal documents required to exchange the Property.

PASSED by the Town Council and APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

TOWN OF COUPEVILLE

By \_\_\_\_\_  
Molly Hughes, Mayor

ATTEST:

By \_\_\_\_\_  
Kelly Beech, Clerk Treasurer

Approved as to form:

By \_\_\_\_\_  
Grant Weed, Town Attorney

## Exhibit A

### TOWN PROPERTY:

That portion of N.D. Hill Donation Land Claim No. 39, in Section 16, Township 31 North Range 1 East of the Willamette Meridian, described as follows:

Beginning at the concrete monument marking the Northeast corner of that certain tract of land conveyed to the United States of America by deed from Bertha S. Jenne and recorded in

Volume 25, page 279, of Deeds records of Island County, Washington;

Thence due West along the North line of said tract 987.76 feet;

Thence South 50°23'23" West 696.52 feet;

Thence North 45°55'47" West 311.90 feet to the true point of beginning;

Thence South 32°42'02" East 132.54 feet;

Thence South 54°36'43" West 143.86 feet more or less to the Easterly line of the County Road;

Thence Northwesterly along said Easterly line of the County Road, to a point that lies South 50°23'23" West of the true point of beginning;

Thence North 50°23'23" East 172.85 feet, more or less, to the true point of beginning.

Situate in the County of Island, State of Washington.



## **Exhibit B**

### LAND TRUST PROPERTY:

That portion of the John Alexander Donation Claim in Section 33, Township 32 North, Range 1, East of the Willamette Meridian, described as follows:

Beginning at a point on the West line of said Donation Claim 391.5 feet South of the Southwest corner of the Plat of Hancock and Race's Addition, Town of Coupeville, as per plat recorded in Volume 1 of Plats, page 8, records of Island County, Washington.

Thence South 1302.6 feet more or less, to the North line of the T.S. Davis Donation Claim;

Thence East 369.7 feet more or less, to the county road;

Thence North 1302.6 feet, more or less, to a point East of the point of beginning;

Thence West to the point of beginning;

EXCEPT the North 594.70 feet thereof;

ALSO EXCEPT that portion lying within State Highway 525.

ALSO EXCEPT Black Road Right of Way.

Situate in the County of Island, State of Washington.

## PUBLIC BENEFIT AND REAL PROPERTY LAND EXCHANGE AGREEMENT

This PUBLIC BENEFIT AND REAL PROPERTY LAND EXCHANGE AGREEMENT ("Exchange Agreement") is by and between the TOWN OF COUPEVILLE, a Washington municipal corporation ("Town"), and the WHIDBEY CAMANO LAND TRUST, a Washington nonprofit corporation ("Land Trust") (collectively, the "Parties" and singularly, "Party"). The effective date of this Exchange Agreement shall be the date the last signatory executes this Exchange Agreement ("Effective Date").

### RECITALS

- A. *WHEREAS***, the Town is the owner of that certain real property located in Island County, Washington, being Island County tax parcel number R13116-418-4070, comprising approximately 0.47 acres and legally described in Exhibit A ("Legal Descriptions") and shown on Exhibit B ("Site Maps"), said exhibits attached hereto and incorporated herein by this reference ("Town Property").
- B. *WHEREAS***, the Land Trust is the owner of that certain real property located in Island County, Washington, being Island County parcel number R13233-100-2130, comprising approximately 5.0 acres and legally described in Exhibit A, Legal Descriptions, and shown on Exhibit B, Site Maps ("Land Trust Property").
- C. *WHEREAS***, the Land Trust is a 501c3 public benefit, nature conservation corporation with a mission to, "Actively involve the community in protecting, restoring and appreciating the important natural habitats and resource lands that support the diversity of life on the islands and in the waters of Puget Sound."
- D. *WHEREAS***, the Town Property has the following characteristics:
1. The 0.47 acre Town Property is located on Engle Road, approximately 1.9 miles outside of Coupeville's town limits. It is adjacent on the north and west to the Admiralty Inlet Preserve owned by the Land Trust and lies to the east of an unofficial parking lot on Island County's 100-foot-wide fee-owned part of Engle Road.
  2. The Town Property was part of the Camp Casey and was transferred as surplus federal property to the Town in 1982. As of March 1, 2022, it had an approximately 1940's era large, underground water cistern, small pump house and abandoned water mains. The concrete cistern was approximately 90 feet x 90 feet and over 15 feet deep. Approximately seven (7) feet of the concrete was below grade. The concrete structure was covered by earthen mounds on all sides with soil accumulation on the roof as well. Historically the structure was used for water supply by the Army.

3. The water cistern had not been used for decades and was long ago deemed a safety liability. The pump house on the roof provided one of two access points to an open and deep hole. Old water lines connected to other lines closer to the street. There was an additional water utility structure closer to the road with water lines, hydrant and electrical components contained in a concrete base. The remainder of the Town Property is comprised of invasive species.
4. The Town and Land Trust partnered to remove the infrastructure, as described in Recital F below, with the Town paying the cost of abandoning the underground water lines, cistern, pump house, utility structure, hydrant, and electrical components and the Land Trust paying the cost of all required permits, construction of a 10-stall parking lot and installation of a driveway and driveway culvert (“Cistern Removal”).
5. The Land Trust is completing the first two phases of the Walking Ebey’s Trail System (“Walking Ebey’s”) with a portion of the trail being adjacent to the the Town Property. Once the trail system is officially opened for public use, there would have been a considerable number of people walking by the water cistern and infrastructure and thereby increasing the Town’s liability if anyone were hurt climbing on, around or down into the cistern.
6. When completed, Walking Ebey’s will connect about 61 miles of existing trails throughout Ebey’s Reserve, creating extensive recreational and health benefits for the Towns residents and visitors, and economic benefits for the Town’s businesses.
7. The Town Property is nearly two miles from Town limits and the Town had no plans for the Town Property.
8. As part of the Exchange Agreement, the Town will, in its conveyance deed to the Land Trust, permanently restrict the use of the the Town Property to being a no-fee trailhead and trail parking lot for legal public recreational use. This deed restriction will ensure that the Town Property serves a wholly public function and benefit, including benefits to the Town’s citizens, and has only an incidental or no financial benefit to the Land Trust.

**E. WHEREAS,** the Land Trust Property has the following characteristics:

1. The approximately 5.0 acre Land Trust Property is located at the northwest corner of the intersection of NW Broadway Street and Black Road. It is immediately adjacent to the Town of Coupeville corporate limits to the north and the east and is across NW Broadway Street from Krueger Woods, a town park.
2. The Land Trust Property is ranked as a “High” protection priority for the National Park Service in Ebey’s Landing National Historical Reserve (“Ebey’s Reserve”) because it is a prominent, undeveloped mature forest that is highly visible from State Route 20

and is the main western road entrance to the Town of Coupeville. It is also the historic wood lot adjacent to the historic Lynch house.

3. The Land Trust Property has a mature, mixed forest community and is home to a variety of wildlife, particularly birds, and is a favored location for many woodpecker species as well as Great Horned Owls and Barred Owls. It is located between the Penn Cove and Crockett Lake Important Bird Areas providing an important habitat area for the more than 100 bird species using those areas.
  4. The Land Trust Property has a restrictive easement held by the U.S. Department of the Navy that removes many of the property's development rights (AFN 4423616). The Navy easement does allow a non-motorized trail to be constructed.
  5. As part of the Exchange Agreement, the Land Trust will, in its conveyance deed to the Town, prohibit trails and timber harvesting activities, except for Land Trust-approved forest restoration. Keeping the property forested is important to" (a) protect its historic importance as an entrance to the historic Town of Coupeville; ensure continued climate resilience, air quality and health benefits; and keep intact habitat for wildlife.
- F. WHEREAS,** the Town entered a contract with Krieg Construction to do the necessary work to accomplish: (1) the Town's goal to demolish the cistern, remove the pump house and abandon the water lines and (2) the Land Trust's goal to construct a driveway and a 10-car parking lot as a trailhead for the Walking Ebey's Trail System. Each Party has agreed to pay for the cost to accomplish its own goals. Cost-sharing with the Land Trust for the demolition of the cistern and filling the deep hole in which the cistern is located has saved money for the Town and its taxpayers.
- G. WHEREAS,** the Town must ensure there is no private benefit bestowed to the Land Trust in the Exchange Agreement and that such an exchange will result in public benefit. The following information demonstrates that the exchange serves a wholly public function, has only an incidental or no benefit to the Land Trust and is an approximately equal value exchange.
1. The Town Property has little residual value because the Town's Bargain and Sale Deed conveyance to the Land Trust will permanently restrict the use of the Town Property to being a no-fee trailhead and trail parking lot for legal public recreational use. As a parking lot and trailhead, this is a liability for the Land Trust rather than asset as the Land Trust will have a permanent obligation to maintain and repair the facilities and manage public use and abuse at the site.
  2. The Land Trust property has little residual value because the Navy Restrictive Easement removes most of the development rights. The Land Trust, because of the Land Trust's Bargain and Sale Deed conveyance to the Town, will permanently restrict

removal of trees, except for approved restoration, and prohibit any trail construction or use.

3. The Town Property and the Land Trust Property, both subject to deed restrictions that benefit the public interest, are approximately of equal value because each property is confined to public benefit purposes, i.e., the Town Property as a recreational trailhead and the Land Trust property as a historical wooded setting and wildlife habitat.
4. The Land Trust owns a 6.6 acre forested property (“Adjacent Property”) adjacent to the north boundary of the Town Property. This was the Land Trust’s original location for the trailhead and parking lot. However, putting the parking lot and trailhead on the Town Property will result in significant public benefits, including benefits to the Town of Coupeville and its citizens, as described below.
  - i. The Adjacent Property lies on a dangerous curve on Engle Road which is an arterial road with a speed limit of 50 mph that carries a lot of traffic. This includes large trucks and vehicles going to and from the Coupeville ferry landing.
  - ii. Putting the parking lot on the Adjacent Property would require a section of a mature forest to be cut down. This forest will now be protected for climate resilience, scenic views for travelers along Engle Road and to enhance the ambiance for this entrance to the Walking Ebey’s Trail System. These are all important attributes for locals and visitors in Ebey’s Reserve.
  - iii. In contrast, from a public safety and public benefit standpoint, the Town Property is a much better site for a parking lot. It was already heavily impacted by the cistern and infrastructure and had no native trees or other native vegetation.
  - iv. Partnering with the Land Trust on the exchange reduces safety issues, lowers the Town’s cost for the Cistern Removal, removed a long-standing and significant liability for the Town, and did not require cutting down trees, thus being a much more environmentally sustainable option.
5. The Land Trust finds that trailheads and parking lots for public recreational use is a considerable liability and is only an asset for the public benefit it serves. This public recreational development is done to provide more opportunities for people, including the Town’s citizens, to get outside and walk, thus benefiting peoples’ mental, emotional and physical health. Providing public recreational opportunities, like the parking lot on the Town Property, results in the Land Trust having permanent financial, legal and management responsibilities.
6. The Land Trust Property is a high protection priority in Ebey’s Reserve as the historic and forested west entrance to Coupeville that is highly visible from State Highway 20.

Also, it is part of the historic setting for the Leach house located adjacent to the west boundary.

7. The 2018 Coupeville Community Survey asked the question *“What would you like to see added, expanded or improved in the Town’s park and open space system?”* The choices had a high of 71 and a low of 36. The third highest choice at 60 was wildlife habitat areas and birdwatching facilities. Birds and other wildlife need protected and undisturbed areas to rest, feed, and raise their young to be seen in and around the Town.
8. In a letter from the Coupeville Town Council and Mayor to the Senators Cantwell and Murray and Congressman Larsen, dated August 28, 2018, it stated, *“Central Whidbey’s economy is heavily dependent on Ebey’s Landing National Historical Reserve and the environment it creates. ‘Place Based Tourism’ draws visitors who want to enjoy a quiet and historic location. Lodging, retail, dining, destination events, and many types of outdoor recreation depend on the culture that was created by, and is preserved in, Ebey’s Reserve.”* The Land Trust ownership of the Town Property for use as a trailhead lot will provide additional place-based tourism, especially trails which are in high demand by the Town’s citizens, County citizens and tourists.
9. Ebey’s Reserve is a partnership between the National Park Service, Washington State Parks, Town of Coupeville and Island County. Because of the importance of Ebey’s Reserve to the Town of Coupeville’s residents and businesses, the Town provides annual monetary support to the Ebey’s Reserve Trust Board. The parking lot on the Town Property will serve as one of many access points to the Walking Ebey’s Trail System. Walking Ebey’s will provide more trail opportunities.
10. A parking lot and trailhead on the Town Property is of great public benefit to visitors, Island County residents, Town of Coupeville residents and Coupeville businesses. A continuous multi-use, non-motorized trail will link with existing Ebey’s Reserve, State, County and Town trails including Fort Ebey and Fort Casey state parks, the Kettles, Ebey’s Landing bluff, Crockett Blockhouse, Rhododendron Park and Coupeville.
11. The parking lot and trailhead on the Town Property will allow trail access to the Walking Ebey’s Trail System which is a great asset to the citizens of the Town as it will provide more trails connected to Town desired by the citizens who can walk to different destinations. The Chamber of Commerce and Whidbey Camano Tourism Board emphasize that access to more trails is always in high demand.
12. The Town’s citizens who cannot or choose not to walk a long distance will be able to park at the parking lot at the Town Property and go for a shorter walk and/or see various parts of Ebey’s Reserve.

13. The subject trailhead and parking lot will draw tourists to businesses in the Town who will economically benefit from the draw of more trails and connected destination areas. It can also benefit the owners of farms along the trail system who may choose to participate in placed-based tourism.
14. The Town's businesses financially benefit by being within Ebey's Landing National Historical Reserve and the Town financially supports the Reserve's Trust Board. The Walking Ebey's Trail System will provide multiple benefits to the public and Ebey's Reserve partners.
15. Having more trails for the Town and County's residents and tourists to enjoy will reduce the increasing heavy use of the Ebey's Bluff Trail and Hill Road by creating connected trails that will have multiple parking and trailhead locations, including at Rhododendron County Park, the Island Transit park and ride, weekends at the Town's schools, and the Prairie Wayside.

## **EXCHANGE TERMS AND CONDITIONS**

The Town agrees to transfer the Town Property to the Land Trust and the Land Trust agrees to transfer the Land Trust Property to the Town and the Parties agree to accept the other Party's property (together "Exchange Properties"). The Exchange Properties are legally described in Exhibit A, Legal Descriptions and shown on Exhibit B, Site Maps.

In consideration of the mutual covenants set forth in this Exchange Agreement, and other good and valuable public benefit considerations, the receipt and sufficiency of which are acknowledged, and subject to all the terms of this Exchange Agreement, the Parties agree to the following terms and conditions:

1. Value of the Exchange Properties. The Parties agree that the value of the Exchange Properties, based on the Recitals listed above, are of approximately equal value and the results of the Exchange Agreement are of great benefit to the public, including the Town's citizens.
2. Time and Place of Closing; Escrow. Upon mutual execution, the Parties shall deposit a copy of this Exchange Agreement, and such other documents and monies, into escrow established with Premier Title of Island County, 775 NE Midway Blvd, Oak Harbor, WA 98277 (the "Escrow Agent"). As referred to in this Exchange Agreement, closing shall be as soon as possible but no later than thirty (30) days following mutual execution of this Exchange Agreement or the final approval by the Coupeville Town Council of a resolution to surplus the Town Property, whichever date is later, unless otherwise agreed in writing by the Parties ("Closing Date"). Closing shall take place at the offices of the Escrow Agent. Closing shall mean the point at which all documentation and monies required to close the

exchange transaction have been delivered to escrow, including signed escrow instructions (“Closing”).

3. Condition of Title and Title Insurance.

3.1 As of the Closing Date, title to the Exchange Properties are to be free of all encumbrances or defects except those listed in the preliminary commitment for title insurance deemed to be permitted exceptions as described below, and as otherwise expressly provided herein. Monetary encumbrances will be discharged by the Town for the Town Property and by the Land Trust for the Land Trust Property at the Closing Date.

3.2 The Parties shall cause the Escrow Agent to provide to the Town and the Land Trust a standard Policy of Title Insurance in the amount determined by each Party in its escrow instructions. As of the Closing Date, title to the Exchange Properties are to be free of all encumbrances or defects except those described in Section 3.1 above and those permitted exceptions described in Exhibit E, attached hereto and by this reference made a part hereof (“Permitted Exceptions”).

3.3 The Parties agree that the Exchange Properties shall each be transferred subject to deed restrictions and covenants, as described in Exhibit C, Form of Bargain and Sale Deed (for Town Property) and Exhibit D, Form of Bargain and Sale Deed (for Land Trust Property), said exhibits attached hereto and incorporated herein by this reference (“Bargain and Sale Deeds”).

4. Inspection; Condition of Exchange Properties; Subsequent Acts.

4.1 The Parties acknowledge that full inspection of the Exchange Properties have been made and that neither the Parties nor their agents, officers, employees or assigns shall be held to any covenant respecting the condition of the Exchange Properties or any improvements thereon nor shall the Parties be held to any Exchange Agreement for alterations, improvements or repairs.

4.2 The Parties specifically acknowledge and agree that: (1) Each Party, except as set forth in its warranty of title and except as specifically warranted in this Exchange Agreement, does not make any representations or warranties of any kind whatsoever, either express or implied, with respect to and shall have no liability for the Exchange Properties (or any related matters), and (2) the Exchange Properties are sold to each Party in an “**AS IS**” and “**WITH ALL FAULTS**” condition as of the Closing Date. The Parties each hereby waive all claims, which either Party has or may have against the other Party with respect to the condition of the Exchange Properties. At Closing, each Party assumes the responsibility and risks of all defects and conditions, including such defects and conditions, if any, that cannot be observed by casual inspection. The Parties acknowledge that this



disclaimer has been specifically negotiated. The provisions of this Section shall survive Closing.

4.3 The Parties release each other from all costs, losses, liabilities, obligations and claims, of any nature whatsoever, known and unknown, that either Party may have against the other Party or that may arise in the future based in whole or in part upon (a) either Party's failure to comply with any applicable environmental laws, or (b) the presence, release or disposal of any hazardous substance, solid waste, or any other environmental contamination on, within, or from the Exchange Properties before, as of, or after the date of closing. As used in this Section, the term "applicable environmental laws" shall mean all state, federal, or local laws, statutes, ordinances, rules, regulations or orders pertaining to health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") and the Resource Conservation and Recovery Act of 1976 ("RCRA"), as each may be amended from time to time. As used herein, the terms "hazardous substance" and "release" have the meanings specified in CERCLA, and the terms "solid waste" and "disposal" (or "disposed") have the meanings specified in RCRA. If either CERCLA or RCRA is amended to broaden the meaning of any term defined thereby, the broader meaning shall apply to this Section 4.3 after the effective date of the Exchange Agreement. Moreover, to the extent that Washington law establishes a meaning for "hazardous substance," "release," "solid waste," or "disposal" that is broader than that specified in either CERCLA or RCRA, the broader meaning shall apply. In addition, this Section 4.3 shall survive the date of closing for all purposes and shall not be deemed to have merged into any of the documents executed or delivered at Closing.

4.4 Between the period from the Effective Date of this Exchange Agreement and the Closing Date (the "Period"), each Party shall maintain and keep its own property in substantially the same condition as existed during said Period, unless otherwise agreed to in writing. Neither Party shall not remove nor permit the removal of any timber, harvestable crop, improvements, or other items from the Exchange Properties, nor encumber the Exchange Properties without the prior written consent of the other Party.

5. Closing Costs, Contingencies, Instruments and Other.

5.1 Closing Contingencies. The Parties' Conditions Precedent to Closing are listed in this Section 5.1 ("Conditions Precedent"):

5.1.1 Closing shall not occur until the Town adopts a resolution approving the Town Property to be surplus property.

5.1.2 Closing shall not occur until the Land Trust has appropriately reimbursed

the Town for its share of the Cistern Removal and parking lot costs.

- 5.2 Town's Closing Costs. Town shall pay any Real Estate Excise Tax and title insurance premium attributable to standard coverage for the Land Trust Property. Town shall pay one-half of escrow and recording fees.
- 5.3 Land Trust's Closing Costs. Land Trust shall pay any Real Estate Excise Tax and title insurance premium attributable to standard coverage for the Town Property. Land Trust shall pay one-half of escrow and recording fees.
- 5.4 Town's Closing Instruments. Town shall deliver to Escrow Agent the following before the Closing Date:
  - 5.4.1 Bargain and Sale Deed with Deed Restrictions;
  - 5.4.2 Fully executed Real Estate Excise Tax Affidavit; and
  - 5.4.3 Closing Costs described in Section 5.2.
- 5.5 Land Trust's Closing Instruments. Land Trust shall deliver to Escrow Agent the following before the Closing Date:
  - 5.5.1 Bargain and Sale Deed with Deed Restrictions;
  - 5.5.2 Fully executed Real Estate Excise Tax Affidavit; and
  - 5.5.3 Closing Costs described in Section 5.3.
- 5.6 Pro Rations. Property taxes, if any, and any assessments for the current year shall be pro-rated as of the Closing Date.
6. Possession. The Town and the Land Trust, subject to the easements, encumbrances, exceptions, restrictions and reservations set forth above, shall be entitled to possession of the other Party's property on the Closing Date.
7. Governing Law. This Exchange Agreement shall be interpreted, construed and enforced according to the laws of the State of Washington with legal venue in Island County.
8. Notices. Subject to the requirements of any applicable statute, any notices required or permitted by law or under this Exchange Agreement shall be in writing and shall be (i) personally delivered, (ii) sent by first class certified, or registered mail with return receipt requested, with postage prepaid, or (iii) dispatched by electronic transmission to the Parties' addresses set forth above. Either Party may change such address for notice. All notices which are so addressed and paid for shall be deemed effective when personally

delivered, or, if mailed, on the earlier of receipt or two (2) days after deposit thereof in the U.S. mail; or if sent via electronic transmission, the date upon which such email was transmitted and confirmation of such transmission has been received. Notices shall be addressed as follows:

Land Trust: Whidbey Camano Land Trust  
Pat Powell, email: pat@wclt.org  
765 Wonn Road, C-201  
Greenbank, WA 98253  
Phone: 360-222-3310

Town: Town of Coupeville  
Mayor Molly Hughes, email: mayor@townofcoupeville.org  
PO Box 725  
Coupeville, WA 98239  
Phone: (360) 678-4461 #2

9. Time of Performance. Time is of the essence of this Exchange Agreement and of all acts required to be done and performed by the Parties hereto, including, but not limited to, the proper tender of each of the sums required by the terms hereof to be paid.
10. Headings. The word or words appearing at the commencement of sections, paragraphs and subparagraphs of this Exchange Agreement are included only as a guide to the contents thereof and are not to be considered as controlling, enlarging or restricting the language or meaning of those paragraphs or subparagraphs.
11. Invalidity. In the event any portion of this Exchange Agreement should be held to be invalid by any court of competent jurisdiction, such holding shall not affect the remaining provisions hereof unless the court's ruling includes a determination that the principal purpose and intent of this Exchange Agreement are thereby defeated.
12. Entire Exchange Agreement. All understandings and Exchange Agreements previously existing between the Parties, if any, are merged into this Exchange Agreement, which alone fully and completely expresses their Exchange Agreement, and the same is entered into after full investigation, neither Party relying upon any statement or representation made by the other Party not embodied herein. This Exchange Agreement may be modified only by a written amendment executed by the Parties.
13. Interpretation. This Exchange Agreement has been reviewed by each Party and each Party has had the opportunity to consult with independent counsel with respect to the terms hereof and has done so to the extent that such Party desired. No stricter construction or interpretation of the terms hereof shall be applied against either Party as the drafter hereof.

14. Counterparts. This Exchange Agreement may be executed in counterparts, each of which shall be deemed to be an original instrument. All such counterparts together shall constitute a fully executed Exchange Agreement.
15. Organization and Authority. The Parties represent and warrant to the other that (i) each has the full right, power and authority to execute this Exchange Agreement and perform their respective obligations under this Exchange Agreement, and (ii) the execution and delivery of this Exchange Agreement has been duly authorized, and no further action or approval is required to cause this Exchange Agreement to be valid, binding and enforceable against the respective Party in accordance with its terms.
16. Survival. All representations and warranties set forth in this Exchange Agreement and all provisions of this Exchange Agreement, the full performance of which is not required prior to Closing, shall survive closing and shall not be merged in any deed and be fully enforceable thereafter.
17. Amendment. This Exchange Agreement may not be modified or amended except by the written Exchange Agreement of the Parties.
18. Severability. If a court holds any provision of this Exchange Agreement to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect and the Parties will amend this Exchange Agreement to give effect to the stricken clause to the maximum extent possible.
19. Jury Waiver. EACH PARTY WAIVES, TO THE EXTENT PERMITTED BY LAW, TRIAL BY JURY OF ANY SUITS, CLAIMS, ACTIONS, PROCEEDINGS, OR COUNTERCLAIMS BROUGHT ON ANY MATTERS ARISING OUT OF OR IN ANY WAY RELATING TO THIS EXCHANGE AGREEMENT.

\_\_\_\_\_  
Town's initials

\_\_\_\_\_  
Land Trust's initials

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IN WITNESS WHEREOF, the parties hereto have executed this instrument in duplicate the day and year first above written.

**WHIDBEY CAMANO LAND TRUST**

By: \_\_\_\_\_  
Name: Patricia Powell, Executive Director

Dated: \_\_\_\_\_

**TOWN OF COUPEVILLE:**

By: \_\_\_\_\_  
Name: Molly Hughes, Mayor

Dated: \_\_\_\_\_

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**ACKNOWLEDGEMENTS**

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF Island )

On this \_\_\_\_ day of \_\_\_\_\_ 2022, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared PATRICIA POWELL, known to me to be the Executive Director of the Whidbey Camano Land Trust, a Washington nonprofit corporation, that executed the foregoing instrument, and acknowledged to me that she signed the said instrument, as the authorized by the Board of Directors of the Whidbey Camano Land Trust, and as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
Print Name: \_\_\_\_\_  
My commission expires \_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF Island )

On this \_\_\_\_ day of \_\_\_\_\_ 2022, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared MOLLY HUGHES, known to me to be the Mayor of the Town of Coupeville, a municipal corporation of Washington State, that executed the foregoing instrument, and acknowledged to me that she signed the said instrument, as the authorized by the Coupeville Town Council, and as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
Print Name: \_\_\_\_\_  
My commission expires \_\_\_\_\_

## EXHIBIT A: LEGAL DESCRIPTIONS

### TOWN PROPERTY:

That portion of N.D. Hill Donation Land Claim No. 39, in Section 16, Township 31 North Range 1 East of the Willamette Meridian, described as follows:

Beginning at the concrete monument marking the Northeast corner of that certain tract of land conveyed to the United States of America by deed from Bertha S. Jenne and recorded in

Volume 25, page 279, of Deeds records of Island County, Washington;

Thence due West along the North line of said tract 987.76 feet;

Thence South 50°23'23" West 696.52 feet;

Thence North 45°55'47" West 311.90 feet to the true point of beginning;

Thence South 32°42'02" East 132.54 feet;

Thence South 54°36'43" West 143.86 feet more or less to the Easterly line of the County Road;

Thence Northwesterly along said Easterly line of the County Road, to a point that lies South 50°23'23" West of the true point of beginning;

Thence North 50°23'23" East 172.85 feet, more or less, to the true point of beginning.

Situate in the County of Island, State of Washington.

### LAND TRUST PROPERTY:

That portion of the John Alexander Donation Claim in Section 33, Township 32 North, Range 1, East of the Willamette Meridian, described as follows:

Beginning at a point on the West line of said Donation Claim 391.5 feet South of the Southwest corner of the Plat of Hancock and Race's Addition, Town of Coupeville, as per plat recorded in Volume 1 of Plats, page 8, records of Island County, Washington.

Thence South 1302.6 feet more or less, to the North line of the T.S. Davis Donation Claim;

Thence East 369.7 feet more or less, to the county road;

Thence North 1302.6 feet, more or less, to a point East of the point of beginning;

Thence West to the point of beginning;

EXCEPT the North 594.70 feet thereof;

ALSO EXCEPT that portion lying within State Highway 525.

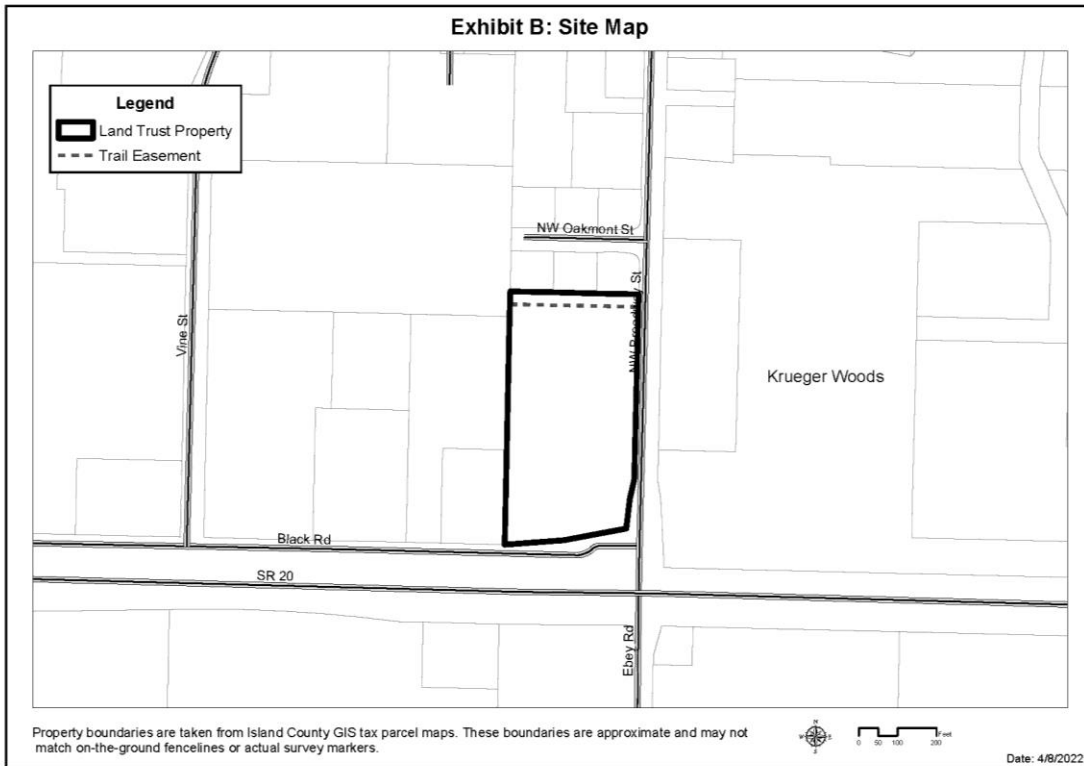
ALSO EXCEPT Black Road Right of Way.

Situate in the County of Island, State of Washington.

## EXHIBIT B: SITE MAPS



### Town Property



### Land Trust Property



## EXHIBIT C: FORM OF TOWN PROPERTY DEED

WHEN RECORDED RETURN TO:  
Whidbey Camano Land Trust  
765 Wonn Road, C-201  
Greenbank, WA 98253

### FORM OF BARGAIN AND SALE DEED With Deed Restrictions

---

Grantor: Town of Coupeville, State of Washington

Grantee: Whidbey Camano Land Trust

Abbreviated legal description: Ptn. N.D. Hill DLC in Sec. 16, T31N, R1E, WM

Assessor's Tax Parcel Number: R13116-418-4070

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THE GRANTOR, THE TOWN OF COUPEVILLE, a Washington Municipal Corporation ("Grantor"), for and in consideration of Ten Dollars and other good and valuable consideration in hand paid, bargain, sells and conveys to THE WHIDBEY CAMANO LAND TRUST, a Washington Nonprofit Corporation, its successors and assigns, the real estate situated in the County of Island, State of Washington described as follows ("Town Property"):

That portion of N.D. Hill Donation Land Claim No. 39, in Section 16, Township 31 North Range 1 East of the Willamette Meridian, described as follows:  
Beginning at the concrete monument marking the Northeast corner of that certain tract of land conveyed to the United States of America by deed from Bertha S. Jenne and recorded in Volume 25, page 279, of Deeds records of Island County, Washington;  
Thence due West along the North line of said tract 987.76 feet;  
Thence South 50°23'23" West 696.52 feet;  
Thence North 45°55'47" West 311.90 feet to the true point of beginning;  
Thence South 32°42'02" East 132.54 feet;

Thence South 54°36'43" West 143.86 feet more or less to the Easterly line of the County Road;

Thence Northwesterly along said Easterly line of the County Road, to a point that lies South 50°23'23" West of the true point of beginning;

Thence North 50°23'23" East 172.85 feet, more or less, to the true point of beginning.

Situate in the County of Island, State of Washington.

The Town Property is subject to the following permitted exceptions:

1. Declaration of Covenants, Conditions and Restrictions recorded May 25, 1978, under Auditor's File No. 333329.
2. Survey recorded July 8, 2020 under Auditor's File No. 4490730.

The following deed restriction and covenant ("Deed Restriction") is for public benefit purposes and shall run with and burden the Town Property in perpetuity. The Grantor, its successors and assigns, shall have the right to enforce the same at law or in equity, and the right to enter the premises at a reasonable time and in a reasonable manner to monitor compliance herewith. The Deed Restriction is as follows:

1. The Town Property is permanently restricted to use as a no-fee trailhead and parking lot for legal public use.

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its proper officer this \_\_\_\_ day of \_\_\_\_\_, 2022.

**GRANTOR:** TOWN OF COUPEVILLE, A WASHINGTON MUNICIPAL CORPORATION

By: \_\_\_\_\_  
Molly Hughes, Mayor

ATTESTED BY:

By: \_\_\_\_\_  
Kelly Beech, Town Clerk Treasurer

STATE OF WASHINGTON            )  
                                                  ) ss.  
COUNTY OF Island                )

On this \_\_\_\_\_ day of \_\_\_\_\_ 2022, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared MOLLY HUGHES, known to me to be the Mayor of the Town of Coupeville, a municipal corporation of Washington State, that executed the foregoing instrument, and acknowledged to me that she signed the said instrument, as the authorized by the Coupeville Town Council, and as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington  
  
Residing at \_\_\_\_\_  
Print Name: \_\_\_\_\_  
My commission expires \_\_\_\_\_

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**EXHIBIT D:**  
**FORM OF BARGAIN AND SALE DEED**  
With Deed Restrictions

WHEN RECORDED RETURN TO:  
Town of Coupeville  
PO Box 725  
Coupeville, WA 98239

**BARGAIN AND SALE DEED**  
With Deed Restrictions

---

Grantor: Whidbey Camano Land Trust

Grantee: Town of Coupeville

Abbreviated legal description: Ptn. John Alexander DLC in Sec. 33, T32N, R1E, WM

Assessor's Tax Parcel Number: R13233-100-2130

---

THE GRANTOR, WHIDBEY CAMANO LAND TRUST, a Washington nonprofit corporation ("Grantor"), for and in consideration of Ten Dollars and other good and valuable consideration in hand paid, bargain, sells and conveys to TOWN OF COUPEVILLE, a Washington Municipal corporation ("Grantee"), its successors and assigns, the real estate situated in the County of Island, State of Washington, described as follows "Land Trust Property":

That portion of the John Alexander Donation Claim in Section 33, Township 32 North, Range 1, East of the Willamette Meridian, described as follows:

Beginning at a point on the West line of said Donation Claim 391.5 feet South of the Southwest corner of the Plat of Hancock and Race's Addition, Town of Coupeville, as per plat recorded in Volume 1 of Plats, page 8, records of Island County, Washington. Thence South 1302.6 feet more or less, to the North line of the T.S. Davis Donation Claim;  
Thence East 369.7 feet more or less, to the county road;

Thence North 1302.6 feet, more or less, to a point East of the point of beginning;  
Thence West to the point of beginning;

EXCEPT the North 594.70 feet thereof;  
ALSO EXCEPT that portion lying within State Highway 525.  
ALSO EXCEPT Black Road Right of Way.

Situate in the County of Island, State of Washington.

The Land Trust Property is subject to the following permitted exceptions:

1. Assessments or LID's, if any as may be levied by the Town of Coupeville.
2. Grant Deed of Restrictive Easement to the United States of America, acting by and through the Department of the Navy, as recorded on June 2, 2017, under Auditor's File No. 4423616.
3. Survey recorded June 15, 2017 under Auditor's File No. 4424309.

The following deed restrictions and covenants ("Deed Restrictions") are for conservation, undisturbed wildlife habitat, and public benefit purposes and shall run with and burden the premises in perpetuity. The Grantor, its successors and assigns, shall have the right to enforce the same at law or in equity, and the right to enter the premises at a reasonable time and in a reasonable manner to monitor compliance herewith. The Deed Restrictions are as follow:

1. Native trees and native undergrowth may not be cut or removed, except for activities requested by Grantee and approved in writing by Grantor for habitat restoration and health or safety purposes. *Except*, dead trees that will fall on Broadway Street of Black Road or adjacent neighbors' homes may be removed after reasonable notice to the Whidbey Camano Land Trust.
2. No trails are allowed.
3. Uses are restricted to provision of wildlife habitat, climate resilience and Land Trust-approved habitat restoration.

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IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its proper officer this \_\_\_\_ day of \_\_\_\_\_, 2022.

**GRANTOR: WHIDBEY CAMANO LAND TRUST, A WASHINGTON NONPROFIT CORPORATION**

By: \_\_\_\_\_  
Patricia Powell, Executive Director

STATE OF WASHINGTON            )  
                                                  ) ss.  
COUNTY OF Island            )

On this \_\_\_\_ day of \_\_\_\_\_ 2022, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared PATRICIA POWELL, known to me to be the Executive Director of the Whidbey Camano Land Trust, a Washington nonprofit corporation, that executed the foregoing instrument, and acknowledged to me that she signed the said instrument, as the authorized by the Board of Directors of the Whidbey Camano Land Trust, and as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington  
  
Residing at \_\_\_\_\_  
Print Name: \_\_\_\_\_  
My commission expires \_\_\_\_\_

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## EXHIBIT E: PERMITTED EXCEPTIONS

### TOWN PROPERTY:

1. Declaration of Covenants, Conditions and Restrictions recorded May 25, 1978, under Auditor's File No. 333329.
2. Survey recorded July 8, 2020, under Auditor's File No. 4490730.

### LAND TRUST PROPERTY:

1. Assessments or LID's, if any as may be levied by the Town of Coupeville.
1. Grant Deed of Restrictive Easement to the United States of America, acting by and through the Department of the Navy, as recorded on June 2, 2017, under Auditor's File No. 4423616.
2. Survey recorded June 15, 2017 under Auditor's File No. 4424309.

[END OF DOCUMENT]



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## STAFF REPORT

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**DATE:** May 5, 2022  
**TO:** Town Council  
**FROM:** Mayor Molly Hughes  
**RE:** Ordinance 774

---

Council,

Attached is Ordinance 774 amending Coupeville town Code (CTC) allowing the Town to charge connection fees for various uses and moving the Equivalent Residential Unity (ERU) Table from our Water System Plan into our Town Code where it is more accessible to our customers.

The most significant change to this table is defining ERU requirements for Accessory Structures with water and sewer hook ups where they have not been charged before. Currently we charge connection fees for Accessory Dwelling Units (ADU) only. Any change to utility charges requires a Public Hearing.

This action is required with approval of Ordinance 772 which allows for connection fees for Accessory Structures. Thank you!

**Staff Recommendation:** *Mayor recommends approvable of Ordinance 774 amending Coupeville Town Code Section 13.08.020 regarding utility connection fees.*



TOWN OF COUPEVILLE  
Coupeville, Washington  
**ORDINANCE NO. 774**

**AN ORDINANCE OF THE TOWN OF COUPEVILLE, WASHINGTON,  
AMENDING SECTION 13.08.020 OF THE COUPEVILLE TOWN CODE  
(CTC) REGARDING “WATER HOOK-UP RIGHT FEES”; PROVIDING  
FOR SEVERABILITY AND AN EFFECTIVE DATE**

**WHEREAS**, Ordinance 626 passed by the Council and approved by the Mayor on March 26, 2002, created CTC section 13.08.020 “Water Hook-up Right Fees”; and

**WHEREAS**, the current fees for water and sewer hook-up rights are based on Equivalent Residential Use (ERU); and

**WHEREAS**, the Town refers to an ERU table in the 2009-2014 Water System Plan to calculate ERU fees for new construction and change of use of existing properties; and

**WHEREAS**, the Town Council finds it to be in the public interest to include an ERU table in section 13.08.020 of the Coupeville Town Code, and remove it from the Coupeville Water Plan; and

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF COUPEVILLE, WASHINGTON, AS FOLLOWS:**

**Section 1.** CTC Section 13.08.020 is hereby amended to read as follows and further amended to add the table entitled “Equivalent Residential Unit Table” as follows:

**13.08.020 Water hook-up right fees.**

A. Water Hook-Up Right Fees. Prospective and existing customers of the Coupeville municipal water system shall pay the Town the hook-up fees as listed below prior to the installation of meters by the Town and prior to the commencement of initial water service or the expansion of existing water service. These fees for a new or increased water hook-up right are for the pro rata share of the cost of the existing water system plus the cost of the capital improvements attributable to increased system capacity to allow the additional hook-up right. Hook-up right fees shall be based on the town's assessment of the customer's water demand in terms of equivalent single-family residential unit (ERU). One ERU is the amount of water assumed in the water system design for the maximum day demand (MDD). The quantity of water for one ERU shall be the amount established in the town's water system plan approved by the Washington Department of Health.

The ERU attributable to a customer service shall be as set forth below for In-Town customers and out of town customers based on the Equivalent Residential Unit Table set forth below. For multi-family, Motel/Hotel, Nursing Home, Care Facility and other similar use, and mixed-use premises, the number of ERUs assessed to a customer shall be rounded upward to the nearest ½ ERU. For Professional Office Space, Retail Merchandising, Restaurants, Food Preparation, Food Sales and any other use evaluated by square footage, ERUs will be rounded up to the nearest ½ ERU if the square footage has surpassed 50% of the next highest level. Example: an office space of 4,501 square feet would be charged for 1 ½ ERUs.

|                         |                         |
|-------------------------|-------------------------|
| Customer Classification | Water Hook-up Right Fee |
| In-town customer        | \$ 6,300.00 per ERU     |
| Out-of-town customer    | \$12,600.00 per ERU     |

**Equivalent Residential Unit Table**

| <b>USE TYPE</b>                                                                                                                                                                                     | <b>ERU CONVERSION</b>    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>Single Family Residential</b>                                                                                                                                                                    | <b>1 per unit</b>        |
| <b>Multi-Family Residential/ADU/Accessory Structures<sup>1</sup> (&lt;1,000 sq ft)</b>                                                                                                              | <b>½ per unit</b>        |
| <b>Multi-Family Residential/ADU/Accessory Structures<sup>1</sup> (&gt;1,001 sq ft)</b>                                                                                                              | <b>1 per unit</b>        |
| <b>Motel/Hotel without spa or pool</b>                                                                                                                                                              | <b>1/8 per room</b>      |
| <b>Nursing Home, Care Facility, other similar use</b>                                                                                                                                               | <b>1/4 per bed</b>       |
| <b>Professional Office Space</b>                                                                                                                                                                    | <b>1 per 3,000 sq ft</b> |
| <b>Retail Merchandising</b>                                                                                                                                                                         | <b>1 per 3,000 sq ft</b> |
| <b>Restaurant, Food Preparation, Food Sales, etc.</b>                                                                                                                                               | <b>1 per 500 sq ft</b>   |
| <b>Development for which no specific provision is made (including warehouses, home occupations, or other projects deemed unusual by the building official) will be calculated by Town Engineer.</b> |                          |

**<sup>1</sup>Accessory structures with plumbing**

The Town shall reassess a customer's water demand for a change of property use or expansion of premises. The owner or contract purchaser of property with a change in occupancy or application for building permit shall pay any additional hook-up right fee assessed for expansion of service. The Town shall not give a refund for a reduction in service.

B. A separate fire service pipe equipped with a "detector meter" for automatic fire sprinklers and/or on-site hydrants shall be exempt from the above hook-up right fees.

C. Prospective customers shall, at the time of application for service, specify the type and scale of use proposed for the service. Town approval of a hook-up shall be contingent upon the hook-up serving the use specified at the time of application. During the duration of the service, the Town shall have the authority to disapprove changes in use of a service or apply

restrictions or conditions to approval of a change of use necessary for proper system operation and protection of public health.

D. The property to which any water hookup or hookup right pertains, including hookup rights existing on the date of the ordinance codified in this chapter, shall be identified by the property owner in a manner satisfactory to the Town by a single street address, or a single lot number and plat description, or a single Island County tax parcel number.

**Section 2. Severability.** Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

**Section 3. Effective Date.** This Ordinance shall be published in the official newspaper of the Town, and shall take effect and be in full force \_\_\_\_\_.

**PASSED** by the Town Council and **APPROVED** by the Mayor on this 10<sup>th</sup> day of May, 2022.

\_\_\_\_\_  
Molly Hughes, Mayor

\_\_\_\_\_  
Kelly Beech, Clerk-Treasurer

\_\_\_\_\_  
Approved as to form  
Grant K. Weed, Town Attorney

\_\_\_\_\_  
Date Published