



TOWN COUNCIL MEETING
Island County Hearing Room
August 11, 2026
6:00 pm

CALL TO ORDER

PLEDGE OF ALLEGIANCE

CHANGES AND APPROVAL OF AGENDA

APPROVAL OF MINUTES

- Regular Meeting of July 14, 2026

MAYOR'S REPORT

AUDIENCE INPUT - See NOTE

NEW BUSINESS

1. Approve 2026 Budget Calendar
2. Approve RCED Grant from Island County
3. Approve Copiers NW Copier Lease
4. Approve July Payroll and AP

STAFF REPORTS

COUNCIL REPORTS

DISCUSSION

2% Tourism money allocation

AUDIENCE INPUT – See NOTE

ADJOURN

The public will be able to access the meetings in real time, by phone and online.

NOTE: 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. Audience input is limited to 3 minutes per person. Input requiring more lengthy comment is best submitted in writing. Audience input should not be used to support a candidate or ballot measure, as this is prohibited by law.

To join the meeting from your computer, tablet or smartphone.

<https://www.gotomeet.me/TownOfCoupeville/coupeville-town-council-meeting>

In the event of technical issues, the virtual attendance option is not guaranteed.

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

**TOWN OF COUPEVILLE
TOWN COUNCIL
Special Meeting
Executive Session
Town Hall
July 14, 2026
5:00pm**

CALL TO ORDER

At 5:00pm, Mayor Hughes called the Executive Session to order, to end at 5:45pm.

PRESENT

Mayor Molly Hughes, Councilmembers Jenny Bright, Rick Walti, Evan Henrich, and Jackie Henderson

STAFF PRESENT

Community Planning Director Josh Pitts, Town Attorney Nikki Thompson

DISCUSSION

Pursuant to RCW 42.30.110(1)(i), an Executive Session was called to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in adverse legal or financial consequence to the agency. No action was taken.

ADJOURNMENT

At 5:45pm, Mayor Hughes adjourned the Executive Session.

**TOWN OF COUPEVILLE
TOWN COUNCIL
Regular Meeting
July 14, 2026
6:00pm**

CALL TO ORDER

At 6:00pm, Mayor Hughes called the meeting to order and led the Council in reciting the Pledge of Allegiance.

PRESENT

Mayor Molly Hughes, Councilmembers Jenny Bright, Rick Walti, Evan Henrich, and Jackie Henderson

STAFF PRESENT

Deputy Clerk Chris Jolly, Clerk-Treasurer Corine Jackson, Assistant Planner Lisa Walsh, Community Planning Director Josh Pitts, and Public Works Director Joe Grogan

MOTION TO EXCUSE

Action: A motion was made by Councilmember Walti, seconded by Councilmember Henderson, to excuse Councilmember Allred from the July 14, 2026 Regular Council Meeting. The motion passed unanimously.

APPROVAL OF AGENDA

The agenda of the July 14, 2026 Regular Council Meeting was approved as submitted.

APPROVAL OF MINUTES

The minutes of the June 23, 2026 Regular Council Meeting were approved as submitted.

MAYOR'S REPORT

- Mayor Hughes reported that the Town received a \$1.4 million grant from Island County to finish the sewer line on Parker Road to the end of Town Limits.
- Mayor Hughes reported that the Town had one fireworks-related fire on NE Front St. The building was abandoned and there were no injuries reported.
- Mayor Hughes reported that the Town has been working in conjunction with Island County, as Island County is working to update their FEMA Hazard Mitigation plan.
- Mayor Hughes reminded the Council and public of some upcoming events, such as the Touch-A-Truck event at the Library on July 15, the Island Roots Community meet and greet on July 15, and of the Buskers series every Wednesday on Front St.
- Mayor Hughes read a statement in memory of Bob Clay.

PUBLIC HEARINGS

Comprehensive Plan Periodic Update

At 6:13pm, Mayor Hughes opened the Public Hearing and turned the floor over to Community Planning Director Pitts to present on the Comprehensive Plan Periodic Update. After the presentation, Mayor Hughes opened the floor to public comments.

- Susan Asplin addressed the Council with concerns over Exhibit 4, the MOA dwelling credit table, and asked that the Comp Plan not be adopted until the table is corrected.
- Clara Beier addressed the Council asking for the Comp Plan adoption to be delayed until the revisions requested by the Planning Commission could be made.
- Jimmy Froelich addressed the Council with concerns over the Comp Plan as it relates to the MOA. Froelich said he is still waiting for the Town to confirm that his title is free of issues, since his house was built in a subarea with no more dwelling credits.
- Joann Roomes addressed the Council with concerns about the Comp Plan. Roomes states not everything that can be built should be built.
- Jeanette Gulbronsen addressed the Council with concerns about the Mayor's impartiality. Gulbronsen states that the Mayor sat with the developer of the neighborhood during the last Planning Commission meeting. Gulbronsen also invited the Council to a community cookout.

- Pat Powell addressed the Council asking that the Comp Plan not be adopted. Powell cited the Planning Commission's unanimous opposition to the Comp Plan and requests that the adoption be delayed until the concerns can be resolved.
- Charmaine Hartshorn addressed the Council with concerns over whether the Town followed proper procedure under the Growth Management Act, and had the Comp Plan reviewed by the Department of Commerce.
- Mark Levensky addressed the Council and asked that the Comp Plan not be adopted the MOA and the Comp Plan are aligned.
- Michelle Connor addressed the Council with concerns over quiet, incremental decisions over the last several years, and concerns over the adoption of the Comp Plan in its current form.
- Rick Araburu addressed the Council to ask the Council to consider the Planning Commission's recommendation and to fix the dwelling credit table before adopting the Comp Plan.
- Additional letters were received from the public and were forwarded to the Councilmembers prior to the meeting.

After public comments were received, Mayor Hughes opened the floor to the Councilmembers for discussion with each other and staff. Mayor Hughes closed the Public Hearing at 7:05pm.

Updated Zoning Map

At 7:07pm, Mayor Hughes opened the Public Hearing and turned the floor over to Community Planning Director Pitts to present on the Updated Zoning Map. After the presentation, Mayor Hughes opened the floor to public comments. No public comments were received for the Public Hearing. Mayor Hughes opened the floor to the Councilmembers for discussion with each other and staff. Mayor Hughes closed the Public Hearing at 7:21pm.

Amended Development Regulations

At 7:21pm, Mayor Hughes opened the Public Hearing and turned the floor over to Community Planning Director Pitts to present on the Amended Development Regulations. After the presentation, Mayor Hughes opened the floor to public comments.

- Barbara Summers addressed the Council on behalf of building owners on Front St. in the Historic Commercial District, to ask that residential or short-term rentals be allowed on the back side of street-level businesses. Summers listed specific recommended standards and asked that the Development Regulations not be amended without a provision for residential at street-level on Front St.
- Written comments were received and forwarded to the Councilmembers prior to the meeting.

After public comments were received, Mayor Hughes opened the floor to the Councilmembers for discussion with each other and staff. Mayor Hughes closed the Public Hearing at 7:37pm.

NEW BUSINESS**Ordinance 808 – 2025 Comprehensive Plan Periodic Update**

Action: A motion was made by Councilmember Walti, seconded by Councilmember Henderson, to adopt the Town Council Findings of Fact and approve Ordinance 808 adopting the 2025 Comprehensive Plan Periodic Update, as amended to include the explanatory note in Appendix A regarding the Memorandum of Agreement dwelling unit credit table, finding that the Comprehensive Plan is consistent with the requirements of the Washington State Growth Management Act, applicable Countywide Planning Policies, and fulfills the periodic review and update requirements of RCW 36.70A.130. The motion passed unanimously.

Ordinance 809 – Updated Zoning Map

Action: A motion was made by Councilmember Henderson, seconded by Councilmember Bright, to adopt the Planning Commission's Findings of Fact and approve Ordinance 809, adopting the amendments to the official zoning map as modified by the Town Council, finding that the amendments are consistent with the adopted 2025 Comprehensive Plan, the requirements of the Washington State Growth Management Act, and fulfill the periodic review and update requirements of RCW 36.70A.130. The motion passed 3 to 1.

Ordinance 810 – Development Regulations

Action: A motion was made by Councilmember Henrich, seconded by Councilmember Henderson, to adopt the Planning Commission's Findings of Fact and adopt Ordinance 810, adopting the amendments of Title 16 of the Coupeville Town Code Development Regulations, finding that the amendments are consistent with the adopted 2025 Comprehensive Plan, the requirements of the Washington State Growth Management Act, and fulfill the periodic review and update requirements of RCW 36.70A.130. The motion passed unanimously.

Trust Board Appointment

Action: A motion was made by Councilmember Henrich, seconded by Councilmember Bright, to appoint Atalie Rudat to Position One of the Ebey's Landing National Historical Reserve Trust Board as a Town of Coupeville Representative. The motion passed unanimously.

Arts and Crafts Festival Street Closures

Action: A motion was made by Councilmember Henderson, seconded by Councilmember Henrich, to approve the street closures associated with Special Event Permit #SEP26-024, for the 2026 Coupeville Arts and Crafts Festival. The motion passed unanimously.

June A/P and Payroll

Action: A motion was made by Councilmember Walti, seconded by Councilmember Henderson, to approve June 2026 Payroll EFT Transactions for a total of \$147,629.15 and June 2026 A/P Transactions and EFT payments #11836 - #11884 for a total of \$487,330.77. The motion passed unanimously.

DISCUSSION

Clerk-Treasurer Corine Jackson provided the Council with a 2026 January through June Financial Report and led a discussion with the Council.

AUDIENCE INPUT

- Susan Upchurch addressed the Council about the street-level residential on Front St, stating that it would help finance the maintenance of the historic buildings, and that the Council should give the topic more consideration.
- Susan Asplin addressed the Council to seek clarification on staff's comments on public records requests.

ADJOURNMENT

At 8:16pm, Mayor Hughes adjourned the meeting.

Respectfully submitted,

MAYOR

Deputy Clerk Chris Jolly

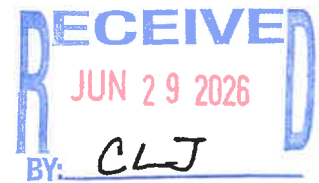
Molly Hughes

William and Catherine Lyle
507 NW Wilkes Street
Coupeville, Washington 98239

Duncan and Glena Kelso
601 NW Wilkes Street
Coupeville, Washington 98239

June 15, 2026

Mayor Molly Hughes and Members of the Town Council
Chair Susan Upchurch and Members of the Planning Commission
Josh Pitts, Community Planning Director
Chris Jolly, Town Clerk
Town of Coupeville
P.O. Box 725
Coupeville, Washington 98239



Delivered Via Email

**Re: Coupeville 2025 Comprehensive Plan Update — MOA Subarea B Dwelling Unit
Credits: Kelso Lot 1 (S7302-03-00001-0) and Lyle Lot 2 (S7302-03-00003-0)**

Dear Mayor Hughes, Council Members, Director Pitts, and Clerk Jolly:

We submit this letter as a written comment for the public record in connection with the Town of Coupeville's 2025 Comprehensive Plan periodic update. We are the owners of four adjacent lots on NW Wilkes Street within MOA Subarea B and parties of record under the 2004 Memorandum of Agreement (AFN 4204586).

We request that this letter be included in the official record of all Planning Commission and Town Council proceedings on the 2025 Comprehensive Plan periodic update and that we receive notice of all further proceedings.

Facing the health challenges that come with age is hard enough. Fighting our own Town at the same time — to keep it from stripping our life savings to enrich a party who already collected from us once — is unconscionable.

Our Properties

Together our two families own four adjacent lots on NW Wilkes Street. The Kelso family owns a home at 601 NW Wilkes Street, platted as part of Krueger Farm Division 2 (parcel S7302-02-00005-0), and immediately adjacent to it a buildable investment lot, Lot 1 of Krueger Farm Division 3 (parcel S7302-03-00001-0), currently maintained as a private garden. The Lyle family

owns a buildable investment lot at 509 NW Wilkes Street, Lot 2 of Krueger Farm Division 3 (parcel S7302-03-00003-0), also currently maintained as a private garden, and adjacent to it a home on Lot 3 of Krueger Farm Division 3 (parcel S7302-03-00002-0). These lots — Kelso Lot 1, Lyle Lot 2, and the Lyle home Lot 3 — are covered by the Easement Agreement for View Protection recorded September 8, 2010 under Auditor's File No. 4280449 (re-record of 4279905), entered into between Stuurmans Enterprises Inc. (SEI) as grantor and the Lyle family.

We purchased our respective buildable investment lots from the original MOA grantor as deliberate, long-term retirement assets — with the intent to hold them, allow the value to appreciate, and access that value for ourselves or our heirs at a future time of our choosing. We both paid full buildable-lot prices — \$90,000 for the Lyle lot, \$80,000 for the Kelso lot with a discount for drainage issues on the Kelso home lot. These were not casual purchases. These were investments we made in good faith, at market prices, from a party who negotiated the MOA. Open space without development potential in this location would have sold for a fraction of such figures. We paid buildable-lot prices because we were purchasing buildable lots.

We write now because the Town's 2025 Comprehensive Plan periodic update, as currently drafted, does not recognize the development rights attached to our lots. Every ad hoc decision this Town has made regarding MOA credits has, without exception, favored the original owner. We are now watching a planning document being prepared that would erase the credits allocated to our lots at subdivision — credits the Town's own prior accounting recognized, credits the Town's own Hearing Examiner established as a matter of practice, and credits the original grantor's own instruments and conduct confirm. Look at the record. We ask the Town to honor that. We've played by the rules. The Town should not break them.

What Planning Director Pitts Stated on June 10, 2026

On June 10, 2026, William Lyle spoke with Planning Director Josh Pitts by telephone in the morning and met with him in person that afternoon. The following is Mr. Lyle's account of those conversations. We ask Mr. Pitts to advise us in writing if any point is inaccurately stated.

During the morning telephone call, Mr. Lyle noted that the Mayor has stated several times at Town Council meetings that Town policy requires credit allocation in the MOA area on a "first come, first served" basis, and asked for a written copy of that policy. Mr. Pitts replied that the Town does not have such a policy. Mr. Lyle asked again. Mr. Pitts' answer did not change: no written policy exists governing credit allocation in the MOA area. The Mayor has been making public statements about Town policy that the Town's Planning Director cannot locate in the record.

During the afternoon in-office meeting, Mr. Lyle provided Mr. Pitts with the view easement (AFN 4280449) and explained its significance to the credit question. Mr. Pitts stated that the view easement was not determinative because it did not mention dwelling unit credits or the MOA. We disagree, and our reasons follow.

Mr. Lyle and Mr. Pitts also discussed the fact that the MOA itself does not address the allocation of dwelling unit credits among lot owners within a subarea. Mr. Pitts agreed and confirmed again that no written Town policy on this question exists. In other words, the Mayor's repeated public statements about credit allocation policy are not supported by the MOA or any other adopted written rule — a fact the Planning Director acknowledged twice in a single day.

The Credits Already Belong to Us

The Mayor's "first come, first served" position and the Planning Director's suggestion that the view easement is irrelevant both fail to reckon with the actual record. That record — built from the Town's own formal hearing decisions, the original grantor's own actions, transaction prices, recorded instruments, the Town's own prior credit accounting, and independent County Assessor valuations — demonstrates clearly that dwelling unit credits in the MOA special planning area are allocated at the time of subdivision, not at the time of building permit application. Our lots drew their credits when they were created as buildable lots by subdivision. That allocation has already occurred. The Town approved the subdivision and watched two families invest their retirement savings in good faith, while benefiting from taxes assessed at buildable-lot rates year after year. How could it now take that value away? That is not something any of you should be willing to put your name to.

First: The view easement and purchase prices confirm the grantor sold these as buildable lots. The view easement (AFN 4280449) defines precise no-build zones on both Lot 1 and Lot 2 — restricting structures and vegetation on the western portion of each lot. Parties do not negotiate no-build restrictions on land that carries no development rights. Every element of these transactions speaks the same language: these were buildable lots sold with attached development rights. The easement speaks the language of what it was — a development instrument — before any credit dispute arose. The grantor knew exactly what they were selling.

Second: The Town's own 2023 credit accounting shows our lots already drew their credits. The Town's November 2023 Comprehensive Plan Appendix A credit table for Subarea B records 25 original credits and 15 remaining — meaning 10 credits consumed. Five credits were consumed by built homes. Two credits were transferred to Subarea A and are acknowledged in the chart. Five plus two equals seven — yet the chart shows ten consumed, not seven. The three unaccounted credits are explained only if our buildable investment lots drew two credits at subdivision — and if the third reflects a proposed transfer to Subarea A that was anticipated in the Town's arithmetic but never completed, because neighbors objected. The Town baked a three-credit transfer into its accounting but only two were ever approved. That error has never been corrected. Correcting it produces 16 remaining credits in Subarea B, not 15 — and still requires recognizing that our lots consumed two credits at subdivision. The Town's own document cannot be made internally consistent without recognizing that our lots consumed credits when they were created. The 2025 periodic update cannot drop that figure without explanation, and no explanation exists that does not involve recognizing our lots.

Third: The Town's own Hearing Examiner established that credits are allocated at subdivision — and the Town's own draft chart confirms it. In approving the Krueger Farm Division 4 preliminary plat (PP-22-001), the Town's Hearing Examiner found that approval of the subdivision would consume seven of the remaining Area F credits, leaving ten available for future development. The Hearing Examiner made this finding at the platting stage — before a single building permit had been issued on any of the seven lots. This is a formal legal finding that credit consumption occurs at subdivision. The Town's own 2025 draft Comprehensive Plan credit chart reflects this: it accounts for those seven credits as consumed by the seven Krueger

Farm Division 4 lots, not as pending until permits issue. If the Town's own chart treats Krueger Farm Division 4 lots as having consumed credits at subdivision, our lots must be treated the same way. There is no principled basis for treating them differently.

Fourth: The original MOA grantor acknowledged in a recorded instrument that credit allocation precedes development. Coupeville Short Plat No. 038/16 (AFN 4417181, recorded February 16, 2017) created Lot 1 — the large Subarea A parcel at the corner of NW Krueger Street and NW Third Street. The face of that recorded plat states that building permits for Lot 1 shall not be issued unless and until the Town Council formally reallocates dwelling unit credits to Subarea A. The grantor — a party who negotiated the MOA — recorded this restriction because they understood that credit allocation is resolved at the planning stage, not at the permit counter. The Town approved that plat. This is not our interpretation. It is that party's own recorded admission, on a public instrument the Town accepted, binding on all future owners. It is directly inconsistent with any "first come, first served" permit-counter theory.

Fifth: The original grantor's own conduct confirms it. Lot 1 of Short Plat 038/16 sat subject to that recorded restriction, undevelopable, until the Town's 2023 Comprehensive Plan update formally acknowledged the transfer of two credits from Subarea B to Subarea A. Immediately upon that plan adoption — not upon any building permit application, not upon any race to the counter — the restricted parcel was subdivided and two dwelling units were built. The grantor understood exactly how this works: credits are recognized at subdivision, then development follows. That is precisely what happened with our lots — and with the seven Krueger Farm Division 4 lots the Town has already honored in its own draft chart. The Town honored it for those lots and is erasing it for ours. As a neighbor stated plainly at the June 2nd Planning Commission meeting: "What's good for the goose is good for the gander." Honor the credits we already own.

Sixth: Island County property tax assessments provide independent annual confirmation of buildable value. Island County has assessed both the Kelso Lot 1 (parcel S7302-03-00001-0) and the Lyle Lot 2 (parcel S7302-03-00003-0) at values consistent with buildable residential land, not open space. The County Assessor values land at its highest and best use under applicable regulations — not on how an owner chooses to use it in the interim. Both lots have been assessed as buildable residential land consistently since acquisition. This is an independent annual determination by a separate government agency confirming that these lots carry development value. A Town Comprehensive Plan that treats these same lots as uncredited would stand in direct conflict with the County's own ongoing valuation of the same parcels. The Town has benefited from that assessed value every year through its share of the property tax levy. To now adopt a planning document that strips the development value underlying that assessment is not a neutral planning decision. It is the Town taking value from two families with one hand while having accepted the benefit of that same value with the other.

The combined weight of this evidence is not ambiguous. A formal quasi-judicial finding, an internal inconsistency in the Town's own draft chart, a recorded plat instrument by the original grantor, the grantor's own conduct, the Town's own credit arithmetic, the transaction record, and the County Assessor's independent valuations all point to the same conclusion: our lots carry

dwelling unit credits that were allocated at the time of subdivision. The Mayor's "first come, first served" framing has no support in any written policy, any Town adjudicative decision, any recorded instrument, or any practice in the history of this MOA. It is an ad hoc position stated from the dais, contradicted at every turn by the record, and confirmed by the Planning Director to have no written basis whatsoever. Every decision this Town has made on MOA credit questions without a written policy foundation has, without exception, produced an outcome favorable to the original owner. This Council should ask itself why that pattern exists — and whether it is willing to allow it to continue in a formal planning document.

Honor the Credits We Already Own

One. Correct the Subarea B credit table to show nine credits consumed: two transferred to Subarea A, five built homes, and two allocated to our lots at subdivision — consistent with how the Town treats every other lot in this planning area.

Two. Confirm in writing that two dwelling unit credits are irrevocably owned by us and allocated to Kelso Lot 1 and Lyle Lot 2, effective now, without further action required by either family.

Three. Acknowledge that the Town cannot unilaterally take what it has already recognized as ours. Any sequencing rule that would affect our lots is a substantive modification of the MOA's development rights and requires the written consent of all successor owners under §1.8 of the MOA and RCW 36.70B.170. A policy imposed without that consent is an unauthorized MOA amendment and will be challenged as such.

We have watched this process long enough to know that the Town can move quickly and decisively when the original owner's interests are at stake. We are asking for the same clarity and decisiveness on behalf of two families who did everything right: we bought in good faith, we paid full price, and we've paid our taxes. If the Town fails to acknowledge this, we trust you understand the consequences.

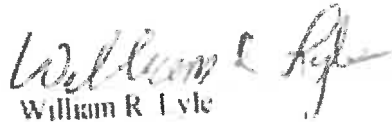
One consequence — should you choose to move ahead — is a taking: The Constitution protects private property owners from governmental destruction of their property's value without compensation. The government doesn't need to physically seize land. When a decision eliminates the value of what someone owns, the government owes them compensation — just as if it had condemned the property outright. That is settled law in Washington and under the federal Constitution.

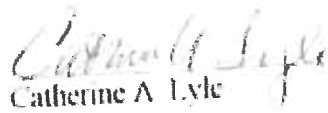
That is precisely what a "first come, first served" ad hoc approach would do to our lots. Kelso Lot 1 and Lyle Lot 2 exist within the Peaceful Valley Special Planning Area, where development is governed entirely by the MOA credit system. A dwelling unit credit is not an add-on amenity — it is the legal prerequisite for any residential development on these lots. Without a recognized credit, these lots cannot be built upon. They cannot be sold as buildable lots. They lose the entire value for which they were purchased and on which they have been taxed. The result of such a rule is not a regulatory inconvenience. The result is the permanent, total elimination of our lots' development value — a taking for which the Town of Coupeville would owe just compensation to both families.

Before you vote, has the Town consulted with its attorney and insurer? Risk pool coverage protects good faith decisions made with due diligence — not decisions made after explicit written notice of legal exposure. This letter is that notice. The citizens of Coupeville and each of you deserve a clear answer before the vote is taken.

Respectfully submitted,

LYLE FAMILY


William R. Lyle


Catherine A. Lyle

507 NW Wilkes Street
Coupeville WA 98239

KELSO FAMILY


Duncan Kelso


Gilena Kelso

601 NW Wilkes Street
Coupeville WA 98239

cc: United to Save Our Beautiful Town



TOWN OF COUPEVILLE
From the Desk of Deputy Clerk Chris Jolly

M E M O R A N D U M

August 11, 2026

TO: Town Council

FROM: Deputy Clerk Chris Jolly

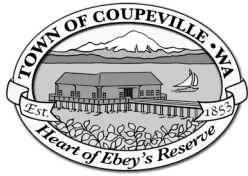
RE: 2027 Budget Calendar

Council,

As part of the annual budget process, the Town Council adopts a Budget Calendar. The calendar keeps the Town on track to pass a balanced budget by the State's deadline. Additionally, it keeps the public informed of the Council's intended process. The calendar includes actions required by RCW, and those items that the statutory deadlines listed in bold.

This calendar has been reviewed by the Mayor and Clerk-Treasurer. It meets timeline requirements and includes a little "wobble room" for any unforeseen challenges we might face while drafting the 2027 Budget. This calendar includes **two** Council Budget Workshops. The dates for this year's workshops are September 14 and October 20. Please come prepared to confirm you can make these two meetings and work amongst yourselves to select a start time for each workshop.

Motion: Staff recommends a motion to approve the 2027 Budget Calendar, which Council Workshop dates of September 14 at _____ pm and October 20 at _____ pm.



2027 Budget Calendar

August 18	Request to department heads for revenue and expenditure estimates (O&M and Capital)
September 4	Budget estimates from Department Heads filed with the Clerk-Treasurer
<i>September 14</i>	Council Workshop – Capital Improvement Plan
September 29	Review Draft Budget with Department Heads
October 1	Draft Budget, Property Tax Levy and Fee Schedule prepared by Clerk-Treasurer, filed with Mayor. RCW Statutory Date: October 1
October 2	Mayor provides Council with Preliminary Revenues including Property Tax Levy
October 17 & October 24	Notice in paper for Revenue Sources & Property Tax Public Hearing
October 27	Public Hearing on Revenue Sources and Property Tax
October 16	Preliminary Budget and Budget Message filed with Council
<i>October 20</i>	Council Workshop – Budget Workshop
October 31 & November 7	Notice in Paper of Budget Public Hearings & Final Budget Proposal available to Public
November 10	Public Hearing – Final Budget Proposal & Property Tax Levy Adoption
November 20	Final Proposed Budget available to Public RCW Statutory Date: November 30
November 24	2027 Budget Adoption RCW Statutory Date: December 1
November 30	Property Tax Levy Ordinance filed with Island County RCW Statutory Date: November 30
December 1	Copies of Final Budget to be transmitted to AWC RCW Statutory Date: December 31

TOWN OF COUPEVILLE

From the Desk of Mayor Molly Hughes

M E M O R A N D U M

August 6, 2026

TO: Town Council

RE: Island County RCED Grant

Council,

Attached is the Rural County Economic Development (RCED) Infrastructure Investment Program Interlocal Grant Agreement with Island County.

The Town applied for and received a grant for \$1,447,260 for sewer and stormwater improvements on Parker Road. The Town has a match of \$700,000 for the project which we have been saving in our budget for sewer extensions and stormwater improvements. This project will extend the sewer main from Moore Place on Parker Road to town limits. It will also design and build stormwater infrastructure to address future development on the south side of Parker Road and get the stormwater to existing outfalls in town.

The term of this grant is two years from signing, or September 2028. Joe feels this is more than enough time to complete the project. Our timetable expects to finish by the fall of 2027, and this builds in time if we run into problems or surprises.

This project has been a high priority for the town for many years, yet we knew we would need help funding it. Getting this infrastructure installed before vacant land is developed on Parker Road will prevent dozens of individual septic systems endangering our sole source aquifer. It will also protect the steep slopes on the north side of Parker Road from uncontrolled stormwater which will increase with development.

This infrastructure will also help new development be more cost effective because individual septic systems will not be necessary. Parker Road is home to most of the remaining undeveloped land in Town. This project will be good for housing, good for the environment and steep slopes, and good for our drinking water aquifer.

I want to thank the County for helping us make this important infrastructure project a reality.

Thank you.

Motion: Mayor recommends a motion to approve the Rural County Economic Development Grant from Island County in the amount of \$1,447,260.

Contractor: Town of Coupeville
Project: Parker Road Sewer/Storm Line Extension
Contract No.: RM-BUD-2026-255

**RURAL COUNTY ECONOMIC DEVELOPMENT
INFRASTRUCTURE INVESTMENT PROGRAM
INTERLOCAL GRANT AGREEMENT**

THIS GRANT AGREEMENT is made and entered into by and between Island County, Washington, a political subdivision of the State of Washington, acting by and through its Board of County Commissioners, (herein the “County”) and the Town of Coupeville, a municipal corporation organized under the laws of the State of Washington, and wholly situated in Island County, Washington, (herein the “Town”), executed on the date signed by the County’s Board Chair shown below.

RECITALS

- A. The County is eligible for and receives sales and use taxes for rural counties as authorized in RCW 82.14.370 and imposed in ICC Chapter 3.02C. Such tax is authorized for the purpose of financing public facilities serving economic development purposes in rural areas.
- B. On August 6, 2024, the Island County Board of County Commissioners adopted Resolution C-34-24 Authorizing the Island County Rural County Economic Development Infrastructure Investment Program and its related Policies (the “Program”) which is incorporated herein for all intents and purposes.
- C. The Island County Board of Commissioners at its July 7, 2026 meeting approved the award of Rural County Economic Development Funds to assist the Town in financing the costs of a public facility improvement project known as Parker Road Sewer/Storm Line Extension (the “Project”). Said improvements are more particularly described in the Town’s Application for Rural County Economic Development Funds as submitted on March 30, 2026, and is incorporated herein for all intents and purposes. This Grant Agreement sets forth the terms and conditions of said award.
- D. The County approves an award of Rural County Economic Development monies in the amount of One Million Four Hundred Forty-Seven Thousand Two Hundred Sixty Dollars (\$1,447,260.00) for the Project; being subject to approval, via application, by the Board of Island County Commissioners and availability of funds in the Rural County Economic Development Fund Account.
- E. The Town has the appropriate statutory authority pursuant to RCW Chapter 35.27, and is ready, willing, and able to complete the Project described herein, and the parties are entering into this Grant Agreement to carry out such purpose.
- F. Entry into this Grant Agreement is authorized under RCW Chapter 39.34, the Interlocal Cooperation Act.

DEFINITIONS

Island County Code: the codified collection of ordinances, regulations, and laws governing Island County, Washington, abbreviated as ICC.

Revised Code of Washington: the official compilation of all permanent laws in force in the U.S. State of Washington, abbreviated as RCW.

Contractor: Town of Coupeville
Project: Parker Road Sewer/Storm Line Extension
Contract No.: RM-BUD-2026-255

Rural County Economic Development: to assist rural distressed areas throughout Washington State by funding infrastructure development for business retention, attraction and expansion.

Substantially Complete: the stage of progress in the Project when there may still be required minor modifications or adjustments but the work has progressed to the point such that all parts of the Project under consideration are fully operational and usable for intended purposes, according to subject matter professional opinion and/or industry-accepted standard.

AGREEMENT

For and in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. Purpose

The purpose of this Agreement is to allow the County to provide partial funding assistance to the Town for costs of the Project. Said improvements are more particularly described in Exhibit A, containing the Application for Rural County Economic Development Funds, submitted to the County by the Town on March 30, 2026.

2. Project Timeline

Work on the Project as funded by this Grant Agreement shall be substantially complete no later than two years from the date this Agreement is executed. Exhibit A provides the preliminary project timeline, which includes reimbursements, permitting, on the ground labor, and post-project reporting. Each new calendar year, the Town will provide the County an updated timeline for the Project by January 31.

- a. If the Town considers the project to be substantially complete, the Town may provide and deliver a Certificate of Substantial Completion, which shall:
 - i. establish the Date of Substantial Completion;
 - ii. demonstrate by what standard the project can be determined to have reached “substantially complete” status;
 - iii. include a punch list of items to be completed or corrected before conclusion of the Project;
 - iv. establish the time within which the Town shall finish the punch list;
 - v. act as formal proof of project completion after the fact for any litigation or otherwise arbitrated purposes that involves the Project.
- b. Failure to include an item on the punch list does not alter the responsibility of the Town to complete all work in accordance with the terms and conditions of this Agreement. The Certificate of Substantial Completion shall be retained by the County and the Town to evidence accepted completion. The Town is solely responsible for providing an update or a proof of final task completion in accordance with the terms of this Agreement.

3. Project Budget

For purposes of RCW 39.34.030(3)(d), the Town will establish and maintain a Project construction budget, which may or may not be the entirety of the grant award described herein. In so long as the Project’s construction budget utilizes monies from the grant award, the Town will provide an annual

Contractor: Town of Coupeville
Project: Parker Road Sewer/Storm Line Extension
Contract No.: RM-BUD-2026-255

summary of said budget highlighting how much of the grant award is remaining and the amount planned for use in the coming year.

4. Property Acquisition

The Town will be responsible for acquiring, holding, and disposing of Project property. Unless otherwise agreed by the parties by subsequent written instrument, the County shall not own any real or personal property acquired with the funds distributed to the Town hereunder.

5. Design and Project Management

The County shall have no responsibility for the design or Project management of said Project. The Town shall have the sole authority to determine its design and Project management, and to enter into partnerships, contracts, or other legal arrangements with potential investors and/or users thereof to assist in financing of the Project, in the manner allowed by law.

6. Allowable Uses

All funds disbursed by the County to the Town under this Agreement shall be used by the Town solely for Project costs considered permitted uses under RCW 82.14.370, Island County Code Chapter 3.02C.040(A), and eligible for reimbursement under the Program. The Town's administrative costs are not eligible for reimbursement but may be described in the Town's required match only if the grant award required match is greater than twenty-five percent (25%) of the Project's total budget. The Town hereby warrants and guarantees that the Project shall be completed for uses as described herein.

7. Financing

The contribution to the Town from the County's rural county sales and use tax proceeds for this Project will be in the amount of One Million Four Hundred Forty-Seven Thousand Two Hundred Sixty Dollars (\$1,447,260.00). The Town shall provide a matching contribution of thirty-three percent (33%) of project costs eligible under the Program. Upon receipt of a request for reimbursement and documentation evidencing that the Town has paid Project costs allowable under this Agreement, the County shall pay said reimbursement request within forty-five (45) days of receipt.

8. Repayment Guarantee

In the event that it is determined that any portion of the funds provided by the County is used for any purpose not authorized under this Grant Agreement, the Town hereby guarantees that it will repay to the County all such funds, together with accrued interest at the same rate as if the funds had been invested with the Washington State Local Government Investment Pool. Any repayments due to the County shall be paid by the Town within forty-five (45) days of written request made by the County.

9. Documentation

The Town shall maintain for a period of six (6) years following Project completion all the proper records documenting that the funds provided by the County were used solely for the purposes contained herein. The Town shall make Project records available for inspection or audit by the County or its duly authorized representatives within forty-five (45) days of written request.

10. Reporting

The Town shall file a report with the County's Economic Development Program Coordinator, with a copy to the Board of Island County Commissioners, by January 31 of the year succeeding completion of the Project, for five (5) years, reflecting the number of jobs and businesses created and retained as a

Contractor: Town of Coupeville
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result of the Project, along with other related information reasonably required by the County to measure the economic impact of its financial assistance.

The Town shall also file a report with the County's Economic Development Program Coordinator, with a copy to the Island County Auditor, by January 31 of each year thereafter when the Town has been reimbursed in the prior year under Section 3 above. The report must show the following:

- a. List the name and location of the project;
- b. Indicate where the project is listed in the Town's economic development plan, the economic development section of the Town's comprehensive plan, or in the County's Comprehensive Economic Development Strategy (CEDs);
- c. List the Town's total expenditures for the project from rural county sales and use tax funds received from the County in previous year and in prior years, if applicable;
- d. List the actual or estimated number of businesses created/retained by the Project; and
- e. List the actual or estimated number of jobs created/retained by the Project.

11. Indemnification

The Town shall be solely responsible for administration of the Project. The Town shall at all times protect, indemnify and save harmless the County from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, reasonable counsel fees, and expenses) imposed upon or reasonably incurred by or asserted against the County on account of (i) any failure of the Town to comply with any of the terms of this Agreement or (ii) any loss or damage to real or personal property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project or the use or financing thereof or (iii) any use of the Project in violation of applicable law (including environmental laws); provided, the Town has no obligation to indemnify the County for any claim or liability resulting from the County's negligence or willful misconduct. This paragraph shall survive the completion, expiration, and/or termination of this Agreement.

The Town shall maintain, during the life of the Agreement, Industry Standard Occurrence Commercial General Liability, or an equivalent, in the amount of \$1,000,000.00 Per Occurrence and \$2,000,000.00 Aggregate, including Premises/Operations, Products/Completed Operations, Blanket Contractual Liability and Personal Injury Coverage, to protect the Town from claims for damages for bodily injury, including wrongful death, as well as from claims of property damage which may arise from any operations under this contract whether such operations be by the Town or by anyone directly employed by or contracting with the Town.

The Town shall maintain, during the life of this Agreement, Business Automobile Liability Insurance, or an equivalent, in the amount of \$1,000,000.00 Bodily Injury and Property Damage per combined single limit to protect the Town from claims which may arise from the performance of this Contract, whether such operations are by the Town or by anyone directly or indirectly employed by the Town.

In lieu of the insurance requirements set forth above, the Town may provide proof of comparable coverages through membership in a local government insurance pool authorized pursuant to Chapter 48.62 RCW.

Contractor: Town of Coupeville
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12. No Separate Legal Entity

It is not the intention that a separate legal entity be established to conduct this cooperative undertaking. For purposes of RCW 39.34.030(4)(a), the Town's chief administrative officer shall administer the Project.

13. Modification of the Agreement

This Agreement may be modified only by the written consent of each party. The Town herein agrees to only one deadline extension amendment request related to the Project and that subsequent requests for extension will be denied.

14. Term of Agreement and Termination

This Agreement shall become effective on full execution hereof and compliance with Section 15 and shall expire upon either the Project completion date in Section 2 or payment in full to the Town (whichever happens first), if any, for any documented reimbursement request owed by the County pursuant to Section 7 of this Agreement.

15. Filing of Agreement

Under RCW 39.34.040, prior to its entry into force this Agreement must be either filed with the Island County Auditor or, alternatively, published by subject on the Town's website.

16. Survival

Sections 2a (v), 8, 9, 10, 11, and 12 of this Agreement shall survive the termination of this Agreement.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

By: _____
Melanie Bacon, Chair

Date: _____

TOWN OF COUPEVILLE
ISLAND COUNTY, WASHINGTON

By: _____
Molly Hughes, Mayor

Date: _____

Contractor: Town of Coupeville
Project: Parker Road Sewer/Storm Line Extension
Contract No.: RM-BUD-2026-255

EXHIBIT A
APPLICATION FOR RURAL COUNTY ECONOMIC DEVELOPMENT GRANT

[document attached]

Entry #: 17 - Town of Coupeville**Status:** Submitted**Submitted:** 3/31/2026 4:00 PM

Island County

Rural County Economic Development Funds Infrastructure Investment Program

2026 Grant Application

Submission to the Board of Island County Commissioners

Program Contact

Cody Bakken
Economic Development Program Director
1 NE 7th Street, Coupeville, WA 98239
(360)679-7397
c.bakken@islandcountywa.gov

Policy, process, timeline, and application documents located at this link:

[RCED Information](#)

**Completed applications due by
5pm on March 31st, 2026**

Instructions for Grant Application 1

State requirements for use of reserved funds located at RCW 82.14.370

For the purposes of this application:

(3)(a) *Monies collected under this section may only be used to*

- (i)** *Finance public facilities serving economic development purposes in rural counties;*
- (ii)** *Finance the construction of affordable workforce housing infrastructure or facilities;*

(4) *The definitions in this section apply throughout this section.*

(a) "Public facilities" means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroads, electrical facilities, natural gas facilities, research, testing, training, and incubation facilities in innovation partnership zones designated under RCW 43.330.270, buildings, structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, or port facilities in the state of Washington.

(b) "Economic development purposes" means those purposes which facilitate the creation or retention of businesses and jobs in a county, including affordable workforce housing infrastructure or facilities.

(c) "Affordable workforce housing infrastructure or facilities" means housing infrastructure, facilities, or land that a qualifying provider owns or uses for housing for single persons, families, or unrelated persons living together whose income is no more than 120 percent of the median income, adjusted for housing size, for the county where the housing is located.

(d) "Qualifying provider" means a nonprofit entity as defined in RCW 84.36.560, a nonprofit entity or qualified cooperative association as defined in RCW 84.36.049, a housing authority created under RCW 35.82.030 or 35.82.300, a public corporation established under RCW 35.21.660 or 35.21.730, or a county or municipal corporation.

This project qualifies under:

Public Facilities Serving Economic Development Purposes

Instructions for Grant Application 2

The full Island County grant program policy located on the [RCED webpage](#).

Island County defines the following (page 1 of the policy):

Eligible local government agencies to include the county, cities & towns, port districts, water or sewer districts, and special purpose districts;

Public facility projects to include acquisition, design, permitting, construction, repair, reconstruction, replacement, or rehabilitation or improvement to existing facilities;

Affordable workforce housing infrastructure does not include housing units, however the related infrastructure project qualifies when one or more occupants in each housing unit supported must be employed within Island County; and

Project initiation means submittal of a complete and accurate reimbursement request to Island County.

This project applicant qualifies as:

City/Town

Instructions for Grant Application 3

The full Island County grant program policy located on the [RCED webpage](#).

Island County defines the following (page 3 of the policy):

Program Policies

Subsection 3) Awards shall be made under three general parameters:

a. For projects expected to lead to development of additional jobs without a demonstrated job expansion prospect, or for the preservation of existing jobs, funding will be awarded at 50% grant and 50% in match and/or loan.

b. For project expected to support development or preservation of more than five full time equivalent jobs from a specifically designated private sector partner, funding will be awarded at 75% grant and 25% match.

c. For projects that develop infrastructure to support housing for those earning 120% of AMI or below, with a guarantee of affordability for a minimum of 20 years, funding will be awarded at 50% grant and 50% in match.

Subsection 4) For all categories:

a. Larger match portion are encouraged and will be considered an advantage in the competitive process.

b. The Board of County Commissioners may adjust parameters with the limits of the State statute at the sole discretion of the Board.

c. Matching funds can be in the form of a loan from the RCED program to be paid back over a time frame and at an interest negotiated between the County and the recipient.

d. Matching funds may be provided by the recipient, a private partner, or a nonprofit partner.

Subsection 5) The Board of County Commissioners may at its sole discretion reduce or partially fund requests based upon review of the applications and funds available.

This project qualifies for:

General Development or Preservation of Jobs - 50% Grant

2026 Grant Cycle Timeline

This timeline is modified from the published policy to allow more time to finetune the application expectations and allow applicants more time to prepare. The Board of Island County Commissioners agreed to this timeline on February 11, 2026. All actions after the application window closed are subject to the scheduling availability of the Board

Timeline

March 2nd: RCED Application Open - Eligible Entities will be notified of the open cycle via email.

March 31st: RCED Application Submission Deadline

April 1st-30th: County personnel review applications for completeness and minimum program requirements.

Early May: Qualifying applicants will be contacted to schedule oral presentations to the Board of County Commissioners at Work Session.

June: Qualifying applicants make oral presentations at the Board of Island County Commissioners' meeting. Representatives from cities, towns, ports, and the EDC will be invited to attend presentations and provide written comments on each application presented.

June 30th: Written Comment Deadline

July 15th: Commissioners to determine project awards. Particular attention may be given to new or infrequent applicants.

July 31st: Award letters sent out.

I have reviewed and acknowledge the timeline for the 2026 Grant Cycle.

Yes

Section 1: Applicant Information

Organization Name

Town of Coupeville

Address

4 NE 7th Street, Coupeville, Washington 98239

Primary Contact Name

Molly Hughes

Phone

(360) 678-4461

Email

mayor@townofcoupeville.org

Section 2: Project Information

Project Name

Parker Road Sewer/Storm Line Extension

Physical Location

Parker Road, from Moore Place to town limits

Project - Overall Description

Complete sewer and storm infrastructure on Parker Road to town limits. Add a widened shoulder for a bike lane. This will allow us to increase density on over 87 undeveloped acres and prevent septic systems from being installed.

Purpose of Funds

Funds will be used for survey, engineering, environmental and tribal test requirements, permits if necessary, and construction. Project in Town right of way, no easement or purchases necessary.

Is this a multi-year project?

Yes

Does the grant applicant have project sponsors or partners?

No

Section 3: Required Resources

Total Project Projected Cost

\$2,147,260.00

Total funding requested from Rural County Economic Development grant fund for a public facilities project within Island County

Amount Requested for Project

\$1,447,260.00

Amount of Match Funds for Project

\$700,000.00

Funding Spreadsheet



[Parker Rd Sewer-Storm est.xlsx](#)
14.5 KB



This Matched is sourced from:

Municipal Funding

Restrictions/Requirements

We have applied for appropriations from Representative Larsen.

Section 4: Economic Development

In accordance with RCW 82.13.370 (3)(b), the proposed project must: (a) be listed in the Island County Comprehensive Economic Development Strategy 2024-2028 (CEDS); or (b) within or compliant with the Comprehensive Plan of island County or the Cities of Langley or Oak Harbor or the Town of Coupeville; or (c) provide affordable workforce housing infrastructure or directly-related facilities in compliance with the above specified planning documents.

This project qualifies within:

Island County CEDS

Please identify the jurisdiction where zoning actions are required for the project, what activity has happened to date, and what an expected timeline for resolution of zoning actions for the project.

Project Location

Parker Road - Coupeville

Land Use Zoning

Rural Reserve Residential zoning - 2 acre lots

Compatibility

Sewer and Storm line completion is included in the CEDS project list and the Town's Comp Plan. Bike lane on Parker is in the town STIP. The Comp Plan acknowledges the need to increase housing density for affordable and middle housing. We want to protect the sole source aquifer by eliminating dozens/hundreds of septic systems. Adding a bike lane to Parker is on our STIP and in our Comp Plan, making this arterial fully multimodal. (There is already a pedestrian path the full length of this road.)

Section 5: Value Proposition

Infrastructure and Community Support

How will this project improve local infrastructure capacity? How much additional capacity will be provided for future development? Please be specific in your answer.

Infrastructure Benefit

Extending sewer infrastructure to this currently unserved area means no more private septic systems will be installed. We will also be able to decommission all the septic systems on the North side of Parker and hook them up to the town sewer service. This will allow the town to increase housing density, protect the aquifer and the shoreline and handle the increased storm water now and in the future for new development.

Provide evidence of local commitment (both financial and community). How does this project stimulate private capital investments that benefit the community and public-at-large? Please be specific in your answer.

Community Benefit

The community supports increasing the density to low and/or medium density on Parker Road. The town cannot change this zoning until sewer is available. New zoning will stimulate housing construction investment and keep employees in our town, using all of our businesses. The community wants housing that works for first time buyers and for downsizing Seniors. The community wants their kids and grandkids to be able to come home to Coupeville and they want more rental options. An increase to overall housing inventory will provide this.

Does the project support the following purposes?

Business Support, Affordable Workforce Housing

Business Support

Describe how this project is supportive of specific businesses

More housing options, at various price points, will help School District, Hospital, County and tourism employees live closer to their jobs. Coupeville does not have a large commercial area to expand businesses but living close to your job is a benefit. More residents in Coupeville is an economic boost for all business; restaurant, grocery, gas and other services.

Job creation/retention

Coupeville does not have a large commercial area to create new jobs but helping our workers to live close to where they work is a benefit to them and their families. This could not only retain jobs it could slow down employee turnover for small businesses as well as the large employers and help job retention.

How are specific business partners planning to add new jobs as related to this project?

The School District, County and Hospital all plan to expand their campuses in the next two to five years. We do not know the total number of new jobs that may be created. Currently a bakery and restaurant in town are doubling their retail space.

Provide information on the following: (1) the average wage, including benefits, and the number of new jobs/FTEs; and (b) the average wage, including benefits, anticipated as the result of the project. Please be as specific as possible.

***Generic information may not be scored.
Do not include any construction-related jobs.***

Within 1-3 Years

After 4 Years

Retained Jobs Count	Retained Jobs (1-3 years) 15	Retained Jobs (After 4 years) 25
Retained Average Wage	Retained Average Wage (1-3 years) \$77,900.00	Retained Average Wage (After 4 years) \$85,690.00
Created Jobs Count	Created Jobs (1-3 years) 0	Created Jobs (After 4 years) 0
Created Average Wage	Created Average Wage (1-3 years) \$0.00	Created Average Wage (After 4 years) \$0.00

Housing Proposition

Is this project supportive of one or more affordable housing units?

Yes

How is this project supportive of these affordable housing units?

Sewer service will allow increased density zoning which may include: ADU's, duplexes and triplexes, and manufactured homes, all on smaller parcels. More diversity and increased inventory will allow some housing to be affordable.

Housing Unit Definitions

When filing out the following page, these definitions for housing unit types are used by Island County's current code. However, the 2026 Comprehensive Plan update is progress, therefore any significant changes to the definitions may impact project designs. Please take this into consideration for the application and presentation.

1. Accessory Dwelling Units (ADUs)

1. ADU Attached: Separate living quarters contained within the primary residence.
2. ADU Detached: A detached accessory dwelling unit, situated on the same parcel as a single family dwelling.

2. Duplexes, Triplexes and Fourplexes

1. Duplex: A dwelling unit designed exclusively for occupancy by two (2) families living independently of each other, doing their own cooking, and containing two (2) dwelling units. A single-family dwelling unit with an attached guest cottage is not considered a duplex.
2. Triplex: The same criteria as a duplex, except designed for occupancy by three (3) families.
3. Fourplex: The same criteria for a Duplex except designed for occupancy by four (4) families. All such dwelling units have a common roof or the dwelling units are joined by a common roof.

3. Manufactured Homes and Manufactured Home Parks

1. Manufactured Homes: A single-family dwelling unit built to the HUD Manufactured Home Construction and Safety Standards Act.
2. Manufactured Home Park: A tract of land under the ownership or management of one person, firm or corporation where 3 or more spaces are provided solely for the placement of mobile/manufactured homes for residential purposes. Shall not include PRDs, subdivisions, RV parks or temporary use permits.

4. **Mixed-Use and Multifamily**

1. Mixed-Use: A development involving a combination of residential and non-residential uses. Typically, a mixed use structure may have non-residential uses at street level with residential uses on the second floor.
2. Multifamily: Multi-family means five (5) or more dwelling units in one (1) building.

Multi-family housing does not include attached dwelling units in a PRD, duplexes, triplexes or fourplexes.

5. **Small Dwelling Units**

There are several scenarios in Island County under which Small Dwelling Units as a permanent dwelling unit can be constructed, but always require a building or a land use permit.

Housing Proposition (Part 2)

Select each applicable housing category and specify the unit count. Some categories will have multiple unit types.

Unit Type Categories

Accessory Dwelling Units

Manufactured/Mobile Home Communities

Middle Housing

Accessory Dwelling Units

Attached Count

Detached Count

15

25

Middle Housing

Duplexes

Triplexes

Fourplexes

15

15

0

Manufactured / Mobile Home Communities

Units

6

Housing Proposition (Part 3)

Provide any necessary details to explain unique variations in the unit types

Current zoning allows for 2 acer parcels. Changing to low and medium density will allow 4 parcels per acre and more density per parcel. See attached letter.

Does this project have one or more affordable housing partner organizations?

No

Letters of support

Housing Affordability Guarantee

Years of affordability guarantee

Easement Holder

Easement or Covenant

Section 6: Project Timeline

Provide the project timeline from the beginning of the project's existence to the anticipated completion. Demonstrate the various project phases and when the funding from this grant would be utilized.

Timeline Document



[Parker Utility Improvements schedule.xlsx](#)

17.2 KB



Timeline status

A stormwater delineation survey has been completed.

Is the project already in the construction phase or at least shovel-ready?

No

Please indicate the period of time the grant funds will be disbursed over

12 months

Section 7: Project Action Plan

Project Status

We will start contacting DAHP for native resource requirements even though the project site is not listed on the resource map. We will contact the Department of Ecology to see if a Shoreline Substantial Development Permit is needed even though the closest shoreline will be 560 ' from the project. This work, along with any needed survey can start while we are waiting to hear about funding.

Project Contingencies

A construction plan will be developed and made public. Special notification will go to the approximately 50 residents of this section of Parker Road.

How many residents will be impacted?

50 homes

How long will this impact be in effect?

During construction - four months

What plans are in place for impact mitigation?

Notification and traffic plan. Parker Road will remain open during the project. If closed for short periods of time, the residents will be notified.

Section 8: Post-Project Impact

What quantifiable measures will be used to track the success of the project?

The number of new housing units built and the number of existing septic customers who are converted to town sewer.

Provide a forecast for 5 years after project completion on the jobs (full time equivalents) created, or job losses averted, by the project.

Year 1 Forecast

5

Year 2 Forecast

5

Year 3 Forecast

5

Year 4 Forecast

5

Year 5 Forecast

5

Estimate how many residents will benefit from the project.

55

Describe if / how this project will require on-going funding support apart from the sources already listed in this application

Ongoing maintenance will be paid with new water/sewer customer hookup fees and water/sewer/storm utility bills. Once the project is complete it will not require ongoing funding.

What is the confidence with which these benefits can be projected? What execution issues or external factors could materially impact the forecast?

We need to make adjustments to our sewer code to require all existing septic users to hookup to town sewer. This is supported by Public Works and Town Council. We will need to change zoning to allow low and medium density. Public Works, Town Council and the community support zoning upgrade in this area. The community has seen the possibilities during Com Plan open houses. The land on Parker is all privately owned; it is hard to tell how fast housing will grow.

Section 9: Supporting Documents

Document 1

Document Description

Project Area Map

Upload



[SSW Extension.pdf](#)
1 MB



Document 2

Document Description

DOH Letter of Support

Upload



[2026 March Coupeville Ltr of support.pdf](#)
0.2 MB



Document 3

Document Description

Project Detail

Upload



[Coupeville CEDS Grant Application.docx](#)
15.5 KB



Section 10: Applicant Certification

The applicant here certifies and affirms:

- (1) that they do not now, nor will they during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract by reason of age, race, color, ethnicity, sex, religion, creed, place of birth, or degree of handicap;
- (2) that they will abide by all relevant local, state, and federal laws and regulations; and
- (3) that applying for funds and a subsequent invitation to present to the Board does not guarantee the requested amount or any award at all, as well as that any awarded amount is at the sole discretion of the Board of County Commissioners; and
- (4) that they have read and understood the application instructions and restrictions in each part above and will comply with all provisions thereof.

Signature

Certification Date

3/30/2026

Molly Hughes

Printed Name

Molly Hughes

Title

Mayor

Town of Coupeville
Parker Rd Utility Improvements
3-Mar-26

NO.	ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST	Sewer Only	Storm & Shoulder
1	Construction Surveying Markings	LS	1	\$ 20,000.00	\$ 20,000.00	\$ 10,000.00	\$ 10,000.00
2	Spill Prevention, Control, and Countermeasure Plan	LS	1	\$ 8,700.00	\$ 8,700.00	\$ 5,800.00	\$ 2,900.00
3	Mobilization	LS	1	\$ 50,000.00	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00
4	Project Temporary traffic Control	LS	1	\$ 150,000.00	\$ 150,000.00	\$ 75,000.00	\$ 75,000.00
5	Clearing and Grubbing	LS	1	\$ 50,000.00	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00
6	Removal of Structures and Obstructions	LS	1	\$ 20,000.00	\$ 40,000.00	\$ 20,000.00	\$ 20,000.00
7	Structure Excavation Class B Incl. Haul (Sewer)	CY	300	\$ 35.00	\$ 10,500.00	\$ 10,500.00	\$ -
8	Manhole 48 in. Diam. Type 1	EA	10	\$ 5,950.00	\$ 59,500.00	\$ 59,500.00	\$ -
9	PVC Sanitary Sewer Pipe 10 in. Diam.	LF	2,900	\$ 94.00	\$ 273,325.00	\$ 273,325.00	\$ -
10	Sewer Lift Station	EA	1	\$ 280,000.00	\$ 280,000.00	\$ 280,000.00	\$ -
11	Testing Sewer Pipe	LF	2,900	\$ 4.00	\$ 10,875.00	\$ 10,875.00	\$ -
12	Erosion Control and Water Pollution Prevention	LS	1	\$ 32,000.00	\$ 32,000.00	\$ 16,000.00	\$ 16,000.00
13	Structure Excavation Class B Incl. Haul (Stormwater)	CY	230	\$ 35.00	\$ 8,050.00	\$ -	\$ 8,050.00
14	HMA CL 1/2" PG 64-22	TN	1,000	\$ 192.00	\$ 192,000.00	\$ 96,000.00	\$ 96,000.00
15	Solid Wall PVC Storm Sewer Pipe 24 in. Diam.	LF	1,900	\$ 90.00	\$ 171,000.00	\$ -	\$ 171,000.00
16	Testing Storm Sewer Pipe	LF	2,900	\$ 5.00	\$ 14,500.00	\$ -	\$ 14,500.00
17	Asphalt Shoulder	SF	32,000	\$ 4.00	\$ 128,000.00	\$ -	\$ 128,000.00
18	Catch Basin Type 1	EA	3	\$ 2,255.00	\$ 6,765.00	\$ 6,765.00	\$ -
19	Catch Basin Type 2 48 in. Diam.	EA	3	\$ 5,069.00	\$ 15,207.00	\$ 15,207.00	\$ -

Construction Cost: \$ 1,520,422.00

Retail Tax (9.0%): \$ 136,837.98

Total Estimated Construction Cost: \$ 1,657,259.98

Topo Survey/Arch/ Env/Permitting/Eng: \$ 450,000.00

Design/permit: \$ 40,000.00

\$ 2,147,259.98

Assumptions:

No Side Sewers

Sewer MH every 350', one on each end

Storm Type 2 CB every 1000' Type 1 every 300'

Widened Shoulder 6'

1 Sewer Pump Station Required

Parker rd. Utility Improvements

Milestone Schedule

Work Order 26-02

Updated: 3/31/2026

	Milestone	Proposed Schedule	Corresponding Date	Actual Date
1	Signed Contract		1-Sep	
2	Kick-off Meeting/Field Visit			
3	60% Plan Set, Specification TOC, Cost Estimate	75 days after kickoff	11/14/2026	
4	60% Comments from Town	14 days after 60% submittal	11/30/2026	
5	60% Responses	7 days after 60% comments	12/12/2026	
6	90% Plan Set, Specifications, Cost Estimate	30 days after 60% responses	1/11/2027	
7	90% Comments from Town	14 days after 60% submittal	1/25/2027	
8	90% Responses	7 days after 90% comments	2/1/2027	
9	100% Plan Set, Specifications, Cost Estimate, Bid Manual, Contract Docs	14 days after 90% responses	2/15/2027	
10	Project Out to Bid	14 days after 100% submittal	3/1/2027	
11	Review proposals, select construction firm	14 days	3/15/2027	
12	Prepare Contracts	30 days	4/15/2027	
13	Kick-off Meeting/Field Visit	14 days	4/29/2027	
14	Start Construction	14 days after kickoff	5/13/2027	
15	End Construction	120 days	9/13/2027	
16	Close out administration	60 days	11/15/2027	



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
OFFICE OF ENVIRONMENTAL HEALTH AND SAFETY
PO Box 47824 O Olympia, Washington 98504-7824
(360) 236-3330 O 711 Washington Relay Service

March 11, 2026

Mayor Molly Hughes
4 NE 7th St.
Coupeville, Washington 98239

Dear Mayor Hughes:

The Washington State Department of Health, Shellfish Growing Area Programs is submitting this letter to indicate our support for the Town of Coupeville Parker Road Sewer Line Extension (NTA2018-0326).

The Town of Coupeville is requesting funding for the Parker Road Sewer Line Extension. This sewer extension will provide sewer collection service to a large area that is currently served by onsite septic systems, including a large shoreline area. Improperly maintained or failing septic systems can be a significant source of bacterial pollution in shoreline areas. The construction of a sewer line in this area will provide a viable sewer collection and treatment alternative for locations where septic failure may occur or where septic systems are not feasible.

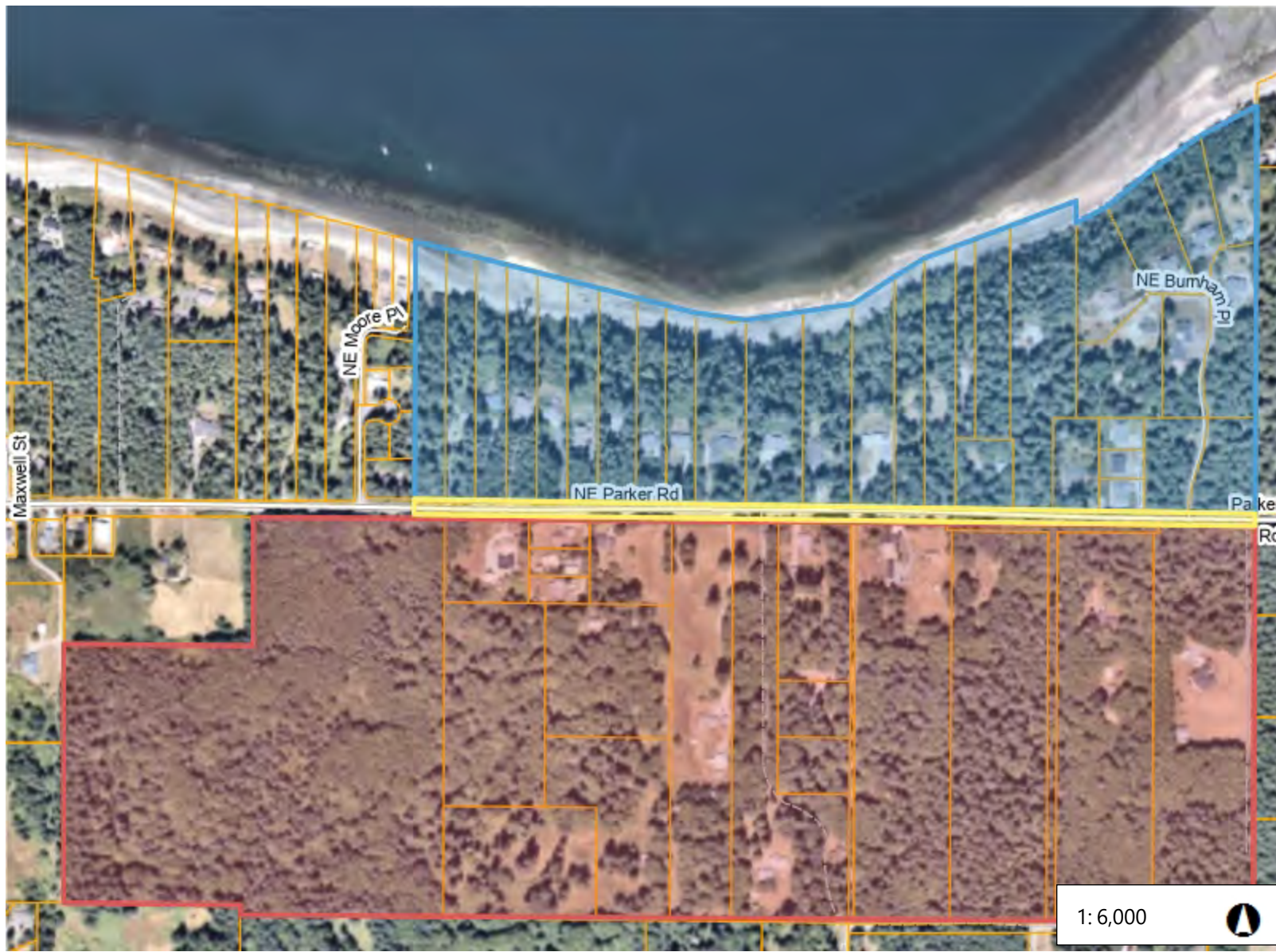
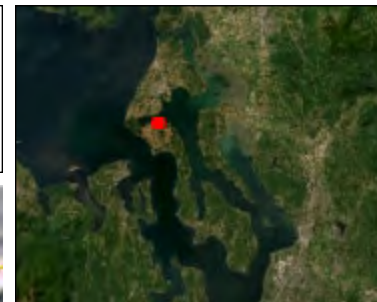
The Washington State Department of Health is supportive of projects that may eliminate potential bacterial sources of shoreline and marine contamination

Sincerely, *Merita Trohimovich*

Merita Trohimovich, P.E.
Environmental Engineer
Shellfish Growing Area Programs
Office of Environmental Health & Safety
Division of Environmental Public Health
Washington State Department of Health
Merita.trohimovich@doh.wa.gov



Town of Coupeville Sewer & Storm Water Extension



Legend

Parcels

Roads

- Highway
- Collector and Arterial
- Local
- Private

Yellow - Extension of sewer and storm water lines.

Blue - Mostly developed single-family residences. Would connect to new sewer and storm water extension.

Red - Largely undeveloped parcels. Would prevent installation of septic and require connection to new sewer and storm water lines.

Notes

999.9 0 499.97 999.9 Feet

WGS_1984_Web_Mercator_Auxiliary_Sphere
© Latitude Geographics Group Ltd.

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

DO NOT USE AS A LEGAL DOCUMENT. ACCURACY IS NOT GUARANTEED.

Coupeville CEDS Grant Application
Parker Road Sewer/Stormwater Extension
Project Detail

Housing Details

There are at least 87 acres of undeveloped property on the south side of Parker Road, this is where we are planning the next 20 years of growth. Currently it is zoned Rural Reserve, allowing 2 acre lots. This zoning will remain until the sewer line is extended. We want to prevent hundreds of septic systems from being built, endangering our aquifer and shoreline.

Below is an example of how potential housing could increase with a zoning change. Low and Medium density allows ADU's, duplexes, triplexes, and manufactured homes. Smaller lots will mean smaller housing units and smaller price tags or rental fees.

Rural Reserve allows 1 ½ housing units per acre x 87 acres	130 housing units
Low Density allows 6 housing units per acre x 87 acres	522 housing units
Medium Density allows 13 housing units per acre x 87 acres	1,131 housing units

There is no way to know how many more houses will be built in the next five years or what type of housing they will be. We feel certain the housing will include more options than single family homes. Even though the Town has allowed ADU's for the past 20 years, we have just seen them being built in the last few years. We have also seen an increase in duplexes and triplexes. We expect this to continue

Stormwater Detail

This portion of Parker Road does not have any stormwater infrastructure. Increased rainfall is coming down from Pennington hill. When housing starts to develop, clearing will create more stormwater. We need to collect, treat, and discharge storm water from this area so it does not go over high banks and overwhelm existing stormwater systems west of the project.

Bike Lane

We will be adding a 4 foot shoulder on Parker Road that will be a bike lane. There is a walking path on the north side of Parker. This will make Parker Road a fully, multimodal, arterial.

Job Retention

Because Parker is a residential area, not commercial, we are not creating more jobs, other than construction jobs to build housing. We believe jobs will be retained in Coupeville when housing inventory increases causing home prices and rent to decrease.

Grant Match

We feel this application represents both an infrastructure and a housing improvement in the town, both will support economic development. This project is of the highest priority to the Town. WE have always known that we would not be able to complete it without financial assistance. We are finally to a place where we can offer a substantial match – 33% of the total project cost. We are not able to commit to a 50% grant at this time. If needed, we could phase this project, however, it is not efficient or cost effective to do so. We could do all the surveys, permits, and engineering for the entire project and break the construction into two parts. We would be happy to discuss this option before not being considered at all because of the grant amount.



TOWN OF COUPEVILLE
From the Desk of Deputy Clerk Chris Jolly

M E M O R A N D U M

August 11, 2026

TO: Town Council

FROM: Deputy Clerk Chris Jolly

RE: Copier Lease Agreement

Council,

The copier lease agreement we have been on for several years has now lapsed and is on a month-to-month plan. The Town has received three proposals for copier replacement and 5-year lease, including a proposal from our current provider – Kelley Create.

After reviewing the prices, terms, conditions, etc, staff recommends moving forward with Copiers Northwest for a 63-month lease agreement. This 63-month lease has a set rate that will not increase in price until the lease expires, low per copy charges, no administrative fees, and they will process the return of our current machine at no cost to the Town. The price of the new lease and copy charges are much less than we are currently payment, and we expect it will save the Town approximately \$60-80 per month.

Motion: Staff recommends a motion to authorize the Mayor to sign a 63-month lease with Copiers Northwest.



CANON FINANCIAL SERVICES, INC. ("CFS")

Remittance Address: 14904 Collections Center Dr.
Chicago, Illinois 60693 (800) 220-0200

TOTAL SOLUTION LEASE AGREEMENT

CFS-1015 (08/25)

LESSOR'S AGREEMENT
NUMBER:

COMPANY LEGAL NAME Town of Coupeville		DBA		PHONE 360-678-4461 ("Customer")	
BILLING EMAIL ADDRESS clerktreasurer@townofcoupeville.org	BILLING CONTACT FIRST NAME Corine	BILLING CONTACT LAST NAME Jackson	BILLING CONTACT PH # Same	☐ Checking box or omitting email address defaults to paper invoice. Not checking box defaults to electronic invoice, Billing data needed.	
BILLING ADDRESS 4 NE Seventh Street	CITY Coupeville	COUNTY Island	STATE WA	ZIP 98239	
EQUIPMENT ADDRESS SAME	CITY	COUNTY	STATE	ZIP	

Make / Model / Accessory	Serial Number	Monthly Guaranteed Minimum Copies		Overage Copy Charge *		Initial Meter Reading	
		(Black & White)	(Color)	(Black & White)	(Color)	(Black & White)	(Color)
Canon IR C3930i		0	0	0.0072	0.047		
TOTALS							

Guaranteed Copy Plan:	☐ Individual	☒ Aggregate (Totals only required)	Term: 63 months
Payment Frequency:	☒ Monthly	☐ Quarterly	Minimum Monthly Rental Payment *: \$118.00
Meter Reading Frequency:	☐ Monthly	☒ Quarterly	Service and Supplies Included *: ☒ Supplies ☒ Maintenance
End of Term Purchase Option:	☐ \$1.00	☒ Fair Market Value	* Plus Applicable Taxes

THIS AGREEMENT IS NON-CANCELABLE BY CUSTOMER. CUSTOMER REPRESENTS THAT ALL ACTION REQUIRED TO AUTHORIZE EXECUTION OF THIS AGREEMENT ON BEHALF OF CUSTOMER BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN. THE UNDERSIGNED HAS READ, UNDERSTANDS AND HEREBY AGREES TO ALL OF THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT.

ACCEPTED	AUTHORIZED CUSTOMER SIGNATURE
DEALER: _____ ("Dealer")	By: X _____ Title: _____
By: _____	Printed Name: _____ Email address: _____
Print Name _____	If proprietor, _____
Title: _____	Tax ID#: _____ DOB: _____ Date: _____
Date: _____	By: X _____ Title: _____
	Printed Name: _____ Email address: _____
ACCEPTANCE CERTIFICATE	
To: Dealer Customer certifies that (a) the Equipment referred to in this Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to Customer, and (d) the Equipment is irrevocably accepted by Customer for all purposes under this Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.	
Signature: _____	Printed Name: _____ Title (if any): _____ Date: _____

TERMS AND CONDITIONS

1. **AGREEMENT:** Dealer rents to Customer, a _____ organized under the laws of the State of _____, with its chief executive office _____, and Customer rents from Dealer all the equipment described above, together with all replacement parts and substitutions for and additions to such equipment ("Equipment") upon the terms and conditions set forth in this Total Solution Lease Agreement ("Agreement"). This Agreement is entered into between Customer and Dealer, but Dealer intends to assign it to Canon Financial Services, Inc. ("CFS"), with its place of business at 158 Gaither Drive, Suite 200, Mount Laurel, New Jersey 08054, and CFS shall be "Lessor".
2. **TERM OF AGREEMENT:** This Agreement shall be effective on the date the Equipment is delivered to Customer ("Commencement Date"), provided Customer executes Lessor's form of acceptance ("Acceptance Certificate") or otherwise accepts the Equipment as specified herein. The term of this Agreement begins on the date accepted by Lessor or any later date that Lessor designates ("Agreement Date"), and shall consist of the payment periods specified above, any Interim Period, and any renewal periods. After acceptance of the Equipment, Customer shall have no right to revoke such acceptance or cancel this Agreement during the term hereof. The term of this Agreement shall end, unless sooner terminated by Lessor, when all amounts required to be paid by Customer under this Agreement have been paid as provided and either (a) Customer has purchased the Equipment in accordance with the terms hereof or (b) the Equipment has been returned at the end of the scheduled term or renewal term in accordance with the terms hereof. Customer has no right to return the Equipment to Lessor prior to the end of the scheduled term of this Agreement for any reason whatsoever, including, without limitation, payment of all amounts due hereunder prior to the end of the scheduled term.
3. **PAYMENTS:** Customer agrees to pay to Lessor, as invoiced, during the term of this Agreement, (a) the payments specified under "Minimum Monthly Rental Payment" and any "Overage Copy Charges" above and (b) such other amounts permitted hereunder as invoiced by Lessor ("Payments"). Customer also agrees to pay to Lessor an interim payment in an amount equal to 1/30th of the monthly amount of the Payment multiplied by the number of days between the Commencement Date and the Agreement Date ("Interim Period") as determined by Lessor. Lessor may charge Customer a supply freight fee to cover Dealer's costs of shipping supplies to Customer. The amount of each Payment and the End of Term Purchase Option ("Purchase Option") price specified above are based on the supplier's best estimate of the cost of the Equipment and any related services and supplies. ~~Customer authorizes Lessor to adjust the Payment and Purchase Option herein by up to fifteen percent (15%) if the actual total cost of the Equipment and any related services and supplies, including any sales or use tax, is more or less than originally estimated. Once in each twelve (12) month period following the first anniversary of this Agreement, Dealer has the right to increase both (i) the portion of the Minimum Monthly Rental Payment related to copy charges and (ii) the Overage Copy Charge on each anniversary of the Commencement Date in an amount not to exceed fifteen percent (15%) of such charges which were in effect immediately prior to such price increase.~~ Customer shall remit all Payments hereunder directly to CFS at 14904 Collections Center Drive, Chicago, Illinois 60693, unless otherwise directed by Lessor. Customer's obligation to pay all amounts due under this Agreement and all other obligations hereunder is absolute and unconditional and is not subject to any abatement, set-off, defense, or counterclaim for any reason whatsoever.
4. **APPLICATION OF PAYMENTS; METER READING:** All Payments received by Lessor from Customer under this Agreement will be applied to amounts due and payable hereunder chronologically, based on the date of the charge shown on the invoice for each such amount and among amounts having the same date in such order as Lessor, in its discretion, may determine. Customer agrees to advise Dealer of the meter readings for the Equipment upon request.
5. **NO LESSOR WARRANTIES:** CUSTOMER ACKNOWLEDGES THAT NEITHER DEALER NOR CFS IS A MANUFACTURER, AND CFS IS NOT A DEALER OR SUPPLIER OF THE EQUIPMENT. CUSTOMER AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN, AND CAPACITY SELECTED BY CUSTOMER. CUSTOMER ACKNOWLEDGES THAT NEITHER DEALER NOR CFS HAS MADE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE

PERSONAL GUARANTY

The undersigned (whether one or more are specified, "Guarantor(s)"), in consideration of the Dealer identified above ("Dealer") entering into, and Canon Financial Services, Inc. ("CFS") accepting an assignment of (prior to such assignment, Dealer shall be the "Lessor", and after such assignment, CFS shall be "Lessor"), an agreement (together with any schedules or supplements thereto, "Agreement") with Customer identified above ("Customer") irrevocably and unconditionally, jointly and severally, guarantee to Lessor, and its successors and assigns, the payment when due of all amounts owed under the Agreement (whether at maturity or upon the occurrence of an event of default or otherwise) and the performance of all terms of the Agreement and any other transaction between Customer and Lessor (collectively, "Liabilities"). If Customer shall fail to pay or perform any Liabilities when due, Guarantors shall, upon demand, pay any amounts which may be due from Customer and take any action required of Customer under the Agreement. This is an absolute and continuing guaranty, and Guarantors' liability under this Guaranty is primary and will not be affected by any settlement, extension, renewal or modification of the Agreement or any discharge or release of Customer's obligations, whether by agreement or operation of law.

If any payment on the Liabilities is thereafter set aside, recovered or required to be returned for any reason (including without limitation the bankruptcy, insolvency or reorganization of Customer or any other person), the Liabilities to which such payment was applied shall for the purposes of this Guaranty be deemed to have continued in existence, notwithstanding such application, and this Guaranty shall be enforceable as to such Liabilities as fully as if such application had never been made. This Guaranty may be terminated only upon sixty (60) days' prior written notice to Lessor, and such termination shall be effective only as to Liabilities arising under schedules, supplements, or agreements entered into after the effective date of termination and shall not affect Lessor's rights under this Guaranty arising out of the Agreement or other agreements entered into prior to such date.

Guarantors waive all damages, demands, presentments and notices of every kind and nature, any rights of set-off, and any defenses available to a guarantor (other than the defense of payment and performance in full) under applicable law. Guarantors further waive any (i) notice of the incurring of indebtedness by Customer and the acceptance of this Guaranty, (ii) right to require suit against Customer or any other party before enforcing this Guaranty and (iii) right of subrogation to Lessor's rights against Customer until the Liabilities are satisfied in full. Any (a) renewals and extensions of time of payment, (b) release, substitution or compromise of or realization upon the Equipment, other guaranties or any collateral security and (c) exercise of any other right under this or any other agreement between Lessor and Customer or any third party, may be made, granted and effected by Lessor without notice to Guarantors and without in any manner affecting Guarantors' liability under this Guaranty.

Guarantors shall pay all expenses (including attorneys' fees and legal expenses) paid or incurred by Lessor in endeavoring to collect the Liabilities, or any part thereof and in enforcing this Guaranty. THIS GUARANTY SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS GUARANTY SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN GUARANTORS AND LESSOR SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT LESSOR'S SOLE OPTION, IN THE STATE WHERE ANY GUARANTOR, CUSTOMER OR EQUIPMENT IS LOCATED. GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVE OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, AND LESSOR, BY ITS ACCEPTANCE HEREOF, HEREBY IRREVOCABLY WAIVES ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.

Guarantors agree that Lessor may accept a facsimile or other electronic transmission of this Guaranty as an original, and that facsimile or electronically transmitted copies of Guarantors' signatures will be treated as an original for all purposes.

Printed Name: _____	Signature: _____ (no title)	Date: _____
Address: _____		Phone: _____
Printed Name: _____	Signature: _____ (no title)	Date: _____
Address: _____		Phone: _____

SUITABILITY OR DURABILITY OF THE EQUIPMENT, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Any warranty with respect to the Equipment made by the manufacturer, Dealer, or supplier is separate from, and is not a part of this Agreement, and shall be for the benefit of CFS, Customer, and CFS' successors or assignees, if any. So long as Customer is not in breach or default of this Agreement, CFS assigns to Customer any warranties (including those agreed to between Customer and the manufacturer, Dealer, or supplier) which CFS may have with respect to any item of Equipment; provided that the scope and limitations of any such warranty shall be solely as set out in any agreement between Customer and such manufacturer, Dealer, or supplier or as otherwise specified in warranty materials from such manufacturer, Dealer, or supplier and shall not include any implied warranties arising solely from Lessor's acquisition of the Equipment. CUSTOMER ACKNOWLEDGES THAT NEITHER THE SUPPLIER NOR ANY DEALER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS AGREEMENT OR ANY SCHEDULE, OR TO MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THIS AGREEMENT OR THE EQUIPMENT ON BEHALF OF CFS.

6. ACCEPTANCE; DELIVERY: Customer's execution of the Acceptance Certificate, or other confirmation of Customer's acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of this Agreement and Customer may not, for any reason, revoke that acceptance; however, if Customer has not, within ten (10) days after delivery of such Equipment, delivered to Lessor written notice of any non-acceptance, specifying the reasons therefor and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted such Equipment. Lessor is the owner of the Equipment and has leased the Equipment to Customer under this Agreement. As between Lessor and Customer, this Agreement shall supersede any Customer purchase order in its entirety, notwithstanding anything to the contrary contained in any such purchase order. Customer agrees to waive any right of specific performance of this Agreement and shall hold CFS harmless from damages if for any reason the Equipment is not delivered as ordered, if the Equipment is unsatisfactory, or if CFS does not accept assignment of this Agreement. Customer agrees that any delay in delivery of the Equipment shall not affect the validity of this Agreement.

7. LOCATION; LIENS; NAMES; OFFICES: Customer shall not move the Equipment from the location specified herein except with the prior written consent of Lessor. Customer shall keep the Equipment free and clear of all claims and liens other than those in favor of Lessor. Customer's legal name (as set forth in its constituent documents filed with the appropriate governmental office or agency) is as set forth herein. The jurisdiction of organization and chief executive office address of Customer are as set forth herein. Customer shall provide Lessor with written notice at least thirty (30) days prior to any change of its legal name, chief executive office address or its form of organization (including, without limitation, its jurisdiction of organization), and shall execute and deliver to Lessor such documents as required or appropriate.

8. WARRANTY OF BUSINESS PURPOSE; USE; PERSONAL PROPERTY; FINANCING STATEMENTS: Customer represents and warrants that the Equipment will not be used for personal, family, or household purposes. Customer shall comply with all laws and regulations relating to the use and maintenance of the Equipment. Customer shall put the Equipment only to the use contemplated by the manufacturer. The Equipment shall remain personal property regardless of whether it becomes affixed to real property or permanently rests upon any real property or any improvement to real property. Customer authorizes Lessor (and any third party filing service designated by Lessor) to execute and file (a) financing statements evidencing the interest of Lessor in the Equipment (including forms containing a broader description of the Equipment than the description set forth herein), (b) continuation statements in respect thereof, and (c) amendments thereto, and Customer irrevocably waives any right to notice thereof.

9. INDEMNITY: Dealer is responsible for installation of the Equipment. Customer shall reimburse Lessor for and defend Lessor against any claim for losses or injury caused by the Equipment. This Section shall survive termination of this Agreement.

10. MAINTENANCE: The charges established by this Agreement include payments for services and supplies, and Dealer is responsible for providing those services and supplies described in "Service and Supplies Included" above. Service will be performed by Dealer during regular business hours (9:00 a.m. to 5:00 p.m., Monday through Friday, except holidays) at no cost to Customer other than as set forth below. Customer shall use reasonable care in handling and operation of the Equipment. Dealer shall have the right to inspect, repair and remove Equipment and/or read the meter at any time during Customer's business hours. Any service work made necessary by Customer's willful act or negligence (including, without limitation, damage to any photocopier copier drums ("Copier Drums") and use of supplies other than those distributed by Dealer which cause abnormally frequent service calls or service problems), or any service work Customer may request to be performed outside regular business hours, shall be invoiced in accordance with Dealer's established service policies. Dealer shall have the right to substitute equivalent Equipment at any time during the term of this Agreement. Paper must be purchased separately by Customer. Customer acknowledges that CFS will not be responsible for any service, repairs or maintenance of the Equipment, whether provided for in this Agreement or in any other agreement between Dealer and Customer, and that if Customer has a dispute regarding the Equipment or the maintenance thereof, Customer shall continue to pay all charges due under this Agreement without deducting or withholding any amounts.

11. TAXES; OTHER FEES AND CHARGES: CUSTOMER SHALL PAY AND DISCHARGE WHEN DUE ALL LICENSE AND REGISTRATION FEES, ASSESSMENTS, SALES, USE, PROPERTY AND OTHER TAXES, AND OTHER EXPENSES AND CHARGES, together with any applicable penalties, interest, and administrative fees now or at any time imposed upon any Equipment, the Payments, or Customer's performance or non-performance of its obligations hereunder, whether payable by or assessed to Lessor or Customer. If Customer fails to pay any such fees, assessments, taxes, expenses or charges as required hereunder, Lessor shall have the right but not the obligation to pay those fees, assessments, taxes, expenses and charges, and Customer shall promptly reimburse Lessor, upon demand, for all such payments made plus administrative fees and costs, if any. Customer acknowledges that, where required by law, Lessor will file any notices and pay personal property taxes levied on the Equipment. Customer shall reimburse Lessor for the expense of such personal property taxes as invoiced by Lessor and pay Lessor a processing fee not to exceed \$50 per year per item of Equipment that is subject to such tax. Customer agrees that Lessor has not, and will not, render tax advice to Customer, and that payment of such taxes is an administrative act. ON THE DATE OF THE FIRST SCHEDULED PAYMENT AND THE DATE OF THE FIRST SCHEDULED PAYMENT AFTER THE ADDITION OF ANY EQUIPMENT, CUSTOMER SHALL PAY TO LESSOR A DOCUMENTATION FEE, IN THE AMOUNT OF \$125, TO REIMBURSE LESSOR FOR ITS ADMINISTRATIVE AND RECORDING COSTS.

12. INSURANCE: Customer, at its sole cost and expense, shall, during the term hereof including all renewals and extensions, obtain, maintain and pay for (a) insurance against the loss, theft, or damage to the Equipment for the full replacement value thereof, and (b) comprehensive public liability and property damage insurance. All such insurance shall be with companies satisfactory to CFS. Each insurer providing such insurance shall name Lessor as additional insured and loss payee and provide Lessor thirty (30) days' written notice before the policy in question shall be materially altered or canceled. Customer shall pay the premiums for such insurance, shall be responsible for all deductible portions thereof, and shall deliver certificates or other evidence of insurance to Lessor. The proceeds of such insurance, at the option of Lessor, shall be applied to (a) replace or repair the Equipment, or (b) pay Lessor the "Remaining Lease Balance," which shall be the sum of: (i) all amounts then owed by Customer to Lessor under this Agreement; plus (ii) the present value of all remaining Payments for the full term of this Agreement; plus (iii) the "Asset Value," which shall be: (A) for an Agreement with a \$1.00 Purchase Option, \$1.00; (B) for an Agreement with a Fair Market Value Purchase Option or no Purchase Option selected, the Fair Market Value of the Equipment (as defined herein), and (C) for an Agreement with an Other Purchase Option, the respective dollar amount of such Purchase Option indicated on the face of this Agreement; plus (iv) any applicable taxes, expenses, charges and fees. For purposes of determining present value under this Agreement, Payments shall be discounted at three percent (3%) per year. Customer hereby appoints Lessor as Customer's attorney-in-fact solely to make claim for, receive payment of, and execute and endorse all documents, checks, or drafts for any loss or damage under any such insurance policy. If within ten (10) days after Lessor's request, Customer fails to deliver satisfactory evidence of such insurance to Lessor, then Lessor shall have the right, but not the obligation, to obtain insurance covering Lessor's interests in the Equipment, and add the costs of acquiring and maintaining such insurance, and an administrative fee, to the amounts due from Customer under this Agreement. Lessor and any of its affiliates may make a profit on the foregoing.

13. LOSS; DAMAGE: Customer assumes and shall bear the entire risk of loss, theft of, or damage to the Equipment from any cause whatsoever, effective upon delivery to Customer. No such loss, theft, or damage shall relieve Customer of any obligation under this Agreement. In the event of damage to any Equipment, Customer shall immediately repair such damage at Customer's expense. If any Equipment is lost, stolen, or damaged beyond repair, Customer, at the option of Lessor, will (a) replace the same with like equipment in a condition acceptable to Lessor and convey clear title to such equipment to Lessor (and such equipment will become "Equipment" and be subject to the terms of this Agreement), or (b) pay Lessor the Remaining Lease Balance. Upon Lessor's receipt of the Remaining Lease Balance, Lessor shall transfer the applicable Equipment to Customer "AS IS, WHERE IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate with respect to such Equipment.

14. DEFAULT: Any of the following events or conditions shall constitute an Event of Default under this Agreement: (a) Customer defaults in the payment when due of any indebtedness of Customer to Lessor, whether or not arising under this Agreement, without notice or demand by Lessor; (b) Customer or any guarantor of Customer's obligations hereunder ("Guarantor") ceases doing business as a going concern; (c) Customer or any Guarantor becomes insolvent or makes an assignment for the benefit of creditors; (d) a petition or proceeding is filed by or against Customer or any Guarantor under any bankruptcy or insolvency law; (e) a receiver, trustee, conservator, or liquidator is appointed for Customer, any Guarantor, or any of their property; (f) any statement, representation or warranty made by Customer or any Guarantor to Lessor is incorrect in any material respect; or (g) Customer or any Guarantor who is a natural person dies.

15. REMEDIES: Upon the happening of any one or more Events of Default, Lessor shall have the right to exercise any one or all of the following remedies (which shall be cumulative), simultaneously, or serially, and in any order: (a) to require Customer to immediately pay all Payments hereunder (whether or not then due) and other amounts due under this Agreement.

CFS-1015 (08/25)

Agreement, with Lessor retaining title to the Equipment; (b) to terminate any and all agreements with Customer; (c) with or without notice, demand or legal process, to enter upon the premises wherever the Equipment may be found, to retake possession of any or all of the Equipment, and (i) retain such Equipment and all Payments and other sums paid hereunder, or (ii) sell the Equipment and recover from Customer the amount by which the Remaining Lease Balance exceeds the net amount received by Lessor from such sale; or (d) to pursue any other remedy permitted at law or in equity. Lessor (i) may dispose of the Equipment in its then present condition or following such preparation and processing as Lessor deems commercially reasonable; (ii) shall have no duty to prepare or process the Equipment prior to sale; (iii) may disclaim warranties of title, possession, quiet enjoyment and the like; and (iv) may comply with any applicable state or federal law requirements in connection with a disposition of the Equipment and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Equipment. If the Equipment is not available for sale, Customer shall be liable for the Remaining Lease Balance and any other amounts due under this Agreement. No waiver of any of Customer's obligations, conditions or covenants shall be effective unless contained in a writing signed by Lessor. Failure to exercise any remedy that Lessor may have shall not constitute a waiver of any obligation with respect to which Customer is in default.

16. LATE CHARGES; EXPENSES OF ENFORCEMENT: If Customer fails to pay any sum to be paid by Customer to Lessor under this Agreement on or before the due date, Customer shall pay Lessor, upon demand, an amount equal to the greater of ten percent (10%) of each such delayed Payment or twenty-five dollars (\$25) for each billing period or portion of a billing period such Payment is delayed, in each case to the extent permitted by applicable law. The amounts specified above shall be paid as liquidated damages and as compensation for Lessor's internal operating expenses incurred in connection with such late payment. In addition, Customer shall reimburse Lessor for all of its out-of-pocket costs and expenses incurred in exercising any of its rights or remedies hereunder or in enforcing any of the terms of this Agreement, including, without limitation, reasonable fees and expenses of attorneys and collection agencies, whether or not suit is brought. If Lessor should bring court action, Customer and Lessor agree that attorney's fees equal to twenty-five percent (25%) of the total amount sought by Lessor shall be deemed reasonable for purposes of this Agreement.

17. ASSIGNMENT: CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT IN WHOLE OR IN PART, NOR SHALL CUSTOMER SUBLET OR LEND ANY EQUIPMENT WITHOUT PRIOR WRITTEN CONSENT OF LESSOR. Lessor may pledge or transfer this Agreement. Customer agrees that if Lessor transfers this Agreement, the assignee will have the same rights and benefits that Lessor has now and will not have to perform any of Dealer's or CFS' obligations which Dealer or CFS will continue to perform. Customer agrees that the rights of the assignee will not be subject to any claims, defenses, or set-offs that Customer may have against Lessor. If Customer is given notice of any such transfer, Customer agrees, if so directed therein, to pay directly to the assignee all or any part of the amounts payable hereunder.

18. RENEWAL; RETURN: Except in the case of an Agreement containing a \$1.00 Purchase Option, this Agreement shall automatically renew on a month-to-month basis at the same Payment amount and frequency unless Customer sends written notice to Lessor at least sixty (60) days before the end of the scheduled term or any renewal term that Customer either (i) shall exercise the Purchase Option in accordance with the terms hereof and at the end of such term exercises such Purchase Option, or (ii) does not want to renew this Agreement, and at the end of such term returns the Equipment as provided below. Unless this Agreement automatically renews or Customer purchases the Equipment as provided herein, Customer shall, at the termination of this Agreement, return the Equipment at its sole cost and expense in good operating condition, ordinary wear and tear resulting from proper use excepted, to a location specified by Lessor. Lessor may charge Customer a return fee equal to the greater of one Payment or \$250 for the processing of returned Equipment. If for any reason Customer shall fail to return the Equipment to Lessor as provided herein, Customer shall pay to Lessor upon demand one billing period's Payment for each billing period or portion thereof that such return is delayed. Customer shall reimburse Lessor for any costs incurred by Lessor to place the Equipment in good operating condition.

19. PURCHASE OPTION; (A) END OF TERM PURCHASE OPTION. To exercise this option, Customer shall give Lessor sixty (60) days' prior irrevocable written notice (unless the Purchase Option is \$1.00) that it will purchase all the Equipment at the end of the initial term or any renewal term for the Purchase Option price indicated on the face of this Agreement plus any applicable taxes, expenses, charges and fees. (B) PRIOR TO MATURITY PURCHASE. Customer may, at any time, upon sixty (60) days' prior irrevocable written notice purchase all (but not less than all) the Equipment at a price equal to the sum of all remaining Payments plus the Fair Market Value, plus any applicable taxes, expenses, charges and fees. For purposes of this Agreement, "Fair Market Value" shall be Lessor's retail price at the time Customer notifies Lessor of its intent to purchase the Equipment. Upon proper notice and payment by Customer of the amounts specified above, Lessor shall transfer the Equipment to Customer "AS-IS WHERE-IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate.

20. DATA: Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that Customer may store for purposes of normal operation of the Equipment ("Data"). Customer acknowledges that CFS is not storing Data on behalf of Customer and that exposure or access to the Data by CFS or Dealer, if any, is purely incidental to the services performed by CFS and Dealer. Neither CFS nor Dealer nor any of their affiliates has an obligation to erase or overwrite Data upon Customer's return of the Equipment to CFS. Customer is solely responsible for: (A) its compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (B) all decisions related to erasing or overwriting Data. Without limiting the foregoing, if applicable, Customer should: (i) enable the Hard Disk Drive (HDD) data erase functionality that is a standard feature on certain Equipment, and/or (ii) prior to return or other disposition of the Equipment, utilize the HDD (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if Customer has higher security requirements, Customer may purchase from its Dealer at current rates an appropriate option for the Equipment, which may include (a) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (b) an HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data (for Equipment not containing data erase functionality as a standard feature), or (c) a replacement hard drive (in which case Customer should properly destroy the replaced hard drive). Customer shall indemnify Dealer and CFS, their subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) arising or related to the storage, transmission or destruction of the Data. This section survives termination or expiration of this Agreement. The terms of this section shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between Customer, Dealer and CFS applies, or could be construed to apply to Data.

21. MAXIMUM INTEREST; RECHARACTERIZED AGREEMENT: No Payment is intended to exceed the maximum amount of interest permitted to be charged or collected by applicable laws, and any such excess Payment will be applied to payments due under this Agreement, in inverse order of maturity, and thereafter shall be refunded. If this Agreement is recharacterized as a conditional sale or loan, Customer hereby grants to Lessor, its successors and assigns a security interest in the Equipment to secure payment and performance of Customer's obligations under this Agreement.

22. UCC - ARTICLE 2A: CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC 2A"), AND LESSOR IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE. CUSTOMER WAIVES ITS RIGHTS AS A LESSEE UNDER UCC 2A SECTIONS 508-522.

23. GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL: THIS AGREEMENT SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN, THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN CUSTOMER AND LESSOR SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT LESSOR'S SOLE OPTION, IN THE STATE WHERE CUSTOMER OR THE EQUIPMENT IS LOCATED. CUSTOMER, BY ITS EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVES OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. CUSTOMER, BY ITS EXECUTION AND DELIVERY HEREOF, AND LESSOR, BY ITS ACCEPTANCE HEREOF, HEREBY IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.

24. MISCELLANEOUS: All notices required or permitted under this Agreement shall be sufficient if delivered personally, sent via facsimile or other electronic transmission, or mailed to such party at the address set forth in this Agreement, or at such other address as such party may designate in writing from time to time. Any notice from Lessor to Customer shall be effective three (3) days after it has been deposited in the mail, duly addressed. All such notices to Lessor from Customer shall be effective after it has been received via U.S. mail, express delivery, facsimile or other electronic transmission. If there should be more than one party executing this Agreement as Customer, all obligations to be performed by Customer shall be the joint and several liability of all such parties. Customer's representations, warranties, and covenants under this Agreement shall survive the delivery and return of the Equipment. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. No such prohibition or unenforceability in any jurisdiction shall invalidate or render unenforceable such provision in any other jurisdiction. Customer agrees that Lessor may insert missing information or correct other information on this Agreement including the Equipment's description, serial number, and location, and corrections to Customer's legal name; otherwise, this Agreement contains the entire arrangement between Customer and Lessor and no modifications of this Agreement shall be effective unless in writing and signed by the parties. Customer agrees that Lessor may accept a facsimile or other electronic transmission of this Agreement or any Acceptance Certificate as an original, and that facsimile or electronically transmitted copies of Customer's and Dealer's signature will be treated as an original for all purposes.

Copiers Northwest Sales Order Master Terms and Conditions

1. BY SIGNING THIS SALES ORDER, THE BILL-TO OR PARENT COMPANY ON PAGE ONE OF THIS DOCUMENT AGREES THAT COPIERS NORTHWEST (CNW) WILL KEEP THIS DOCUMENT ON FILE AS A MASTER TERMS AND CONDITIONS AND NOT REQUIRE ADDITIONAL COPIES FOR ALL SUBSEQUENT EQUIPMENT ACQUISITIONS BY THE BILL-TO OR PARENT COMPANY. THE BILL-TO OR PARENT COMPANY MAY RESTRICT FUTURE ACQUISITIONS TO NAMED BUYERS AND/OR DOLLAR LIMITATIONS BY FILLING OUT ADDITIONAL DOCUMENTATION THAT IS SIGNED BY BOTH THE CUSTOMER AND AN OFFICER OF CNW. THE CUSTOMER UNDERSTANDS THAT THE MASTER TERMS AND CONDITIONS MAY BE PERIODICALLY UPDATED BY CNW AND ARE INCORPORATED INTO THE ORIGINAL MASTER. THE CUSTOMER CAN REQUEST A COPY OF THE CURRENT MASTER TERMS AND CONDITIONS AT ANY TIME FROM THEIR ACCOUNT REPRESENTATIVE.

2. Copiers Northwest, Inc warrants that new equipment acquired pursuant to this equipment order will be free of defects in workmanship and materials for a period of ninety (90) days from the date of delivery. This warranty does not cover defects or damage resulting from in-transit handling, negligence or improper operation or maintenance of equipment.

3. Should any failure to conform with this warranty appear within ninety (90) days, Copiers Northwest, Inc. shall, upon notification, correct such nonconformity. Said correction, at Copiers Northwest, Inc.'s option, shall be made either by repairing any defective part or parts, or by making available a repaired or replaced part.

4. THIS WARRANTY IS IN LIEU OF ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTIES, EXPRESS OR IMPLIED, EXCEPT FOR THE WARRANTY OF THE TITLE AND THE WARRANTY AGAINST PATENT INFRINGEMENT. THIS WARRANTY DOES NOT COVER CONSEQUENTIAL DAMAGES.

5. Customer warrants that upon delivery they have examined the above described goods or a sample or model thereof. Customer does not rely on any warranty with regard to defects which said examination, under the circumstances thereof, ought to have been revealed to them.

6. No warranties have been made by Seller in reference to the above described goods unless expressly included in this written sales agreement between Customer and Seller.

7. Copiers Northwest, Inc. shall have no obligation to install equipment accessories or to repair or replace equipment in the event that repair or replacement are required due to abuse, accident, theft, or damage to the machine caused by repairs performed by someone other than an authorized Copiers Northwest, Inc representative.

8. Smartboards and security products are sold "drop at door" and do not include on-site installation. Copiers NW can recommend a third party installer.

9. All software, security, hardware and/or services installed at Customer's location are governed by the Manufacturer's licensing agreement. Maintenance of the licensing agreement is the Customer's responsibility. Delivery of the software license(s) and/or key(s) to a customer via email, download, or other electronic submission constitutes delivery and all payment terms apply. Installation services sold on the Sales Order and/or provided in the Statement of Work in conjunction with software, security, and/or hardware sales are considered separate from the acquisition of the software, security, and/or hardware; these installation services are not required to be performed in full by the Vendor or Copiers Northwest and/or its affiliates to constitute delivery.

9.1 Without limiting the generality or provisions of section 9 above, in no event will Licensor or any other Licensor Indemnified Parties (including, without limitation, Licensor's Third-Party Suppliers and Licensors), be liable to any Customer(s) or other Third Parties for any damages whatsoever arising out of, based on or resulting from, any acts or omissions of Reseller and/or any of its Representatives in connection with advertising, marketing and/or promoting the product, selling and/or distributing product licenses, providing related support services, to any Customer(s) and/or installing or using any of the software (or any component(s) thereof) including, without limitation, any such damages arising out, based on or resulting from: (i) Reseller's failure to perform any of its covenants or obligations under this agreement, or (ii) any repairs or alterations to any of the software (or any component(s) thereof) or any product done without Licensor's prior written approval.

10. Changes in the operating environment including, but not limited to changes to operating system, network software, software application changes, hardware and software upgrades, etc. may result in the need for configuration adjustments or other network services to restore functional capabilities. Such services shall be billed at the then current rate of \$98.00* per hour (Remote Support) or \$199.00* per hour (On-site Network Tech Dispatched) or deducted from the customers pre-paid block time program, when applicable.

11. Customer acknowledges that it is Customer's responsibility to maintain a current backup of their program and data files to restore any lost data. Customer agrees that under no circumstances shall Copiers Northwest, Inc. be held responsible for any loss of data or any consequential damages.

12. CNW will provide one installation connection per machine via the Remote Support Team (RST) included with the acquisition of your CNW copier, printer, scanner, or fax. The standard installation connection includes the current print drivers and/or any manufacturer-included standard scan utilities. Customer will provide an active network port, adequate space for the MFP device(s), and a key contact for network installation support, workstation setup and print driver overview training. Customer also agrees to provide print server access for server based printer applications as well as all required network protocol information pertaining to the purchased options. If the customer requests an On-Site Network Technician to be dispatched for network assistance, the service call will be billed at \$199.00* per hour and is not included in your lease or service agreement. CNW reserves the right to send an on-site technician for specialty equipment installations such as production copiers and wide format printers and those installations will not be subject to chargeable service call.

13. CNW, Inc. will provide Remote Support for the product at no charge as itemized A-C below. Some customer requests beyond the normal scope of items A-C may be billed at the current rate of \$98.00* per hour (Remote Support) or \$249.00* per hour (On-site Network Tech Dispatched) or deducted from the customers pre-paid block time program, when applicable. CNW will provide hardware related support at no charge for the life of any machine acquired from CNW as long as it is continuously covered by a CNW Maintenance Agreement and Customer account is in good standing.

The following list of Remote Support services are offered at no charge:

- A. Copying, and paper tray configuration as provided by the Manufacturer; does not include Third Party applications or "line of business applications."
- B. Sending the Customer online links to self-install OEM drivers and software updates.
- C. The reconfiguration of the purchased/leased device network settings after a machine hard failure.

14. Copiers Northwest, Inc. is under no circumstances responsible for any data, documents, images, or any other information stored on or in the device, the device hard drive(s), or any memory module(s).

**Price is subject to change without notice; please inquire with your account manager or the Remote Service Team for current rates.*



TOWN OF COUPEVILLE

Coupeville, Washington

PAYROLL & A/P VOUCHER APPROVAL

for

Council Meeting of August 11, 2026

July 2026 Payroll Transactions & EFT payments as attached; for a total of \$164,701.72;

July 2026 A/P Transactions and Checks: #11885 - #11933, & EFT payments as attached; for a total of \$242,642.62;

STATE OF WASHINGTON)

) §

COUNTY OF ISLAND)

We, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the Town of Coupeville and that we are authorized to authenticate and certify to said claim.

Clerk-Treasurer

Mayor

Council Member

☐

Approved by Council

☐

Approved by Council with the following exceptions/instructions:

RECOMMENDATION:

A motion to approve July 2026 Payroll EFT Transactions, as attached; for a total of \$164,701.72 and July 2026 A/P Transactions & EFT payments #11885-#11933 as attached; for a total of \$242,642.62;

CHECK REGISTER

Town of Coupeville

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1898	07/05/2026	Payroll	1	EFT		1,871.76	July 5th, 2026
1899	07/05/2026	Payroll	1	EFT		1,650.98	July 5th, 2026
1900	07/05/2026	Payroll	1	EFT		1,834.29	July 5th, 2026
1901	07/05/2026	Payroll	1	EFT		2,013.71	July 5th, 2026
1902	07/05/2026	Payroll	1	EFT		4,763.07	July 5th, 2026
1903	07/05/2026	Payroll	1	EFT		2,231.79	July 5th, 2026
1904	07/05/2026	Payroll	1	EFT		3,714.28	July 5th, 2026
1905	07/05/2026	Payroll	1	EFT		1,891.52	July 5th, 2026
1906	07/05/2026	Payroll	1	EFT		3,117.49	July 5th, 2026
1907	07/05/2026	Payroll	1	EFT		1,687.22	July 5th, 2026
1908	07/05/2026	Payroll	1	EFT		2,383.51	July 5th, 2026
1909	07/05/2026	Payroll	1	EFT		2,381.52	July 5th, 2026
1910	07/05/2026	Payroll	1	EFT		2,095.04	July 5th, 2026
1911	07/05/2026	Payroll	1	EFT		1,922.31	July 5th, 2026
1912	07/05/2026	Payroll	1	EFT		3,099.52	July 5th, 2026
1913	07/05/2026	Payroll	1	EFT		2,152.13	July 5th, 2026
1914	07/05/2026	Payroll	1	EFT		1,907.42	July 5th, 2026
1915	07/05/2026	Payroll	1	EFT		843.03	July 5th, 2026
1924	07/01/2026	Payroll	1	EFT	EFTPS	14,060.31	941 Deposit for Pay Cycle(s) 07/05/2026 - 07/05/2026
1925	07/01/2026	Payroll	1	EFT	Vimly Benefit Solutions Inc. c/o AWC Emp	22,349.34	Pay Cycle(s) 06/20/2026 To 07/05/2026 - Medical - AWC 250; Pay Cycle(s) 06/20/2026 To 07/05/2026 - Medical - Kaiser 500; Pay Cycle(s) 06/20/2026 To 07/05/2026 - Medical - Kaiser PPO; Pay Cycle(s) 06/2
1926	07/06/2026	Payroll	1	EFT	Dept of Retirement Systems	13,481.87	Pay Cycle(s) 06/20/2026 To 07/05/2026 - PERS2; Pay Cycle(s) 06/20/2026 To 07/05/2026 - PERS3
1927	07/07/2026	Payroll	1	EFT	Dept of Retirement Systems	3,015.10	Pay Cycle(s) 07/05/2026 To 07/05/2026 - DC; Pay Cycle(s) 07/05/2026 To 07/05/2026 - Roth DC; Pay Cycle(s) 07/05/2026 To 07/05/2026 - Roth DC - No Match
1932	07/02/2026	Payroll	1	EFT	Dept of Labor & Industry	6,536.72	2ND Quarter L&I: 04/01/2026 - 06/30/2026
1948	07/02/2026	Payroll	1	EFT	Employment Security - PFML	2,850.15	Pay Cycle(s) 04/01/2026 To 06/30/2026 - PFML
1949	07/08/2026	Payroll	1	EFT	Employment Security - PFML	1,920.01	Pay Cycle(s) 04/01/2026 To 06/30/2026 - LTC
2068	07/20/2026	Payroll	1	EFT		1,882.96	July 20, 2026
2069	07/20/2026	Payroll	1	EFT		1,625.76	July 20, 2026
2070	07/20/2026	Payroll	1	EFT		1,887.60	July 20, 2026
2071	07/20/2026	Payroll	1	EFT		1,958.21	July 20, 2026
2072	07/20/2026	Payroll	1	EFT		4,712.61	July 20, 2026
2073	07/20/2026	Payroll	1	EFT		2,231.14	July 20, 2026
2074	07/20/2026	Payroll	1	EFT		3,715.69	July 20, 2026
2075	07/20/2026	Payroll	1	EFT		1,891.47	July 20, 2026
2076	07/20/2026	Payroll	1	EFT		3,207.96	July 20, 2026
2077	07/20/2026	Payroll	1	EFT		1,736.77	July 20, 2026
2078	07/20/2026	Payroll	1	EFT		2,372.10	July 20, 2026
2079	07/20/2026	Payroll	1	EFT		2,401.31	July 20, 2026
2080	07/20/2026	Payroll	1	EFT		2,377.14	July 20, 2026
2081	07/20/2026	Payroll	1	EFT		1,922.36	July 20, 2026
2082	07/20/2026	Payroll	1	EFT		2,715.89	July 20, 2026
2083	07/20/2026	Payroll	1	EFT		2,215.14	July 20, 2026

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1965	07/06/2026	Claims	1	EFT	WA State Dept Of Revenue	15,848.22	Inv. 06.2026 Excise Tax
1977	07/07/2026	Claims	1	EFT	Navia Benefit Solutions	14.27	Inv. 07.07.2026 FSA Disbursement- Sutton
2027	07/15/2026	Claims	1	EFT	VISA	49.86	Inv. 3595 June 2026
2028	07/15/2026	Claims	1	EFT	VISA	1,610.80	Inv. 8212 June 2026
2029	07/15/2026	Claims	1	EFT	VISA	554.97	Inv. 6901 June 2026
2030	07/15/2026	Claims	1	EFT	VISA	827.34	Inv. 8035 June 2026
2031	07/15/2026	Claims	1	EFT	VISA	98.09	Inv. 9178 June 2026
2162	07/28/2026	Claims	1	EFT	Navia Benefit Solutions	240.00	Inv. 07.28.26 FSA Disbursement- Sutton
2171	07/31/2026	Claims	1	EFT	Puget Sound Energy	13,414.88	Inv. 40829594 07.2026 Firehouse; Inv. 650022 07.2026
2172	07/31/2026	Claims	1	EFT	Ziply Fiber		EFT not available for this account
2173	07/31/2026	Claims	1	EFT	Ziply Fiber		EFT not available for this account
2174	07/31/2026	Claims	1	EFT	Ziply Fiber		EFT not available for this account
2175	07/31/2026	Claims	1	EFT	Ziply Fiber	2,068.46	Inv. 18800000612265 07.2026
2049	07/15/2026	Claims	1	6969	Thompson, Guildner & Associates Inc. P.S		Misprint of check - Re-issued
2032	07/15/2026	Claims	1	11885	Calgon Carbon Corporation	119,436.00	Inv. 90223940 Navy Task 2 GAC Change out
2033	07/15/2026	Claims	1	11886	Central Whidbey Island Fire & Rescue	1,656.00	Inv. 2026-Q2 Fire inspections for town
2034	07/15/2026	Claims	1	11887	Comcast (CA)	1,085.21	Inv. 0009140 07.2026
2035	07/15/2026	Claims	1	11888	Comcast Business (PA)	52.04	Inv. 276909904 Acct# 963239633
2036	07/15/2026	Claims	1	11889	Coupeville Historic Waterfront Assn	4,000.00	Inv. 2%2026 2% Grant Reimbursement Musselself
2037	07/15/2026	Claims	1	11890	Eurofins Drinking Water and Wastewater W	104.00	Inv. 1100011364 Water Testing
2038	07/15/2026	Claims	1	11891	FedEx	765.21	Inv. 9-355-62077 PFAS Testing Navy Task 3 Shipping
2039	07/15/2026	Claims	1	11892	GreatAmerica Financial Services	141.83	Inv. 42413619 Konica
2040	07/15/2026	Claims	1	11893	Island County ER&R Fund	2,423.58	Inv. 26-013 Fuel for vehicles January 2026; Inv. 26-138 Fuel for vehicles for June 2026
2041	07/15/2026	Claims	1	11894	Island Senior Resources (Senior Services	3,000.00	Inv. Q2 2026 Nutrition, aging, and disability resources program
2042	07/15/2026	Claims	1	11895	Laboratory Data Consultants Inc	758.40	Inv. 67200 Navy Task 3 PFAS Chemicals
2043	07/15/2026	Claims	1	11896	Napa	210.99	Inv. 084341 V29 Wiper Blades; Inv. 084333 V55 Transmission Fluid
2044	07/15/2026	Claims	1	11897	Navia Benefit Solutions	100.00	Inv. 11099533 Monthly Minimum
2045	07/15/2026	Claims	1	11898	Prairie Center	5.38	Inv. 2000291221 Navy Task 3 Ice for PFAS Sampling
2046	07/15/2026	Claims	1	11899	Mel Rodman	400.00	Inv. 07.2026 REIMB for Rec Hall Rental Refund
2047	07/15/2026	Claims	1	11900	Sound Publishing Inc	598.43	Inv. 8198566 June Legal notices and advertising
2048	07/15/2026	Claims	1	11901	Surety Pest Control	175.32	Inv. 285898137 Pest Control Well 108; Inv. 287408090 Pest Control Well 108
2050	07/15/2026	Claims	1	11902	Town Of Coupeville	1,661.52	Pay Cycle(s) 01/20/2026 To 07/05/2026 - FSA Medical
2051	07/15/2026	Claims	1	11903	USA Blue Book	741.02	INV01088942 Sewer upgrade supplies

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2052	07/15/2026	Claims	1	11904	Utilities Underground Location Center	38.64	Inv. 6060760 Excavation Notifications for June
2053	07/15/2026	Claims	1	11905	WA ST Department of Ecology Water	1,102.22	Inv. LAU-WA-W711-26 WWTP Laboratory Accreditation
2054	07/15/2026	Claims	1	11906	WA ST Treasurer's Office	1,283.57	Inv. Q2 2026 District Court Remittance to State
2055	07/15/2026	Claims	1	11908	Thompson, Guildner & Associates Inc. P.S	1,959.51	Inv. 5298 Legal Services
2176	07/31/2026	Claims	1	11909	Blue Coast Engineering LLC	3,454.50	Inv. 1638 GSI Mapping
2177	07/31/2026	Claims	1	11910	Builders Alliance	197.41	Inv. 1470814 Plywood for town park stage floor
2178	07/31/2026	Claims	1	11911	Seth Campbell	23.65	Inv. REIMB 07.2027 Boots-Campbell
2179	07/31/2026	Claims	1	11912	Captain Clean Pro Wash	435.20	Inv. 5113 Window cleaning outside for Town Hall and Rec Hall
2180	07/31/2026	Claims	1	11913	Coupeville Chamber of Commerce	4,705.20	Inv. 06.2026 2% Reimbursement
2181	07/31/2026	Claims	1	11914	Eurofins Drinking Water and Wastewater W	1,403.40	Inv. 1100012475 Sewer testing; Inv. 1100012196 Sewer testing; Inv. 1100012195 Water testing
2182	07/31/2026	Claims	1	11915	Facet	11,885.25	Inv. 0074738 On Call Plan Review/Records Request; Inv. 0074514 Navy Task 3 PFAS Sampling; Inv. 0074535 Navy Task 4 PFAS Treatment; Inv. 0074593 6th Street Waterline; Inv. 0074470 Sarkisian Consolidati
2183	07/31/2026	Claims	1	11916	Island County Prosecuting Attorney	8,521.30	Inv. Q2-2026 Interlocal Agreement for Misdemeanor Prosecution Services
2184	07/31/2026	Claims	1	11917	Island County Solid Waste	1,704.50	Inv. 12057 Biosolid Disposal
2185	07/31/2026	Claims	1	11918	Laboratory Data Consultants Inc	3,539.20	Inv. 67303 PFAS Testing
2186	07/31/2026	Claims	1	11919	NCL Of Wisconsin, Inc.	216.04	Inv. 538197 Sewer Testing supplies
2187	07/31/2026	Claims	1	11920	O'Reilly Auto Parts	189.63	Inv. 2532-160872 V55
2188	07/31/2026	Claims	1	11921	Oak Harbor Ace Hardware	332.61	Inv. 377261 Shop Supplies
2189	07/31/2026	Claims	1	11922	Owen Equipment	818.32	Inv. 00124029 V55 Solenoid Valve
2190	07/31/2026	Claims	1	11923	Josh R Pitts	608.23	Inv. REIMB 07.2026- AWC Planning Director Confrence Registration- Pitts
2191	07/31/2026	Claims	1	11924	Anthony P Richter	375.00	REIMB 07.2026- Work Clothes and Boots- Richter; Inv. 461Y1796 Wastewater Operator Certification Application Fee.
2192	07/31/2026	Claims	1	11925	SGS North America Inc	6,960.00	Inv. 52130226858 Navy Task3 PFAS Analysis
2193	07/31/2026	Claims	1	11926	Secur-Serv	7,188.74	Inv. 80155685 Managed Services Agreement All Sites
2194	07/31/2026	Claims	1	11927	St. Mary's Catholic Church	750.00	Inv. 08.2026 Rent Firehouse
2195	07/31/2026	Claims	1	11928	Tjoelker Enterprises, Inc.	1,826.00	Inv. 1664 Biosolids Removal
2196	07/31/2026	Claims	1	11929	Town Of Coupeville	70.00	Inv. 3106 Q2.2026 Fire Inspection for Public Works Shop
2197	07/31/2026	Claims	1	11930	Tuff Cleaning	950.00	Inv. June 2026 Cleaning Services
2198	07/31/2026	Claims	1	11931	Vac-Tank Western Services	3,082.50	Inv. 2706 Biosolid Disposal
2199	07/31/2026	Claims	1	11932	WA ST Employment Sec Dept	2,072.18	Inv. Q2.2026 Tamura- UI Claim
2200	07/31/2026	Claims	1	11933	Wilson Engineering	4,908.00	Inv. 20779 On-Call Services

CHECK REGISTER

Town of Coupeville

Time: 10:37:50 Date: 08/04/2026

07/01/2026 To: 07/31/2026

Page: 3

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
		001 General Fund				31,546.47	
		101 Street Fund				6,233.29	
		104 Hotel/motel Tax Fund				8,705.20	
		410 Water Utility				167,294.04	
		420 Utilities Sewer				24,105.44	
		430 Storm Water Utility				3,220.34	
		632 Custodial Report on Fund				1,537.84	
							Claims:
							242,642.62
		* Transaction Has Mixed Revenue And Expense Accounts				242,642.62	



TOWN OF COUPEVILLE

MEMORANDUM

Meeting Date: August 11, 2026
To: Mayor Hughes & Members of Town Council
From: Josh Pitts, Community Planning Director
Subject: August Monthly Report

JULY & AUGUST ACTIVITIES

Community Planning

Planning and building activity remained steady over the past month as staff assisted applicants, residents, contractors, business owners, and new property owners with a variety of land use and permitting matters. Staff reviewed development proposals, responded to zoning and code interpretation questions, and met with prospective developers and recent property purchasers to discuss zoning regulations, allowable land uses, development standards, and permitting requirements, helping applicants understand development opportunities and constraints early in the process.

Building services continued to focus on permit review, inspections, and code compliance, with the Building Official coordinating with property owners and contractors on active construction projects, building additions, and permit requirements, including verification that required roofing permits were obtained before work commenced. While construction activity remains moderate, the recent increase in development inquiries and pre-application discussions indicates continued investment in the community and suggests additional permit activity may occur in the coming months.

Critical Area Ordinance

Staff is continuing work on the periodic update of the Town's Critical Areas Ordinance ([CTC 16.34](#)), which is required under [RCW 36.70A.060](#) as part of the Comprehensive Plan update process. Jurisdictions have an additional 12-month extension to complete these updates. Incorporating best available science, the ordinance establishes regulations to protect wetlands, critical aquifer recharge areas, fish and wildlife habitat conservation areas, frequently flooded areas, and geologically hazardous areas using the best available science. Staff has been coordinating with the Washington State Department of Ecology, Washington Department of Fish and Wildlife, and other agencies and stakeholders to ensure the updated regulations remain consistent with state requirements and current scientific guidance. Staff anticipates presenting the draft ordinance to the Planning Commission and Town Council for review in September, with adoption anticipated in October.

2027 Work Plan

Staff is preparing a 2027 Planning Work Plan to establish and prioritize planning projects for the upcoming year. The Work Plan will provide a structured framework for allocating staff resources and advancing projects consistent with Town Council goals, Planning Commission priorities, identified community needs, and available staff capacity. While the Work Plan will remain flexible to address emerging issues and legislative requirements, it is intended to provide clear direction for the year's work and reduce the need for unplanned, ad hoc projects.

The Work Plan may include legislative code amendments (sign code, subdivision code, and Ebey's code), mapping projects (identification of future trails and green spaces), policy updates, and/or planning studies. Staff is currently developing a draft list of projects based on previously identified initiatives, community-identified needs, state legislative requirements, and priorities established by the Planning Commission and Town Council.

Staff anticipates presenting the draft 2027 Planning Work Plan to the Planning Commission and Town Council for discussion and refinement in September, with final adoption by the Town Council anticipated in October.



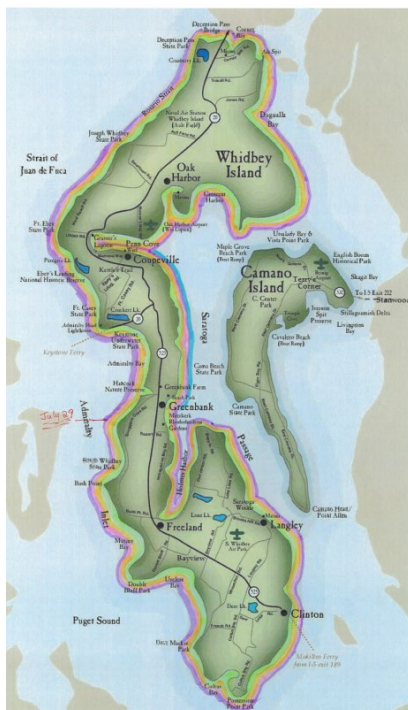
DEPARTMENT REPORT

DATE: August 2026
TO: Mayor Hughes and Town Council
FROM: Clerk Treasurer Corine Jackson
RE: July 2026 Finance Department Updates

Annual Budget – The process has begun! I’m reviewing and updating year-end projections based on current year-to-date numbers and getting budget sheets ready for the 2027 budget workshops. I’m excited to get going!

July Safety Meeting – At the end of July, the team gathered for our monthly safety meeting. This month’s topic was a discussion on anti-discrimination and anti-harassment. We were very pleased to welcome an attorney from Summit Law Group who presented an interactive 90-minute Zoom meeting to all staff regarding both State and Federal anti-discrimination/harassment laws, as well as our Town-specific anti-harassment and anti-discrimination policies. Safe to say we learned a lot!

This training opportunity was made possible by a grant from the Washington Cities Insurance Authority which will reimburse the Town in full for costs associated with providing the training.



Wellness Challenge – Our wellness challenge was “Just Move July” sponsored by AWC. The goal was simply to engage in any activity during July and log it as ‘steps’ in the AWC app. AWC provided several small prizes from REI as weekly prize drawings for random participants.

“Just Move July” also feeds into a much larger all-summer “Walk Around Whidbey” challenge. The goal is to walk the perimeter of Whidbey Island (~150 miles) at least five times during July and August.

If we make our initial goal of 750 miles, we’ll celebrate with an end of summer Ice Cream Sundae Party provided by the Wellness Committee.

As of July 29th we’re over halfway there with a total of 485 miles and five weeks left to go!!

STAFF REPORT

DATE: August 6, 2026

TO: Mayor Molly Hughes and Members of the Town Council

FROM: Joseph Grogan, Public Works Director

RE: Public Works Summary Report

In parks: The crew have finished rebuilding the log cover in town park along with the painting and cleaning.

In sewer: The next phase of the telemetry project will be installing variable frequency drives to help control nutrients at the wastewater treatment plant. During this phase we will also be upgrading the Motor Control Center. The new Motor Control Center is scheduled to be installed in mid-August.

In Streets: The Engineers have drafted a speed calming strategy for Terry Rd. Broadway and Parker Rd. I am reviewing the draft report.

In Water: With the dry summer weather upon us the crew is finding water leaks they repaired 2 service lines water leaks last month within the right of way.

The water treatment plant treated just over 9,500,000 gallons in July. This is the average for July just over 9,800,000 gallons.

The wastewater treatment plant treated 3.38 million gallons in July, the 24-hour flows were low for this time of year, from a high of 129,000 gallons to a low of 102,000.





STAFF REPORT

Date: August 2, 2026

To: Mayor Hughes and Town Council

From: Marshal Miller

Re: Month of July 2026

Town Calls For Service

In June, there were 91 calls for service; led by 11 (911) Hang Ups, 9 Public Assistance complaints, and 8 Motor Vehicle Accidents and 8 Traffic Complaints. There were 7 Trespassing complaints and 7 requests for welfare checks. 5 Motor vehicle accidents were car vs car in parking lots (3) or on the road, and 3 were car vs deer. Of the 7 trespass complaints, 3 were at WHMC, 3 were at businesses, and 1 was from private property.

Other Crimes

Trespassing (1) – 1 person was arrested for trespassing at WHMC.

Burglary (2) – 1 Reported as a Welfare Check, 1 person was arrested for burglary and other crimes associated with the incident at the CHS Bus Barn. A second burglary reported as a theft involving a garden shed is still under investigation.

Assault (1) – Charges have been referred to the Prosecutor's Office.

Traffic

We issued 2 traffic infractions, 4 parking tickets, and 31 written warnings for speeding or other minor violations.

Events

Fireworks in Coupeville were significantly calmer this year than in past years. Both Deputy Reed and I worked until 11 PM and responded to approximately 10 areas as fireworks were being used to check what was being used and educate citizens on current code. An investigation is ongoing by the fire department related to a suspected fireworks caused fire on NE Front St that was quickly knocked down by Central Whidbey Island Fire.

Planning for the August Arts and Crafts Fair is complete and we're looking forward to having a good turn out and good weather this year.



ISLAND COMMUNICATIONS CALLS FOR SERVICE

2026

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
911 Hang Up	6	8	5	5	6	7	11						48
Alarm Comm / Resid	3	6	5	6	10	3	6						39
Animal Complaint	8	7	5	4	13	11	4						52
Assault	1	1			3	1	2						8
Assist Agency	3	1	2	2	1								9
Assist Public	14	11	20	7	16	14	9						91
Burglary Comm / Resid	1			1		1							3
Civil / Verbal Dispute	1	1			5	2	3						12
Court Order Viol	1			1	2	1	1						6
Death Investigation													0
Disorderly Conduct	5	1	9	11	1	4	3						34
Domestic Violence	1	1		1	2	2	1						8
Fire / Medical Call	1	2		1	2		2						8
Fraud / Forgery	4	3	2	1	3		4						17
Harassment	3		4	2	1	1							11
Juvenile Complaints	2		3		2		1						8
Malicious Mischief	1		1	1									3
Marine Incident							1						1
Mental	1	4	3	2	3	2							15
Missing Person	1		1	3	1								6
MVA -Vehicle Accident	3	3		2	5	2	8						23
Noise		1	1	2		1	2						7
Nuisance					2								2
Property	1		6	3		3							13
Prowler													0
Sex Crime	2	2		3	2	6							15
Suicide Threat	1	3		3									7
Suspicious Activity	7	6	3	3	4	5	2						30
Theft		2	5	2	3	1	4						17
Threats	1		2		1		1						5
Traffic Complaint	8	10	11	14	11	7	8						69
Trespassing	4	1	8	4	3	6	7						33
Unsecure Premise			1										1
Vehicle Prowl		3	3		1		1						8
Vehicle Theft/TMVWOP													0
Vice - Alcohol	1				1	1							3
VUSCA - Drugs	1	1	1		2	1	1						7
Wanted Person					1	2							3
Weapons Violation	3		1	1	1								6
Welfare Check	10	7	12	11	7	8	7						62
Misc / Other Calls	3	3	3	3	5	1	2						20
Total Town calls	102	88	117	99	120	93	91	0	0	0	0	0	710
CPD in Town	59	53	60	55	64	49	58						398
ICSO in Town	43	35	57	44	56	44	33						312
CPD in County	16	17	20	15	13	20	16						117
Traffic Stops	34	14	45	54	15	45	35						242

2025

[illegible]

TOWN OF COUPEVILLE

From the Desk of Mayor Molly Hughes

MEMORANDUM

August 6, 2026

TO: Town Council

RE: Lodging 2% Grant Program

Council,

A brief summary of the 2% Lodging Tax Program:

- The town collects a special tax on all lodging revenue. This money is to be used to promote tourism, especially tourism that increases overnight stays and shoulder season events. It is also called the 'heads in beds' tax.
- Originally, this was a 2% tax and the town used it to fund the tourism grants you administer and are familiar with; Chamber, Mussel Fest, Water Festival, Museum, Reserve, etc.
- A second 2% lodging tax was started to fund tourism on a county level, for marketing the entire county would benefit from, off-island advertising, things the Town could not afford with our original 2% tax. This money has been administered by the Island County Tourism Committee and they have done a very good job of marketing our county for many years.

The Town, and all the partners of the Island County Tourism Program, changed our interlocal agreement in 2026. We will no longer be contributing 100% of the second 2% money to the County tourism effort as we have since its inception. We will only be contributing 25%. This will give the Town additional funds to spend on tourism.

I have attached a funding history for these funds. Based on this history, the Council will have approximately an additional \$28,125 to spend on tourism this year. (\$37,500 x 75%). We carry around \$7,000 over from year to year for tourism opportunities the Council may want to spend it on.

You have many options for this additional money:

- Use the extra money to increase the amount given out in tourism grants.
- Use the money for new events only, prioritizing the shoulder season.
- Use the extra money to fund our Chamber as the main tourism organization for our Town and Central Whidbey.
- Use the money to increase the rolling balance for a bigger program.
- Any combination of these options.

I'm bringing this for discussion now because our 2% grant applications are open in September, and it is nice, but not required, to be able to say how much funding we have available. The Council will need to know how much to award in October.

RCW 67.28.1816

Lodging tax—Tourism promotion.

(1) Lodging tax revenues under this chapter may be used, directly by any municipality or indirectly through a convention and visitors bureau or destination marketing organization for:

(a) Tourism marketing;

(b) The marketing and operations of special events and festivals designed to attract tourists;

(c) Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters [35.57](#) and [36.100](#) RCW; or

(d) Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations described under 26 U.S.C. Sec. 501(c)(3) and 26 U.S.C. Sec. 501(c)(6) of the internal revenue code of 1986, as amended.

(2)(a) Except as provided in (b) of this subsection, applicants applying for use of revenues in this chapter must provide the municipality to which they are applying estimates of how many moneys received will result in increases in the number of people traveling for business or pleasure on a trip:

(i) Away from their place of residence or business and staying overnight in paid accommodations;

(ii) To a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or

(iii) From another country or state outside of their place of residence or their business.

(b)(i) In a municipality with a population of five thousand or more, applicants applying for use of revenues in this chapter must submit their applications and estimates described under (a) of this subsection to the local lodging tax advisory committee.

(ii) The local lodging tax advisory committee must select the candidates from amongst the applicants applying for use of revenues in this chapter and provide a list of such candidates and recommended amounts of funding to the municipality for final determination. The municipality may choose only recipients from the list of candidates and recommended amounts provided by the local lodging tax advisory committee.

(c)(i) All recipients must submit a report to the municipality describing the actual number of people traveling for business or pleasure on a trip:

(A) Away from their place of residence or business and staying overnight in paid accommodations;

(B) To a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or

(C) From another country or state outside of their place of residence or their business. A municipality receiving a report must: Make such report available to the local legislative body and the public; and furnish copies of the report to the joint legislative audit and review committee and members of the local lodging tax advisory committee.

(ii) The joint legislative audit and review committee must on a biennial basis report to the economic development committees of the legislature on the use of lodging tax revenues by municipalities. Reporting under this subsection must begin in calendar year 2015.

(d) This section does not apply to the revenues of any lodging tax authorized under this chapter imposed by a county with a population of one million five hundred thousand or more.

2% Lodging Tax Revenue and Expense History

	<u>Revenue</u>	<u>Expenses</u>
<u>2023</u>		
1 st 2%	\$34,219	\$49,000
2 nd 2%	34,738	59,750
Total	\$68,957	\$108,750
 <u>2024</u>		
1 st 2%	\$44,546	\$54,227
2 nd 2%	44,027	30,059
Total	\$88,572	\$84,286
 <u>2025</u>		
1 st 2%	\$43,731	\$40,500
2 nd 2%	45,254	43,882
Total	\$88,984	\$84,382
 <u>2026 Through July</u>		
1 st 2%	\$18,533 (49%)	\$12,522
2 nd 2%	17,688 (47%)	15,394
Total	\$36,221 (48%)	\$27,916
 <u>2026 Budget</u>		
1 st 2%	\$37,500	
2 nd 2%	37,500	
Total	\$75,000	

Revenues are at 48% of budget through July. August, September, and October are big lodging months. I believe we will hit our revenue projections for 2026.