

# **Gig Harbor City Council Meeting**

**September 10, 2012  
5:30 p.m.**



**AGENDA FOR  
GIG HARBOR CITY COUNCIL MEETING  
Monday, September 10, 2012 – 5:30 p.m.**

**CALL TO ORDER:**

**PLEDGE OF ALLEGIANCE:**

**CONSENT AGENDA:**

1. Approval of City Council Minutes Aug 6, 2012.
2. Receive and File: a) Second Quarter Finance Report; b) Planning and Building Committee Minutes June 4, 2012; c) Planning Commission Minutes May 3, 2012; May 17, 2012; and June 7, 2012; d) Downtown Planning and Vision Committee Minutes: April 25, 2012; June 12, 2012; and July 25, 2012; e) Operations & Public Projects Minutes: March 14 and July 19, 2012;
3. Liquor License Action: a) Assumption - Blue Cannon Pizza;
4. Resolution No. 909 - Sole Source Equipment Jerisich Pumpout.
5. Resolution No. 910 – Surplus Equipment.
6. Resolution No. 911 – Fee Schedule Update Adjustment for 2012.
7. Acceptance of Quit Claim Deed – Old Burnham Drive Properties.
8. East Tank Fencing / Tennis Court Fencing – Contract Authorization.
9. Cushman Trail Project Phase 3 and 4 – Direct-Appropriations Grant Contract.
10. Eddon Boat Park Beach Restoration Project – Escrow Agreement for Retainage.
11. Eddon Boat Park Project – Amendment to Design Contract.
12. Eddon Boat Park Project – Surveying Contract.
13. Wastewater Treatment Plant Expansion Phase 2 – Public Works Trust Fund Loan Agreement.
14. Approval of Payment of Bills Aug. 13, 2012: Checks #70260 through #70401 in the amount of \$1,957,929.48.
15. Approval of Payment of Bills Aug. 27, 2012: Checks #70402 through #70506 in the amount of \$2,073,367.47.
16. Approval of Payment of Bills Sep. 10, 2012: Checks #70507 through #70590 in the amount of \$1,083,452.40.
17. Approval of Payroll for the month of July: Checks #6534 through #6737 and direct deposits in the amount of \$334,086.15.
18. Approval of Payroll for the month of August: Checks #6738 through #6756 and direct deposits in the amount of \$329,415.00.

**OLD BUSINESS:** None scheduled.

**NEW BUSINESS:**

1. First Reading of Ordinance – Parking Penalties Update.
2. First Reading of Ordinance – Extension of Interim Regulations for Collective Gardens.
3. Public Hearing – Rush-Talmo, LLC Development Agreement Relating to Intersection Improvements at Wollochet Drive and Wagner Way.

**STAFF REPORT:**

Coastal Heritage Alliance - First Year Tenant Report for Skansie Netshed.

**PUBLIC COMMENT:**

**MAYOR’S REPORT / COUNCIL COMMENTS:**

**ANNOUNCEMENT OF OTHER MEETINGS:**

1. Inclusive Playground Site Tour City Park at Crescent Creek: Tue. Sep. 11th at 2:00 p.m.
2. Donkey Creek Groundbreaking and Appreciation: Mon. Sep 17th at 3:00 p.m.
3. Operations Committee: Thu. Sep 20th at 3:00 p.m.
4. Wilkinson Farm Greenhouse Ribbon Cutting: Fri. Sep. 21st at 3:00 p.m.
5. Maritime Pier Ribbon Cutting Ceremony: Mon. Sep. 24th at 3:30 p.m.
6. Boards and Candidate Review Committee: Mon. Sep. 24th at 4:30 p.m.

**EXECUTIVE SESSION:** For the purpose of discussing potential litigation per RCW 42.30.110(1)(i).

**ADJOURN:**

**MINUTES OF SPECIAL GIG HARBOR CITY COUNCIL MEETING – August 6, 2012**

**PRESENT:** Councilmembers Young, Guernsey, Perrow, Malich, Payne, Kadzik and Mayor Pro Tem Ekberg.

**CALL TO ORDER:** 5:30 p.m.

**PLEDGE OF ALLEGIANCE:**

**CONSENT AGENDA:**

1. Approval of City Council Minutes July 23, 2012.
2. Liquor License Action: Assumption – Forza Coffee Co.
3. Receive and File: Parks Commission Minutes – July 12, 2012.
4. Resolution 908 – Surplus Property – I.T.
5. Eddon Boat Property Beach Restoration Project – Contract Award.
6. Environmental Review for Jerisich Float Extension – Grette and Associates.
7. 2012 Advertising Services Contract.

**MOTION:** Move to adopt the Consent Agenda as presented.  
**Kadzik / Payne** – unanimously approved.

**NEW BUSINESS:**

1. Approve and Ratify the Purchase and Sale Agreement – Rainier Yacht Harbor LLC. Mayor Pro Tem Ekberg introduced the agenda item.

**MOTION:** Move to approve and ratify the Purchase and Sale Agreement between the City of Gig Harbor and Rainier Yacht Harbor LLC.  
**Kadzik / Perrow** –

Councilmember Young explained that he asked that this item be moved to New Business for process reasons: it had yet to be discussed in public, it isn't a budgeted item, and it doesn't appear on any Comprehensive Plan agenda. He said that he doesn't see it as a critical need at this time in light of other neglected infrastructure projects, and although a nice piece of property the city owns waterfront property less than a block away and at this high price he can't support the purchase. He also said that he would like to see a financing strategy for the purchase.

**RESTATED MOTION:** Move to approve and ratify the Purchase and Sale Agreement between the City of Gig Harbor and Rainier Yacht Harbor LLC.  
**Kadzik / Perrow** – five voted in favor. Councilmember Young voted no.

City Administrator Denny Richards said that he received the appraisal today, which came in at \$1.750 million; the city's offer is \$1,674.532.00.

**PUBLIC COMMENT:**

Mark Hoppen 8133 Shirley Avenue. Mr. Hoppen stated that this most favorable acquisition the city has made in the last 20 years.

Dave Morris – (no address given). Mr. Morris echoed these comments, adding that long-term it's a great opportunity to compliment the other waterfront parks, and great for the recently adopted resolution for the city to be favorable to boaters. He congratulated Council on the purchase.

**ADJOURN:**

**MOTION:** Move to adjourn at 5:34 p.m.  
**Kadzik / Malich** – unanimously approved.

CD recorder utilized: Tracks 1001

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Steven K. Ekberg, Mayor Pro Tem

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Molly Towslee, City Clerk





**To:** Mayor Hunter and City Council  
**From:** David Rodenbach, Finance Director   
**Subject:** Quarterly Finance Report  
**Date:** September 13, 2012

The 2012 second quarter financial reports are attached.

Total resources, including all revenues and beginning fund balances, are at 59 percent of the annual budget. Revenues and expenditures, excluding beginning and ending fund balances, are 40 percent and 32 percent respectively of the annual budget. This compares with 56 percent and 45 percent for the same period in 2010.

General Fund revenues (excluding beginning fund balance) are at 51 percent of budget compared with 50 percent in 2011. Sales taxes are on pace to come in on budget; however, the City will receive about five percent (\$230,000) less than the budget because \$234,000 was withheld from our distributions to pay for a refund. Through June building permit fee revenues have already exceeded budget by three percent, and the trend has continued through July.

General Fund expenditures are at 54% compared to 45 percent in 2011. All General Fund departments are tracking on budget through the end of the second quarter.

Street Capital and Street Operating Fund revenues and expenditures have no significant deviations from budget.

Water, Sewer and Storm Sewer revenues are 44, 49 and 53 percent of budget; while expenditures for these three funds are at 36, 53 and 49 percent of budget. Second quarter 2011 amounts for water, sewer and storm were 46, 50 and 57 percent for revenues and 38, 50 and 49 percent for expenditures.

At this time cash balances are adequate in all funds. Most of the City's investments are in the State Treasurer's pool.

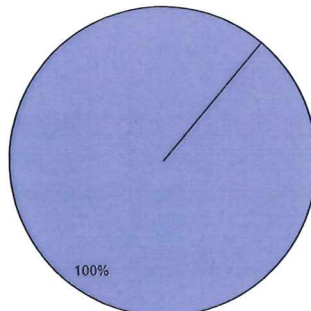
CITY OF GIG HARBOR  
CASH AND INVESTMENTS  
YEAR TO DATE ACTIVITY  
AS OF JUNE 30, 2012

FUND NO.	DESCRIPTION	BEGINNING BALANCE	REVENUES	EXPENDITURES	OTHER CHANGES	ENDING BALANCE
001	GENERAL GOVERNMENT	\$ 2,101,173	\$ 5,268,251	\$ 6,133,826	\$ (141,989)	\$ 1,093,609
101	STREET FUND	94,268	897,598	622,266	(21,188)	348,412
102	STREET CAPITAL FUND	232,111	902,948	1,034,156	332,171	433,074
105	DRUG INVESTIGATION FUND	8,468	1,208	378	-	9,299
106	DRUG INVESTIGATION FUND	32,369	21	1,758	-	30,633
107	HOTEL-MOTEL FUND	152,829	76,291	108,741	(4,580)	115,800
108	PUBLIC ART CAPITAL PROJECTS	91,930	62	-	-	91,993
109	PARK DEVELOPMENT FUND	286,766	428,664	550,544	(66,062)	98,823
110	CIVIC CENTER DEBT RESERVE	3,620,697	8,571	144,000	-	3,485,268
111	STRATEGIC RESERVE FUND	280,439	80,244	-	-	360,682
112	EQUIPMENT RESERVE FUND	50,078	50,068	-	-	100,146
113	CONTRIBUTIONS/DONATIONS	-	-	-	-	-
208	LTGO BOND REDEMPTION	51,158	750,029	792,033	-	9,154
209	2000 NOTE REDEMPTION	39,285	27	-	-	39,311
210	LID NO. 99-1 GUARANTY	95,386	65	-	-	95,451
211	UTGO BOND REDEMPTION	247,679	225,400	51,013	-	422,066
301	PROPERTY ACQUISITION FUND	157,581	78,083	-	-	235,664
305	GENERAL GOVT CAPITAL IMPR	125,556	61,987	-	-	187,543
309	IMPACT FEE TRUST	938,126	579,635	-	30,580	1,548,342
310	HOSPITAL BENEFIT ZONE	1,128,704	872,836	-	-	2,001,540
401	WATER OPERATING	65,892	667,665	583,891	(34,953)	114,714
402	SEWER OPERATING	446,609	1,787,436	1,873,959	(202,622)	157,464
403	SHORECREST RESERVE FUND	-	52,057	1,092	-	50,964
407	UTILITY RESERVE	1,348,987	4,051	145	(22)	1,352,871
408	UTILITY BOND REDEMPTION	236,725	1,184,025	1,375,261	-	45,489
410	SEWER CAPITAL CONSTRUCTION	4,431,871	463,270	306,252	(76,265)	4,512,623
411	STORM SEWER OPERATING FUND	58,080	401,182	367,097	(23,079)	69,086
412	STORM SEWER CAPITAL	726,592	520,154	224,989	(196,962)	824,795
420	WATER CAPITAL ASSETS	1,323,639	533,395	416,967	(85,013)	1,355,054
605	LIGHTHOUSE MAINTENANCE TRUST	2,111	1	-	-	2,112
631	MUNICIPAL COURT	-	65,006	52,609	-	12,398
		\$ 18,375,108	\$ 15,960,229	\$ 14,640,977	\$ (489,984)	\$ 19,204,377

COMPOSITION OF CASH AND INVESTMENTS  
AS OF June 30, 2012

	MATURITY	RATE	BALANCE
CASH ON HAND			300
CASH IN BANK			326,417
ESCROW COLUMBIA BANK - Fisherman's Pier			60,000
ESCROW COLUMBIA BANK - 56ht/Pt Fosdick			400,139
INVESTMENTS/CD COLUMBIA BANK			1,000,000
INVESTMENTS/US BANK			998,412
LOCAL GOVERNMENT INVESTMENT POOL		0.2300%	16,419,109
			<u>\$ 19,204,377</u>

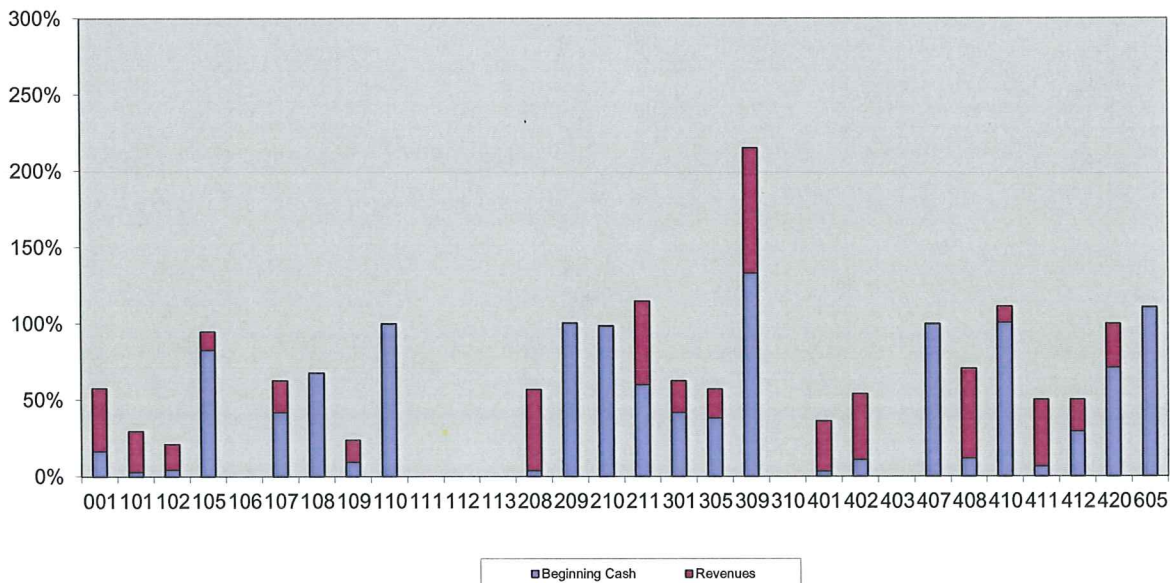
Ending Cash Balances by Fund



CITY OF GIG HARBOR  
YEAR-TO-DATE RESOURCE SUMMARY  
AND COMPARISON TO BUDGET  
AS OF JUNE 30, 2012

FUND NO.	DESCRIPTION	ESTIMATED RESOURCES	ACTUAL Y-T-D RESOURCES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT	\$ 12,813,227	\$ 7,369,424	\$ 5,443,803	58%
101	STREET FUND	3,368,923	991,867	2,377,057	29%
102	STREET CAPITAL FUND	5,464,803	1,135,059	4,329,744	21%
105	DRUG INVESTIGATION FUND	10,245	9,676	568	94%
106	DRUG INVESTIGATION FUND	32,430	32,391	39	100%
107	HOTEL-MOTEL FUND	366,205	229,120	137,085	63%
108	PUBLIC ART CAPITAL PROJECTS	136,192	91,993	44,199	68%
109	PARK DEVELOPMENT FUND	3,037,881	715,429	2,322,452	24%
110	CIVIC CENTER DEBT RESERVE	3,633,634	3,629,268	4,366	100%
111	STRATEGIC RESERVE FUND	1,008,504	360,682	647,822	36%
112	EQUIPMENT RESERVE FUND	100,190	100,146	44	100%
113	DONATIONS/CONTRIBUTIONS	-	-	-	
208	LTGO BOND REDEMPTION	1,414,641	801,186	613,454	57%
209	2000 NOTE REDEMPTION	39,270	39,311	(41)	100%
210	LID NO. 99-1 GUARANTY	97,204	95,451	1,754	98%
211	UTGO BOND REDEMPTION	413,522	473,079	(59,557)	114%
301	PROPERTY ACQUISITION FUND	378,564	235,664	142,900	62%
305	GENERAL GOVT CAPITAL IMPR	330,078	187,543	142,535	57%
309	IMPACT FEE TRUST	706,116	1,517,762	(811,646)	215%
310	HOSPITAL BENEFIT ZONE	3,000,570	2,001,540	999,030	67%
401	WATER OPERATING	2,040,765	733,558	1,307,207	36%
402	SEWER OPERATING	4,161,349	2,234,044	1,927,305	54%
403	SHORECREST RESERVE FUND	-	52,057	(52,057)	
407	UTILITY RESERVE	1,358,052	1,353,038	5,014	100%
408	UTILITY BOND REDEMPTION	2,022,800	1,420,751	602,050	70%
410	SEWER CAPITAL CONSTRUCTION	4,416,561	4,895,140	(478,579)	111%
411	STORM SEWER OPERATING FUND	917,386	459,262	458,124	50%
412	STORM SEWER CAPITAL	2,493,157	1,246,746	1,246,411	50%
420	WATER CAPITAL ASSETS	1,865,364	1,857,034	8,330	100%
605	LIGHTHOUSE MAINTENANCE TRUST	1,914	2,112	(198)	110%
631	MUNICIPAL COURT	-	65,006	(65,006)	
		<b>\$ 55,629,547</b>	<b>\$ 34,335,337</b>	<b>\$ 21,294,210</b>	<b>62%</b>

Resources as a Percentage of Annual Budget

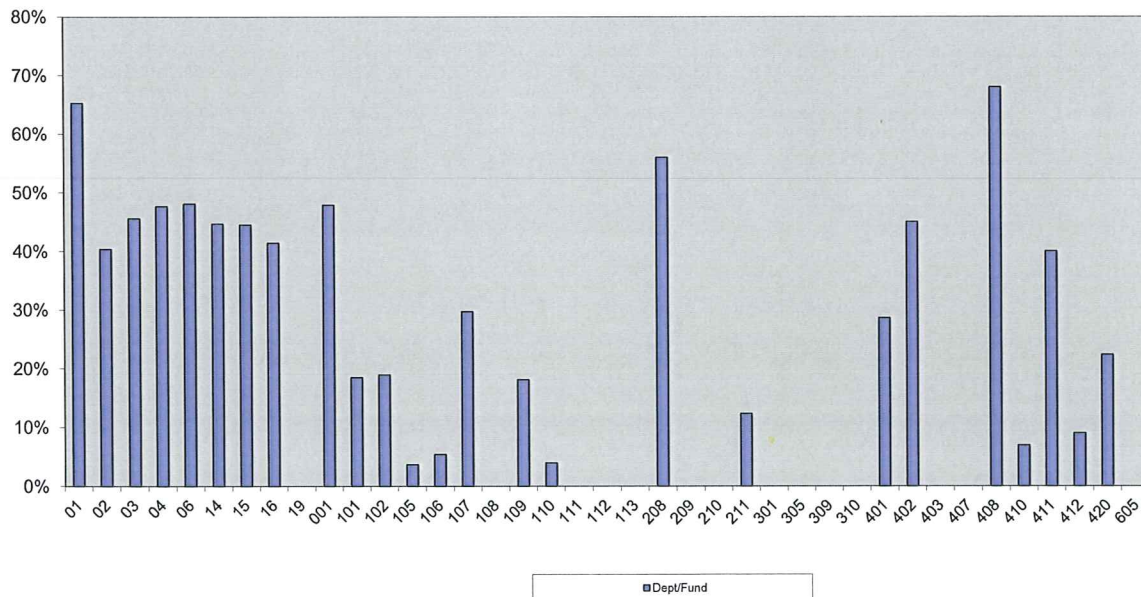




CITY OF GIG HARBOR  
YEAR-TO-DATE EXPENDITURE SUMMARY  
AND COMPARISON TO BUDGET  
FOR PERIOD ENDING JUNE 30, 2012

FUND NO.	DESCRIPTION	ESTIMATED EXPENDITURES	ACTUAL Y-T-D EXPENDITURES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT				
01	NON-DEPARTMENTAL	\$ 4,375,955	\$ 2,856,315	\$ 1,519,640	65%
02	LEGISLATIVE	29,950	12,091	17,859	40%
03	MUNICIPAL COURT	352,900	160,856	192,044	46%
04	ADMINISTRATIVE/FINANCIAL	1,459,150	695,943	763,207	48%
06	POLICE	2,863,560	1,377,650	1,485,910	48%
14	COMMUNITY DEVELOPMENT	1,322,160	590,789	731,371	45%
15	PARKS AND RECREATION	749,460	333,650	415,810	45%
16	BUILDING	257,100	106,534	150,567	41%
19	ENDING FUND BALANCE	1,402,994	-	1,402,994	
001	TOTAL GENERAL FUND	12,813,229	6,133,826	6,679,403	48%
101	STREET FUND	3,368,923	622,266	2,746,657	18%
102	STREET CAPITAL FUND	5,464,803	1,034,156	4,430,648	19%
105	DRUG INVESTIGATION FUND	10,245	378	9,867	4%
106	DRUG INVESTIGATION FUND	32,430	1,758	30,672	5%
107	HOTEL-MOTEL FUND	366,205	108,741	257,465	30%
108	PUBLIC ART CAPITAL PROJECTS	136,192	-	136,192	
109	PARK DEVELOPMENT FUND	3,037,881	550,544	2,487,337	18%
110	CIVIC CENTER DEBT RESERVE	3,633,634	144,000	3,489,634	4%
111	STRATEGIC RESERVE FUND	1,008,504	-	1,008,504	
112	EQUIPMENT RESERVE FUND	100,190	-	100,190	
113	DONATIONS/CONTRIBUTIONS	-	-	-	
208	LTGO BOND REDEMPTION	1,414,641	792,033	622,608	56%
209	2000 NOTE REDEMPTION	39,270	-	39,270	
210	LID NO. 99-1 GUARANTY	97,204	-	97,204	
211	UTGO BOND REDEMPTION	413,522	51,013	362,509	12%
301	PROPERTY ACQUISITION FUND	378,564	-	378,564	
305	GENERAL GOVT CAPITAL IMPR	330,078	-	330,078	
309	IMPACT FEE TRUST	706,116	-	706,116	
310	HOSPITAL BENEFIT ZONE	3,000,570	-	-	
401	WATER OPERATING	2,040,763	583,891	1,456,872	29%
402	SEWER OPERATING	4,161,349	1,873,959	2,287,390	45%
403	SHORECREST RESERVE FUND	-	1,092	-	
407	UTILITY RESERVE	1,358,052	145	1,357,907	
408	UTILITY BOND REDEMPTION	2,022,800	1,375,261	647,539	68%
410	SEWER CAPITAL CONSTRUCTION	4,416,561	306,252	4,110,309	7%
411	STORM SEWER OPERATING FUND	917,386	367,097	550,290	40%
412	STORM SEWER CAPITAL	2,493,157	224,989	2,268,168	9%
420	WATER CAPITAL ASSETS	1,865,364	416,967	1,448,397	22%
605	LIGHTHOUSE MAINTENANCE TRUST	1,914	-	1,914	
631	MUNICIPAL COURT	-	52,609	(52,609)	
		\$ 55,629,547	\$ 14,640,977	\$ 37,989,093	26%

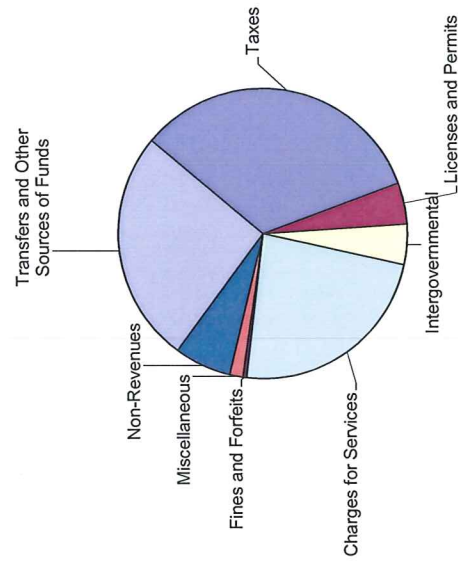
Expenditures as a Percentage of Annual Budget



CITY OF GIG HARBOR  
YEAR-TO-DATE REVENUE SUMMARY  
BY TYPE  
FOR PERIOD ENDING JUNE 30, 2012

TYPE OF REVENUE	AMOUNT
Taxes	\$ 5,301,054
Licenses and Permits	736,437
Intergovernmental	717,910
Charges for Services	3,741,865
Fines and Forfeits	67,412
Miscellaneous	230,033
Non-Revenues	1,017,262
Transfers and Other Sources of Funds	4,148,256
Total Revenues	15,960,229
Beginning Cash Balance	18,375,108
Total Resources	\$ 34,335,337

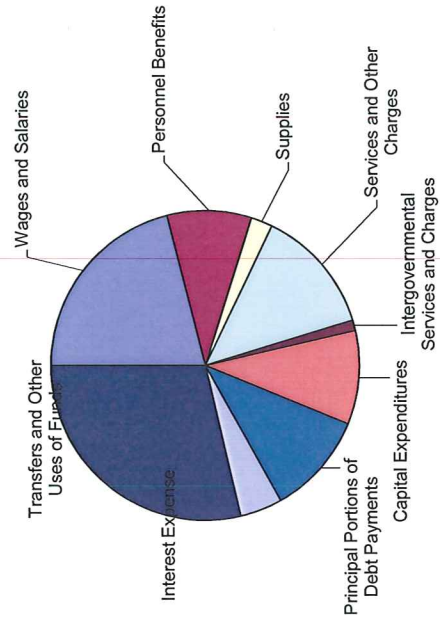
Revenues by Type - All Funds



CITY OF GIG HARBOR  
YEAR-TO-DATE EXPENDITURE SUMMARY  
BY TYPE  
FOR PERIOD ENDING JUNE 30, 2012

TYPE OF EXPENDITURE	AMOUNT
Wages and Salaries	\$ 3,076,644
Personnel Benefits	1,292,994
Supplies	335,179
Services and Other Charges	1,926,449
Intergovernmental Services and Charges	158,626
Capital Expenditures	1,433,754
Principal Portions of Debt Payments	1,566,818
Interest Expense	651,489
Transfers and Other Uses of Funds	4,199,022
Total Expenditures	14,640,976
Ending Cash Balance	19,204,377
Total Uses	\$ 33,845,353

Expenditures by Type - All Funds



CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2012

	SPECIAL REVENUE FUNDS										
	101	102	105	106	107	108	109	110	111	112	
001 GENERAL GOVERNMENT	STREET	ST CAP	DRUG INVESTIGTN	DRUG INVESTIGTN	HOTEL - MOTEL	PUBLIC ART PROJECTS	PARK DVLP FUND	CIVIC CTR DEBT RSRV	STRATEGIC RESERVE	EQUIPMENT RESERVE	
\$	21,285	6,766	\$ 400,779	\$ 181	595	\$ 2,249	\$ 1,786	\$ 60,754	\$ 48,260	\$ 7,004	\$ 1,945
INVESTMENTS	1,072,325	341,647	32,295	9,118	30,038	113,551	90,206	38,069	3,437,008	353,679	98,201
RECEIVABLES	1,261,135	3,949	55,690	-	-	26,536	-	-	4,404	-	-
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	2,354,744	352,361	488,764	9,299	30,633	142,336	91,993	98,823	3,489,672	360,682	100,146
LIABILITIES											
CURRENT	47,501	3,750	6,868	-	-	-	-	10,908	-	-	-
LONG TERM	49,364	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	96,865	3,750	6,868	-	-	-	-	10,908	-	-	-
FUND BALANCE:											
BEGINNING OF YEAR	3,123,455	73,279	613,103	8,468	32,369	174,785	91,930	209,796	3,625,101	280,439	50,078
Y-T-D REVENUES	5,268,251	897,598	902,948	1,208	21	76,291	62	428,664	8,571	80,244	50,068
Y-T-D EXPENDITURES	(6,133,826)	(622,266)	(1,034,156)	(378)	(1,758)	(108,741)	-	(550,544)	(144,000)	-	-
ENDING FUND BALANCE	2,257,880	348,611	481,895	9,299	30,633	142,336	91,993	87,915	3,489,672	360,682	100,146
TOTAL LIAB. & FUND BAL.	2,354,744	352,361	488,764	9,299	30,633	142,336	91,993	98,823	3,489,672	360,682	100,146

CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2012

	SPECIAL REVENUE FUNDS						TOTAL SPECIAL REVENUE
	301	305	309	310	605	631	
	PROPERTY ACQUISITION	GEN GOVT CAPITAL	IMPACT TRUST	HOSPITAL BENEFIT	LIGHTHOUSE MAINT	MUNICIPAL COURT	
ASSETS							
CASH	\$ 4,576	\$ 3,642	\$ 30,066	\$ 38,866	\$ 41		\$ 607,508
INVESTMENTS	231,088	183,901	1,518,276	1,962,674	2,071		8,441,823
RECEIVABLES	-	-	-	-	-	-	90,579
FIXED ASSETS	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-
TOTAL ASSETS	235,664	187,543	1,548,342	2,001,540	2,112	-	9,139,909
LIABILITIES							
CURRENT	-	1,633	63,940	-	-	-	87,100
LONG TERM	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	1,633	63,940	-	-	-	87,100
FUND BALANCE:							
BEGINNING OF YEAR	157,581	123,922	904,766	1,128,704	2,111	-	7,476,432
Y-T-D REVENUES	78,083	61,987	579,635	872,836	1	52,609	4,090,828
Y-T-D EXPENDITURES	-	-	-	-	-	(52,609)	(2,514,451)
ENDING FUND BALANCE	235,664	185,910	1,484,402	2,001,540	2,112	-	9,052,810
TOTAL LIAB. & FUND BAL.	\$ 235,664	\$ 187,543	\$ 1,548,342	\$ 2,001,540	\$ 2,112	\$ -	\$ 9,139,909

CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2011

	208	209	210	211	TOTAL
	LTGO BOND REDEMPTION ****	2000 NOTE REDEMPTION****	LID 99-1 GUARANTY	UTGO BOND REDEMPTION****	DEBT SERVICE
<b>ASSETS</b>					
CASH	\$ 178	\$ 763	\$ 1,853	\$ 8,196	\$ 10,990
INVESTMENTS	8,976	38,548	93,597	413,870	554,991
RECEIVABLES	-	-	-	14,366	14,366
FIXED ASSETS	-	-	-	-	-
OTHER	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>9,154</b>	<b>39,311</b>	<b>95,451</b>	<b>436,432</b>	<b>580,347</b>
<b>LIABILITIES</b>					
CURRENT	-	-	-	-	-
LONG TERM	-	-	-	9,985	9,985
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,985</b>	<b>9,985</b>
<b>FUND BALANCE:</b>					
BEGINNING OF YEAR	51,158	39,285	95,386	252,060	437,888
Y-T-D REVENUES	750,029	27	65	225,400	975,520
Y-T-D EXPENDITURES	(792,033)	-	-	(51,013)	(843,046)
<b>ENDING FUND BALANCE</b>	<b>9,154</b>	<b>39,311</b>	<b>95,451</b>	<b>426,447</b>	<b>570,362</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$ 9,154</b>	<b>\$ 39,311</b>	<b>\$ 95,451</b>	<b>\$ 436,432</b>	<b>\$ 580,347</b>



**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2012**

	PROPRIETARY										TOTAL WATER CAP. ASSETS	TOTAL SEWER CAPITAL	TOTAL STORM SEWER OPERATING	TOTAL PROPRIETARY	TOTAL	
	401	402	403	407	408	410	411	412	420	420						
<b>ASSETS</b>																
WATER OPERATING	1,917	2,467	939	6,883	883	87,627	1,202	16,016	26,313							
INVESTMENTS	112,797	154,996	47,441	1,345,988	44,606	4,424,996	67,884	808,776	1,328,741							
RECEIVABLES	329,906	535,533	2,584	-	54,682	5,490	206,229	-	-							
FIXED ASSETS	6,367,578	34,738,824	-	-	-	336,148	338,578	666,127	775,769							
OTHER	-	-	-	-	160,222	-	-	-	-							
<b>TOTAL ASSETS</b>	<b>6,812,198</b>	<b>35,431,821</b>	<b>50,964</b>	<b>1,352,871</b>	<b>260,393</b>	<b>4,854,261</b>	<b>613,892</b>	<b>1,490,919</b>	<b>2,130,823</b>							
<b>LIABILITIES</b>																
CURRENT	127,804	25	-	-	1,385,314	4,000	29	-	9							
LONG TERM	46,061	71,287	-	-	22,679,082	-	42,086	-	-							
<b>TOTAL LIABILITIES</b>	<b>173,865</b>	<b>71,287</b>	<b>-</b>	<b>-</b>	<b>24,064,397</b>	<b>4,000</b>	<b>42,115</b>	<b>-</b>	<b>9</b>							
<b>FUND BALANCE:</b>																
BEGINNING OF YEAR	6,554,558	35,447,058	-	1,348,965	(23,612,767)	4,693,243	537,692	1,195,755	2,014,385							
Y-T-D REVENUES	667,665	1,787,436	52,057	4,051	1,184,025	463,270	401,182	520,154	533,395							
Y-T-D EXPENDITURES	(583,891)	(1,873,959)	(1,092)	(145)	(1,375,261)	(306,252)	(367,097)	(224,989)	(416,967)							
<b>ENDING FUND BALANCE</b>	<b>6,638,333</b>	<b>35,360,534</b>	<b>50,965</b>	<b>1,352,871</b>	<b>(23,804,004)</b>	<b>4,850,261</b>	<b>571,777</b>	<b>1,490,919</b>	<b>2,130,813</b>							
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$ 6,812,198</b>	<b>\$ 35,431,821</b>	<b>\$ 50,965</b>	<b>\$ 1,352,871</b>	<b>\$ 260,393</b>	<b>\$ 4,854,261</b>	<b>\$ 613,892</b>	<b>\$ 1,490,919</b>	<b>\$ 2,130,823</b>	<b>\$</b>	<b>\$ 52,998,143</b>	<b>\$</b>	<b>\$ 52,998,143</b>	<b>\$</b>	<b>65,073,144</b>	<b>\$ 65,073,144</b>



**CITY OF GIG HARBOR  
PLANNING AND BUILDING  
COMMITTEE MEETING - MINUTES**

**DATE of MEETING:** June 4, 2012  
**TIME:** 5:15 pm  
**LOCATION:** Planning/Building Conference Room  
**MEMBERS PRESENT:** Councilmembers Guernsey, Kadzik and Young  
**STAFF PRESENT:** Planning Director Tom Dolan and Senior Planner Jennifer Kester  
**OTHERS PRESENT:** Kathy Glaser and Bill Lucason

**1. ELECTION OF CHAIR**

DISCUSSION POINTS

Jill Guernsey nominated Paul Kadzik and Mr. Kadzik accepted the nomination.

RECOMMENDATION / ACTION / FOLLOW-UP.

Paul Kadzik was elected Chair.

**2. HOME OCCUPATIONS**

DISCUSSION POINTS

Ms. Glaser stated that she was hoping the city could look at something that would allow people to have a dual purpose property since so many homeowners are under water in this economy. She distributed pictures of the properties and noted that many of the homes are rather sad. Mr. Kadzik stated that he was on the Planning Commission when the Uddenberg building was rezoned. He noted that at the time it was very controversial but that ultimately it was decided that on a busy corner property it was unlikely anyone would build a home. He felt that the Council had wanted the rest of Grandview to remain residential. Ms. Kester went over the transitional use section of the code; however, she noted that the lot is not large enough. Ms. Guernsey stated that she had heard the council say that they really wanted the neighborhood along Grandview to remain residential. Mr. Lucason brought up the issue of signage and Mr. Dolan pointed out that you still have to live in the residence or it is not a home occupation. Mr. Young noted that he had thought about whether there could be some kind of a conditional use or

transitional use and that he had looked at codes in other cities. He stated that the problem is always about parking and traffic. Ms. Guernsey stated that you would still have to change the Comprehensive Plan designation. Ms. Glaser stated that she is not living in the home and is only meeting clients periodically. Ms. Kester stated that if she were allowed to have some signage perhaps she could sell it as a home with an office.

Ms. Kester noted that home occupations in transition zones could perhaps be allowed to have a portable sign. She noted that this is not a short term fix as the Planning Commission has a lot on their agenda. Ms. Guernsey cautioned Ms. Glaser that going through this process does not guarantee that this will be approved.

**RECOMMENDATION / ACTION / FOLLOW-UP.**

Move item forward to the full council to see if they would like to put signage for home occupations on the Planning Commission's work program.

**3. SETBACKS FOR PARKS**

**DISCUSSION POINTS**

Ms. Kester stated the councilmember Malich had suggested that perhaps parks should be exempted from setbacks. Ms. Guernsey discussed the purposes for setbacks. She stated that they would need to be clear on what the rationale would be for reducing the setbacks. Mr. Young stated that setbacks in parks don't really benefit the public, as having structures to the sides of the property would provide more open space and view corridor. Mr. Dolan noted that anything closer than 5 feet could get you into building setback issues requiring fire walls, etc. Ms. Kester noted that in Public Institutional zones there are no setbacks for parks. Mr. Young noted that it in some cases it is appropriate for public use to have different standards than private use.

**RECOMMENDATION / ACTION / FOLLOW-UP**

No action was taken as a 5 foot setback seemed reasonable.

**4. FOOD CARTS**

**DISCUSSION POINTS**

Ms. Kester stated that the feasibility of having a committee look at food carts in the city right of way had been discussed. She pointed out the difference between food carts and food trucks. Ms. Guernsey said she had heard that the concept of food trucks is great during the summer but perhaps not downtown. Mr. Young said he wasn't opposed to having it downtown just as long as it wasn't in on street parking. Mr. Kadzik suggested that perhaps you only allow a few and only run by existing businesses. He cautioned on

the competition to already existing businesses. Mr. Young noted that it has been shown that sometimes they attract more people and it helps surrounding businesses. Ms. Guernsey asked if other small towns are allowing them. Mr. Dolan stated that usually food carts don't pencil out for a smaller town because they need more volume. It was discussed whether a food truck could park in a private parking lot. Ms. Kester pointed out that food carts are allowed in common areas.

**RECOMMENDATION / ACTION / FOLLOW-UP**

Staff will research other small town ordinances and analyze the code regarding food trucks in private property parking lots.

**5. DEVELOPMENT AGREEMENTS FOR DEMONSTRATIONS PROJECTS**

**DISCUSSION POINTS**

Ms. Guernsey explained that currently we only allow development agreements that deviate from the code when they relate to Gig Harbor North. She suggested that perhaps we should discuss the possibility of allowing this in other areas of the city in order to promote revitalization. Mr. Kadzik asked if that would then make it so we had to allow them. Ms. Kester said no, you would have to agree to the issues within the agreement and it would take a majority plus one of the council. Mr. Kadzik asked if this would also apply to cottage housing. Ms. Kester stated that although it would be better to have a cottage housing ordinance, a development agreement could help. She noted that council limited the location of deviations. Discussion was held on how to limit it, whether it should just be the downtown, the DB zone or waterfront zones. Mr. Dolan stated that a legal description could be written to describe the area rather than just using zones to define it. Mr. Young asked how you limit the number of demonstration projects and Ms. Kester said that yes, you could say that the council is only allowed to enter into 2 development agreements for demonstration projects. Mr. Kadzik said he had seen this in other jurisdictions where they said they had certain areas for demonstration projects and then you wrote into the ordinance that it would be reevaluated after the conclusion of the project. Mr. Young cautioned that whatever we allow it needs to fit within our vision. Mr. Dolan noted that the criteria could be written to be consistent with the adopted vision for downtown and that the vision should be done in the fall.

**RECOMMENDATION / ACTION / FOLLOW-UP**

Mr. Dolan stated that staff will work the City Attorney to have something for their review in September/October.

**6. MEDICAL CANNABIS COLLECTIVE GARDENS**

**DISCUSSION POINTS**

Mr. Dolan stated that the Planning Commission will be presenting their recommendations on extending the interim ordinance. He then briefed the committee on the work done by the Planning Commission and how they came to their recommendation.

**RECOMMENDATION / ACTION / FOLLOW-UP.**

None needed – information only.

**7. RAILINGS IN THE HISTORIC DISTRICT**

**DISCUSSION POINTS**

Ms. Kester illustrated the current regulations for railings within the historic district. She stated that there have been several issues with property owners wanting to have other designs and getting a director's alternative. Additionally she noted that railings for piers and gangways have also been an issue because of the way the code is written. She stated that staff is hoping to go to the Design Review Board and get a recommendation on new standards for railings in the Historic District. Ms. Guernsey wondered if there was a need to be so restrictive for residential. Mr. Dolan also noted that it costs \$420.00 and takes 6 weeks to get a design departure from the Planning Director. Ms. Kester also added that it is very difficult to enforce if people change out their railings. Mr. Kadzik agreed with taking it to the Design Review Board but disagreed with just letting people have whatever type of railing design they wanted. He stated that he felt that along the water is different than along Harborview Drive. Some examples were discussed. Mr. Young said he was in favor of opening it up as he didn't want to control this for single family homes.

**RECOMMENDATION / ACTION / FOLLOW-UP**

Staff will bring this item to the Design Review Board

**OTHER BUSINESS**

**Mooring Buoys in the Harbor**

Ms. Guernsey said that there has been some discussion on having a harbormaster and providing more mooring buoys in the harbor and that it was going to be discussed further at the next Downtown Planning and Visioning Committee meeting.

Upcoming meetings were discussed. August 6<sup>th</sup> will be the next regularly scheduled Planning and Building Committee meeting at 5:30.

Meeting adjourned at 7:15 p.m.



CITY OF GIG HARBOR  
PLANNING AND BUILDING  
COMMITTEE MEETING - MINUTES

**DATE of MEETING:** August 6, 2012  
**TIME:** 5:45 pm  
**LOCATION:** Planning/Building Conference Room  
**MEMBERS PRESENT:** Councilmembers Kadzik, Young, Guernsey  
**STAFF PRESENT:** Senior Planner Jennifer Kester  
**SCRIBE:** Diane McBane via audio recording

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1. FOOD TRUCKS IN PRIVATE PARKING LOTS

**DISCUSSION POINTS**

Ms. Kester stated that she had done some research on what other cities our size were doing regarding food trucks and found that most were handling through a license of some sort. She passed out ordinances from Toppenish, Des Moines and Enumclaw. Ms. Kester noted that most of them exempted ice cream trucks that drive around rather than park somewhere. She said that Des Moines allowed food trucks on public property. Ms. Guernsey noted that there were restrictions on not locating within 300' of an existing restaurant. Discussion followed on current code and how special event licenses are issued currently. Ms. Kester then explained the difference between special use permits on private property and special event licenses on public property. She noted that it seemed like most cities are handling food trucks like a vehicle doing business rather than as a land use. Mr. Young said that he was fine having food trucks in public or private parking lots but not on public streets. He also stated he wasn't in favor of controlling whether or not they could be located near another similar business. Mr. Kadzik noted that there is a difference between food trucks and food carts. Ms. Guernsey suggested that they define these types of vendors in the matrix and then discuss where they should be allowed.

**RECOMMENDATION / ACTION / FOLLOW-UP**

Staff will work on a matrix as a starting point for the next meeting in October.

2. PORTABLE SIGN MATERIALS

**DISCUSSION POINTS**

Ms. Kester stated that at the previous Council Meeting they had decided to not change the definition of portable signs. She also stated that there were really no issues regarding the portable sign materials but rather it's been about what they are advertising. Mr. Kadzik asked if this could just be added to the Planning Commission work program and Ms. Kester asked if they wanted this to be city sponsored. Everyone agreed that it should be city sponsored and that it should be about portable signs in general, not just about the

materials. Mr. Kadzik gave some background on how the current regulations regarding portable signs came about. Discussion followed on what the goal is in looking into this subject. Mr. Young stated that Harbor Greens had proposed that their type of business requires a different type of signage. Ms. Kester cautioned that every business needs to be treated the same.

**RECOMMENDATION / ACTION / FOLLOW-UP.**

It was decided that there really wasn't an issue to discuss unless the applicant wanted to put forward an application and proposal. It was also suggested that Harbor Greens could come to the Planning and Building Committee to discuss the issue ahead of their application.

Meeting adjourned.

**City of Gig Harbor Planning Commission  
Work Study Session and Public Hearing  
Council Chambers  
May 3, 2012  
5:00 pm**

**PRESENT:** Harris Atkins, Craig Baldwin, Reid Ekberg, Jim Pasin, Bill Coughlin and Rick Gagliano. Michael Fisher was absent.

**STAFF PRESENT:** Staff: Tom Dolan, Jennifer Kester and Diane McBane

**CALL TO ORDER:** at 5:00 p.m.

**APPROVAL OF MINUTES:**

MOTION: Move to approve the minutes of April 19<sup>th</sup>, 2012 as written – Gagliano/Ekberg - Motion carried.

**WORK STUDY SESSION:**

**Medical Cannabis Collective Gardens** The City of Gig Harbor Planning Commission is holding a public hearing to solicit community feedback on making permanent the City-sponsored interim regulations regarding medical cannabis collective gardens adopted by city Ordinance #1218, amended by Ordinance #1222 and extended by Ordinance #1236. The following is a summary of the proposed zoning regulations for medical marijuana/cannabis collective gardens:

1. Medical marijuana/cannabis collective gardens would be allowed as a conditional use only in the ED zoning district.
2. Collective gardens would not be permitted within 500 feet of any existing collective garden, residential zoning district, public park, community center, elementary or secondary school (public and private), commercial child care business or youth oriented facility.
3. Collective gardens would be required to be housed in a permanent structure with no productions, processing or delivery visible to the public.

Commissioner Pasin asked what the regulations were regarding individuals growing medical cannabis, and it was stated that it is legal as long as they are doing it just for themselves. Commissioner Coughlin asked if the attorney had advised us to not go forward with this and Commissioner Ekberg said that he recalled that she said we had a choice. Ms. Kester clarified that there was a question as to whether or not the jurisdiction was authorizing something that federal law prohibited. She noted that there may be other options such as requiring a conditional use permit. She distributed a map which applied a 500 foot separation and a 1000 foot separation from schools and other sensitive uses. Mr. Pasin asked if the city attorney had provided information regarding



how Toppenish had chosen not to allow collective gardens. Mr. Dolan said he had not received that information from the city attorney.

Mr. Atkins stated that he recalled that there would be some drug free zones within the city and wondered how they were authorized or defined. Ms. Kester said that it was something the police department defined. Mr. Dolan said the penalties are more severe within these zones. Mr. Atkins wondered if the new map met the requirement of drug free zones and Ms. Kester said it is 1000 feet from the property line from any school and from the boys and girls club. Ms. Kester said that she is printing a Woodinville ordinance that has prohibited collective gardens, which is something they could recommend. Ms. Kester also noted that Pierce County has not started a process; they have not taken any action. Mr. Gagliano asked if there were properties close enough to these boundaries that were not within the city that may be affected and Ms. Kester said no, this would not apply to properties within unincorporated Pierce County regardless of what we have adopted. Mr. Pasin said that he felt there were two issues; there are collective gardens and then the ability for an individual to grow on their own property so he wanted to be sure as they discuss the issue we keep it in mind. Ms. Kester said that we are only talking about collective gardens. She noted that production, process and delivery does not occur when you are just growing for your own needs. Mr. Coughlin pointed out that it is possible that marijuana becomes legal and asked are we encouraging that with this proposal. Mr. Baldwin said that he is concerned with the impact that this may have on surrounding properties and their values. Mr. Coughlin said that it does open a door.

Ms. Kester said that this area is our last piece of major industrial level two uses and one of the main reasons we haven't seen development here is because it would require a sewer lift station. She pointed out some properties that already have approved projects and noted that it has been decided that 2 million dollars a year from the hospital benefit zone will go toward building this lift station in order to encourage economic development so within 5 years we may see people starting to develop here and is a collective garden part of an industrial business center. Mr. Gagliano agreed that there is an economic issue. He wondered about the proximity of this property to the hospital and should that be a requirement if marijuana becomes legal for medical use. Mr. Atkins asked if the current ordinance addresses separation between gardens and Ms. Kester said yes there has to be a 500 foot separation. Mr. Pasin said that perhaps you could have a conditional use as long as it was attached to a medical office building or use. Mr. Gagliano wondered if it could be done through definitions. Mr. Coughlin said that this area is an edge to the city and wondered if the city council did that on purpose. Ms. Kester said that it was more about the separation requirements. Since we are so linear it became almost impossible because of the 500' separation requirements. She stated that 500' is a common separation from sensitive uses where minors could be impacted. Mr. Atkins reminded everyone about the definition of collective gardens and that it may work against trying to align it within an existing medical facility. Ms. Kester agreed that it would be financially prohibitive. Mr. Dolan also stated that the applicant would have to have a survey prepared verifying the distances. Mr. Atkins stated that if the stigma is taken away of this being a controlled substance then this becomes like a food

supplement. Mr. Atkins asked if it is true that this garden could only produce 24 oz per patient on the premises. Mr. Dolan said yes. Mr. Atkins said that Issaquah has a health and safety permit requirement and he thought that was a good idea in order to keep track of the gardens.

Mr. Pasin asked where does it state that each grow operation has to be separated by 500' feet and Ms. Kester pointed out in her staff report and in Ms. Belbeck's memo.

Mr. Atkins called a 5 minute recess before the public hearing

### **PUBLIC HEARING**

Ms. Kester gave a brief description of the interim ordinance and explained that this is to determine whether the Planning Commission would recommend to the City Council whether or not these regulations should be made permanent. She summarized the regulations.

Mr. Atkins opened the public hearing at 6:00 p.m.. There being no one wishing to testify, Mr. Atkins closed the public hearing. Ms. Kester said she has not received any other comments from the public. Mr. Atkins wondered if perhaps there was a message in that there is no public comment. He asked each of the commissioners to give their thoughts on the issue.

### **WORK STUDY SESSION**

Baldwin: Recommend we prohibit them, the state has provided a mechanism and not sure this really does much more but it could impact properties in that area. Could be doing something not sanctioned by the federal government.

Gagliano: Mostly agree to prohibit them, there is enough ways for people to get medical marijuana and don't see a need for this. We have a responsibility to respond to the state requirement so we could provide for an area within a medical facility. Concept of individuals growing their own is limited.

Ekberg: The current interim ordinance has enough burdens; I think the ban exposes us to a legal fight. In favor of recommending that the interim ordinance be made permanent.

Atkins: I am sympathetic to the need for medical marijuana; however, I can't gauge whether this is serving that need. I would also agree that we shouldn't expose the city to legal expenses and would opt to do whatever is the least risky, probably the interim ordinance while expanding the limits by 1000 feet. He suspected that the interim ordinance has been in effect for a while now so that might be a better approach.

Pasin: Asked if we had a definition about the delivery of cannabis. Mr. Dolan explained the definition. He said he would like to have a better definition of the delivery if we

adopt this interim ordinance. He said he felt uncomfortable placing this use in the ED. He has thought through how we could provide a different opportunity and didn't have an answer. He would feel a little safer in adopting in the interim ordinance with some modifications.

Coughlin: Said that he didn't quite have clarity on this issue yet. He was disappointed that they had not received testimony from people that there was a great need for this. He has concern with designating our ED as an area for this. He wondered if they could just extend the interim ordinance rather than doing this before the 2012 election. He felt that there was the least harm in adopting the interim ordinance and doubted that we would see one go in. He would probably abstain from a vote.

MOTION: Move that the Planning Commission recommend approval of the interim ordinance as written with the exception that we use the boundaries 500' from rural residential and 1000' from sensitive uses. Ekberg/Pasin seconded.

Mr. Gagliano said that he agreed that putting a use in this particular zone could be a mistake and also agreed that we shouldn't put the city at risk. He stated that the economic benefit to patients is that they can grow their own supply and work together which is less expensive. He suggested that they not do this in the ED but within medical facilities.

Mr. Atkins said that one of the conditions was that no more than 10 patients could be in a collective garden and wondered if you could have one set of 10 on one day and another set of 10 on another day. Ms. Kester said that this is directly from the RCW and she wasn't sure exactly what it said but that the intent was that you can only have 10 for each garden. Mr. Atkins wondered how we would ensure that. Ms. Kester said that if you pass the interim ordinance it will be a conditional use permit, were they comfortable with that or did they want to add that an appropriate process be developed. Mr. Ekberg said since we have not had any actual applicants we have no way to judge if the conditional use permit process is effective. Mr. Atkins said that the conditions would be subject to the hearing examiners review. Ms. Kester went over what some of the conditions could be. Mr. Dolan suggested that an appropriate licensing procedure be developed to assure compliance with state requirements be recommended to the city council.

Mr. Coughlin wondered if we are adding work for our police department. Mr. Dolan said he has discussed this with Chief Davis and he does not view this as a significant issue for his department.

Mr. Atkins made a friendly amendment to the motion that we recommend to the council that they consider the creation of a licensing process to assure compliance with state requirements and that the conditions are met. Ekberg/Pasin accepted the friendly amendment.

The motion failed with Pasin and Ekberg voting in favor and Coughlin, Gagliano and Baldwin voting against.

Mr. Gagliano asked about the state initiative. Ms. Kester said that they had just received the update and it was about legalizing marijuana. Ms. Kester said she could investigate whether the interim could be extended for another six months. Ms. Kester asked if they would like to have collective gardens as a work study session at the next meeting and everyone agreed.

Mr. Ekberg pointed out that they have spent enough time on this and in the eight months this ordinance has been in place no one has applied.

MOTION: Move to recommend prohibiting collective gardens. Baldwin/Pasin –

Baldwin asked if that undoes any kind of restrictions. Ms. Kester then said that lapsing the interim ordinance means our code is silent prohibiting means we prohibit.

The motion failed with Baldwin voting in favor and Coughlin, Ekberg and Gagliano opposed. Pasin abstained.

Mr. Dolan said that perhaps they would like to communicate to the city council that they were divided on this issue and perhaps the commission could move on to other items. He stated that it might be better to deal with this after the initiative election in November.

Mr. Atkins asked that staff put together a recommendation statement for adoption at the next meeting regarding what Mr. Dolan has just stated. Mr. Gagliano asked if they could come up with language for allowing them as medical facilities. Mr. Dolan cautioned the commission on this and creating a huge enforcement problem. Mr. Gagliano said that we should craft language that eliminates that problem. Mr. Gagliano said that he didn't feel like only allowing them on industrial vacant land was the answer.

Mr. Pasin asked for a definition of delivery.

Mr. Atkins also asked that their concerns be communicated to the council.

**Zoning Code Text Amendments** – Discussion on text amendment process and potential code changes.

Ms. Kester said that she is working on language regarding the zoning code text amendment process. She asked about frequency of review of zoning code text amendments. State law requires once a year. She suggested that there be a docket schedule perhaps quarterly or bi annually. Mr. Pasin asked if it was reasonable to do it on a quarterly basis and Mr. Dolan said that it may reduce our work load. Mr. Ekberg asked in a typical year how many text amendments are received and Ms. Kester estimated 10. The planning and building committee meets every other month. Mr. Atkins stated that he didn't want to lose the flexibility in changing the zoning code. Ms.

Kester stated that this schedule would allow for planning workloads rather than just reacting to applications whenever they are received. Mr. Coughlin asked if we could provide a mechanism for an emergency and Mr. Dolan said that yes if they can convince the city council to sponsor the amendment then they can bypass the docketing process. Everyone agreed that a docketing process was the best approach.

Ms. Kester stated that within the comprehensive plan map amendment we ask that applicants hold community meetings. She wondered if for area wide rezones the Planning Commission would like to create a similar process. She stated that perhaps two meetings was too many as it is a lot of money for an applicant to put out without even having gone through the docketing process. You could require that after the council accepted it then they do a community meeting. Mr. Pasin said that he agreed that after their application is accepted is when they hold a community meeting. He stated that for the most part the community does not show up at these meetings. Mr. Dolan said that we have a public hearing so what is the need for a community meeting. Ms. Kester went over the history and why the council had adopted the requirement for two meetings for comp plan amendments. She gave examples of recent area wide rezones. Mr. Atkins agreed that it should be after the application is accepted but he didn't see the need for it as we hold several meetings.

Ms. Kester said that she would write language reflecting that the Planning Commission may hold several public meetings.

Mr. Dolan said that staff's intent is to have criteria for the commission to review at your next meeting.

Ms. Kester said the downtown planning and visioning committee has had two meetings and should have the characterization report in front of you in June. The committee is looking at having an open house on June 27<sup>th</sup> to present that report to the committee and to solicit comments on a vision statement. She stated that an intern will be helping to manage that open house.

Mr. Gagliano stated that the view basin model project is under way and they have 38 student volunteers.

## **ADJOURNMENT**

Move to adjourn at 7:20 p.m. Ekberg/Gagliano – Motion carried.

**City of Gig Harbor Planning Commission  
Work Study Session  
Planning and Building Conference Room  
May 17, 2012  
5:00 pm**

**PRESENT:** Harris Atkins, Craig Baldwin, Reid Ekberg, Jim Pasin, Bill Coughlin and Rick Gagliano. Michael Fisher was absent.

**STAFF PRESENT:** Staff: Tom Dolan and Jennifer Kester

**CALL TO ORDER:** at 5:00 p.m.

**APPROVAL OF MINUTES:**

Mr. Pasin asked that on the 3<sup>rd</sup> page in the next to the last paragraph the sentence stating he had said that not much staff time had been spent on this issue, be stricken as he did not think he had said that. Mr. Atkins asked that on the 2<sup>nd</sup> page, the words “like a” be added prior to the words “food supplement” in his comments. Mr. Gagliano said he had said “limited” rather than “outdated” in the fourth paragraph on page three.

MOTION: Move to approve the minutes of May 3<sup>rd</sup>, 2012 as amended – Pasin/Ekberg - Motion carried.

**WORK STUDY SESSION:**

**Medical Cannabis Collective Gardens**

Mr. Atkins stated that after the last meeting he had given this some thought and would like to revisit this issue and distributed a memo to the commission outlining the possible options on this issue. He then went over Initiative 502. Mr. Gagliano asked about the option for extending the existing interim regulations and how that would work. Ms. Kester explained that the Planning Commission will have to take the issue up again when the extension ends. Mr. Gagliano pointed out that extending the regulations would also give us an opportunity to see what happens with the cities that prohibited collective gardens.

Mr. Dolan noted that he had consulted with the City Attorney on her recommendation on extending the interim ordinance and she indicated that she could recommend to the City Council that the extension would be appropriate and carry little risk.

Ms. Kester went over the possible locations for a collective garden in the ED zone.

Mr. Ekberg voiced his concern for spending any further time on this issue and stated that he still felt that they should make the interim ordinance permanent. Mr. Coughlin

stated that he felt they just didn't have enough information to do anything but extend the interim ordinance. Mr. Baldwin agreed.

Discussion followed on what would be required for a collective garden to be started on a site in the ED.

MOTION: Move to recommend to City Council that the interim ordinance be extended. Pasin/Coughlin –

Discussion followed on the reasons for this recommendation. Mr. Gagliano said that the reasons are clear from the last meeting. Mr. Pasin said that the upcoming initiative had a great influence. Mr. Atkins pointed out that the location of them in the ED is also a concern.

The motion passed with 4 in favor, 0 opposed and 1 abstention.

### **OTHER BUSINESS**

Ms. Kester stated that she had been working on the housekeeping amendments and various additions to those and therefore had not been able to work on the zoning code amendments.

She briefed the commission on changes to state law regarding the timelines for approval of preliminary plats and final plats.

Ms. Kester stated that Dawn Stanton will be at their next meeting to present the inventory and characterization report on the downtown. Discussion continued on what is being referred to as the "common sense amendments". She then went over the visioning committee's work and how the open house on June 27<sup>th</sup> might be organized.

Mr. Gagliano briefed everyone on the work that is being done by a group of students in creating a model of the downtown.

Discussion continued on the methods for gathering people's ideas on the downtown vision. Mr. Atkins suggested that perhaps the visioning committee could have a booth at the Maritime Gig to gather ideas and opinions.

Mr. Coughlin asked for a status update on the kayak club storage at the city park. Mr. Dolan updated everyone and stated that the matter will be going before the parks commission. Discussion followed on the potential for having some public kayak storage.

MOTION: Move to adjourn. Pasin/Ekberg – Motion carried.

City of Gig Harbor Planning Commission  
Work Study Session  
Planning and Building Conference Room  
June 7, 2012  
5:00 pm

**PRESENT:** Harris Atkins, Craig Baldwin, Reid Ekberg, Jim Pasin, Bill Coughlin and Rick Gagliano. Michael Fisher was absent.

**STAFF PRESENT:** Staff: Tom Dolan and Jennifer Kester

**CALL TO ORDER:** at 5:00 p.m.

**APPROVAL OF MINUTES:**

MOTION: Move to approve the minutes from May 17<sup>th</sup> as written. Pasin/Ekberg – Motion carried

**WORK STUDY SESSION:**

1. **Medical Cannabis Collective Gardens** – Review of written recommendation to extend interim ordinance

Mr. Atkins stated that his only comment was that he would like to add the word “permanent” between the words “appropriate” and “location” in item number 3. Mr. Pasin agreed. Everyone agreed it was ready for the chairs signature.

2. **Downtown Historic Inventory and Characterization Report** – Presentation by Lita Dawn Stanton

Ms. Stanton stated that she and Rick Gagliano had gone to Olympia and given a presentation for a grant to construct the model of the downtown. She presented the report and said that it will be used as the basis for the model. Ms. Kester stated that the Downtown Planning and Vision Committee had looked at the area where the 2009 inventory had been done and had asked that the report focus on the downtown and Judson St. area. Ms. Stanton illustrated a map of what they had learned in the interviews as to what people felt was the downtown. Ms. Stanton went over the contents of the report and how it was laid out. Mr. Gagliano asked if there was a tally of how many buildings were eligible for national historic status, how many were community landmarks, etc? Ms. Stanton said that she could do that. She then went over some of the historic buildings and the reasons for their historic status. Discussion continued on the districts and how they should be defined. Mr. Pasin brought up how this might relate to the Design Manual. Ms. Kester noted that she had included the council bill regarding the downtown preservation and planning process. She outlined the process and the role of the Planning Commission in the amendments and how this report could be used in the analysis of the amendments. Mr. Gagliano made some suggestions on



how the inventory map could be laid out. Mr. Pasin pointed out that ineligible didn't necessarily mean that it wasn't a loved building. Mr. Atkins suggested that they solicit input at the open house as to what buildings the community felt were important. Discussion followed on what amendments would encourage redevelopment. Ms. Kester suggested that perhaps they invite the Building Official Paul Rice to discuss what the ramification may be from a building and fire standpoint. Mr. Pasin reminded everyone that the goal was to stay with some simple amendments. Further discussion was held on various buildings downtown. Ms. Kester said that she would the five selected sample buildings and apply today's codes and identify what the problems would be for them to redevelop. Incentives for first floor retail and restaurant uses were discussed.

### **3. Downtown Zoning Code Amendments** – Introduction

Ms. Kester went over the process for these amendments and the timing of the possible adoption. She stated that the commission should look at the end of September or the beginning of October for forwarding their recommendation to the City Council. She then went over the elements to be presented at the open house on June 27th. Additionally she noted that there will be another open house once a vision statement has been developed. Mr. Gagliano went over how the model of the view basin is being designed. Discussion followed on what kind of financial incentives could be offered to rehabilitation of existing buildings and Ms. Kester said she would do further research for the next meeting.

Mr. Atkins stated that he will be presenting the Shoreline Master Program to the City Council on Monday night. He stated that he wanted to point out some of the good things that the plan does and asked for everyone's input.

Mr. Gagliano distributed some information from the City of Camas on what they had adopted regarding collective gardens.

### **ADJOURNMENT**

MOTION: Move to adjourn at 6:50 p.m. Baldwin/Pasin – Motion carried.

**City of Gig Harbor**  
**Downtown Planning and Vision Committee**  
**April 25, 2012**  
**4:00 p.m.**  
**Planning and Building Conference Room**

PRESENT: Jill Guernsey, David Fisher, Paul Kadzik, Jenn Kester, Ken Malich, Sagen (sp?) Thomas partner in GKS, Jerry Myers, Kent Kingman, David Boe, John Cologne, Chuck Meachum, John Barline, Tom Dolan.

**GENERAL BUSINESS**

Ms. Guernsey noted that John Barline and Tom Dolan were in another meeting so she suggested that the discussion of the Haub project wait until they were present.

Kadzik moved to accept the minutes as presented. The minutes were adopted by consensus.

**1. Downtown Historic Inventory and Characterization Report – presentation of first section**

Ms. Kester went over the report and stated that Dawn Stanton is asking that the group look at the report, give their comments and review for any errors. She stated that the Planning Commission will be using this report for some of their analysis of upcoming amendments. Ms. Kester explained what it meant when a building was ineligible on the registry. She also noted that it needed to be decided was whether this report should be expanded to other areas of the city other than the downtown. Ms. Kester explained that personnel from the history museum are also reviewing the document for accuracy. Mr. Malich emphasized the importance of defining the downtown.

John Barline and Tom Dolan joined the meeting at 4:15.

Ms. Guernsey noted that in her interviews with people, everyone has a different view of downtown. She emphasized the need to move forward sooner rather than later. Everyone agreed the Judson district should be added.

**2. Haub project presentation by proponents**

Ms. Guernsey noted that there are two separate ownership groups that are looking at possibilities in developing their property downtown. She emphasized that nothing has been approved or applied for, this is just for discussion since it is a new and different idea for the downtown. Sagen Thomas, Gary Myers and Kent Kingman introduced themselves and explained how they came together to start this venture with Joe Pond and Wesley Rickard property. John Barline gave a brief overview of the Haub's properties. He stated that they have had David Boe working on several ideas for the properties but had run up against code requirements that had prevented them from

doing what they thought would be best for the community. He stated that they then had David create something with all the properties without consideration of the code, just what they would like. Mr. Barline stated that they would enter into a process of including the community in creating something for these properties and then come back to the city for a development agreement. David Fisher asked if there had been any demographic studies done or use studies. Two of the owners want residences there, financial services, but have not done a market survey yet. We have also talked to some restaurants. Mr. Barline said that since this is not that large of a piece of property it may not be feasible to pay a consultant to do a large study that would probably not tell them anything they didn't already know. Discussion followed on the importance of providing access to the water. Mr. Boe stated there were six different properties. He displayed a drawing of what the site would look like developed to the current code. He stated that he used the comp plan as a guide instead and went over their draft design. Mr. Barline went over the access options.

Ken Malich spoke about what is important to Gig Harbor and cautioned everyone about creating too much office space.

Mr. Barline stated that the boat building, although new should always look old. He pointed out how the design reflected the look of the old agricultural warehouse and that even the office space doesn't look like an office. Discussion followed on the most beneficial uses.

Mr. Kadzik stated the he liked the concept and felt that it was important to be aware of the scale of the buildings at street level. Mr. Kadzik had to leave to attend another meeting.

Ms. Guernsey pointed out how we are a fishing village and we don't have a fish market. Discussion followed on a market concept where you could purchase flowers, fish, bread, etc.

They then discussed the need for a boutique hotel and the difficulty in providing that in the downtown when it would be out of scale.

Ms. Guernsey expressed how she liked the phrase "a series of experiences" and felt that was a good way of explaining the downtown.

Public input was discussed and the importance of including everyone in the surrounding area. Process was then discussed. Ms. Guernsey stated that she felt it was great to have these discussions with the Planning Commission and Ms. Kester cautioned them about talking to members of the Design Review Board as they may have to make a decision on an application at some point.

Ms. Guernsey invited the development group to come back to the committee once they have had more discussions with the community and have perhaps made some changes. Mr. Dolan stated that this will require a change to our development

agreement regulations to allow demonstration projects in other parts of the city. Ms. Kester emphasized that much more work will have to be done to have a solid project before entering into a development agreement or change the code.

Discussion continued on the best way to move forward with the project.

### **3. Review of proposed work schedule**

Ms. Kester went over the schedule for upcoming committee meetings. She asked that committee members look at the schedule and let staff know if they have conflicts or vacations scheduled. Discussion followed on what type of information should be provided at the open house and how to facilitate ideas. Ms. Kester stated that June 27<sup>th</sup> is slated for the open house. She stated that July will be council adoption of the inventory and characterization report and drafting the vision statement. Discussion continued on the goal to have the vision statement included in next years comprehensive plan and how to craft the statement.

### **4. Work tasks for interns**

Ms. Guernsey suggested polling people and compiling information as a possible task for an intern. Ms. Kester suggested also organizing the materials and information for the open house. She suggested that the committee bring community images that they like and don't like to the May meeting.

### **ADJOURNMENT:**

The meeting was adjourned at 6:15 p.m.

City of Gig Harbor  
Downtown Planning and Vision Committee  
June 12, 2012  
4:00 p.m.  
Planning and Building Conference Room

**PRESENT:** Jill Guernsey, Harris Atkins, David Fisher, Paul Kadzik, Jennifer Kester, Lita Dawn Stanton and Cory Ragan.

**GENERAL BUSINESS**

**1. Open House – June 27<sup>th</sup> 4pm to 6:30pm**

a. Advertising

Ms. Kester asked about what level of advertising should be done. Mr. Ragan distributed a flyer he had developed and proposed to distribute within the downtown. Mr. Kadzik suggested that Laureen Lund our Marketing Director should do a press release. Mr. Ragan stated that Laureen was putting it in the Gigabyte. Mr. Kadzik also suggested that we contact Patch and Gig Harbor Life. Ms. Stanton suggested that the flyer have a historic reference in order to get more people interested. It was decided to call it a Town Hall Meeting and ask how do we preserve our heritage, how do we create a vibrant future for downtown. Mr. Kadzik also noted that the flyer could be sent to all the local bloggers. Ms. Guernsey said that she would write an op/ed piece for the paper and it was decided that the flyer would be mailed to everyone in the view basin. Discussion followed and the following bullet points were developed:

- What's your vision for downtown
- Historic character
  - What is it?
  - How important
  - Worth saving
- Downtown Redevelopment
  - What suits Gig Harbor?

b. Proposed Stations

Ms. Kester went over some of the discussion held at the Planning Commission regarding the proposed stations. Open discussion was held on ideas for the stations and the following were decided on.

- Showcase (History) – Lita Dawn Stanton
  - Case studies – 5 buildings

Data Inventory – Educate

- Buildings that Belong – Harris Atkins  
Streetscape Images – 5  
Use dots
- Uses – What’s missing – David Fisher  
Words  
Groceries  
Bakery  
Public Market  
Fish Market  
Lodging
- Vision Words – Jill Guernsey
- Where’s downtown – Paul Kadzik  
Dot the downtown

Further discussion was held on how to moderate the stations and gather the data.

c. Questionnaire/Survey – hard copy and internet

Ms. Kester asked about a survey via hard copy and survey monkey or something similar. The questions that were being asked via the stations were removed. It was decided to put the optional contact information on the bottom of the survey and also to put a reference to the online survey on the flyer. The surveys will be passed out as people enter the open house.

d. Committee member tasks

Ms. Kester went over the tasks that each committee member had volunteered to do. She noted that Mr. Ragan will forward the flyer to committee members. Mr. Dolan reminded Ms. Guernsey that an op/ed piece would have to be turned in to the Gateway next week.

The meeting was adjourned.

**City of Gig Harbor**  
**Downtown Planning and Vision Committee**  
**July 25, 2012**  
**4:00 p.m.**  
**Planning and Building Conference Room**

**PRESENT:** Jill Guernsey, Harris Atkins, Denny Richards, Chuck Hunter, Ken Malich, David Fisher, Paul Kadzik, Jennifer Kester and Cory Ragan.

**GENERAL BUSINESS**

Ms. Kester gave a brief report on the Town Hall meeting that had been held in June. She went over some of the data that had been compiled from the meeting. Discussion was held on ways to display the data and what some of the data indicated.

They talked about what people defined as the downtown, noting that it was basically along the entire waterfront, encompassing areas 1-7 on the map provided at the town hall meeting. Discussion followed on the best ways to get the results of the town meeting back to the public in late September. Ms. Kester went over ways the vision could possibly address both residential and business within these areas. Mr. Malich stated that he felt that the business areas were more weighted as the individual votes indicated those areas.

Mr. Ragan noted that so far he had received 64 surveys and that approximately 120 people attended the town hall meeting.

Ms. Guernsey stated that she had heard some people suggest that it not be called the downtown but rather the waterfront. Ms. Kester cautioned that whatever it's called, it will stick. Mr. Kadzik spoke about how the Mainstreet Group had examined branding and perhaps they could look into that.

Ms. Guernsey noted that we are committed to having a vision statement by the end of the year and asked about the next steps in achieving that goal. Mr. Fisher pointed out that the signage coming off the freeway says City Center and it was suggested that perhaps it should say waterfront. Mr. Atkins stated that he felt that calling it downtown might imply some sort of competition with uptown and the waterfront was more special.

Ms. Kester asked if staff should develop a list of possible terms for the next meeting along with a map to define the area. Mr. Fisher stated that whatever the term is, it should not consist of more than three words. Ms. Kester asked if staff should create

vision phrases or start on the mapping first. Mr. Kadzik stated that he felt the mapping should come first.

Mr. Kadzik suggested that some of the uses could be combined, such as bakery, fish market, etc were all grocery related. Discussion followed on ways to group the uses and tally them.

It was noted how often walkability came up in the surveys. Mayor Hunter noted that perhaps there are ways to make the sidewalks wider and Ms. Guernsey noted that sometimes narrower sidewalks encourage people to say hello.

Ms. Kester stated that the next meeting will be August 22<sup>nd</sup>. Ms. Guernsey encouraged everyone to start focusing on some visioning statements. Everyone agreed that the meeting would go from 4:00 pm to 6:00 pm.

Discussion was held on ways to encourage building owners to make some of the improvements suggested in the surveys.

The meeting was adjourned.





**DATE of MEETING:** April 19, 2012

**TIME:** 3:00 p.m.

**LOCATION:** Public Works Conference Room

**MEMBERS PRESENT:** Councilmembers Ekberg, Payne, and Payne

**STAFF PRESENT:** City Administrator Dennis Richards, City Engineer Stephen Misiurak, Senior Engineer Jeff Langhelm, Operations Superintendent Marco Malich, and Asst. City Clerk Maureen Whitaker

**OTHERS PRESENT:** none

**SCRIBE:** Maureen Whitaker

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1. PUBLIC WORKS TRUST FUND (PWTF) 2014 APPLICATION.

**DISCUSSION POINTS**

Stephen Misiurak explained that On March 15 of this year, the Public Works Trust Fund Board began accepting applications for infrastructure and street improvement projects. This year embarks upon a newly revamped application system and process that is much more user friendly to the applicant as opposed to in years past. The new application process is completely on line and once the assembled information is compiled, only takes less than a half hour to complete.

The new program provides for up to \$15,000,000 in agency funding with zero local match. Loan interest repayment rates vary between 0.5 percent up to 2.0 percent depending on the loan repayment schedule in years. The City previously was successful at the procurement of a \$10,000,000 low interest loan for completion of the Phase 1 Wastewater Treatment Plant facility in addition to the just recently approved \$5,950,000 low interest loan for the Phase 2 WWTP. Both loans' terms were at 0.5 interest rates.

For this application cycle, staff will be submitting on the following street improvement projects located on the city's west side and consists of the following roadway improvements:

**Point Fosdick Gap Sidewalk Improvements:**

This project would complete a meandering pervious concrete sidewalk between the current terminuses at Harbor Country Glen to Briarwood. A storm water bio swale or equivalent would serve as the water quality and quantity treatment control. This project has achieved ninety percent design and has been placed on hold due to funding constraints. Estimated cost is \$300,000.

**RECOMMENDATION**

Councilmembers Payne and Ekberg suggested applying for the grant for sidewalks on both sides. The council committee agreed that this project is a high priority for pedestrian safety.

**50<sup>th</sup> Street Improvement Project:**

This project would complete the uncompleted roadway gap between the KLM Park and 38<sup>th</sup> Avenue and would consist of curb, gutter and sidewalk on both sides of the street, street illumination, and storm water improvements along with a new fish-friendly storm water cross culvert. This project has achieved eighty percent design completion and would have to go through moderate levels of permitting due to the fish culvert analysis. Estimated cost is \$1,100,000.

**RECOMMENDATION**

Councilmember Ekberg stated that since it is paved now, he would rather allocate funding towards 38<sup>th</sup> Avenue sidewalks. The council committee agreed that this is a lower priority.

**38<sup>th</sup> Avenue Street Improvements:**

This project is broken into two separate sub projects and would improve 38<sup>th</sup> Avenue between City/County limits to the south to Hunt Street to the north. Improvements would consist of curb, gutter and sidewalk on both sides of the street along with underground storm drainage improvements, addition of a center turn lane at various locations, street illumination, and full roadway cross section rebuild. This project has had minimal engineering due to the extensive costs involved. Permitting difficulty would be moderate due to adjacent wetlands and nearby community impacts. Estimated costs for Phase 1 is \$9,000,000 and Phase 2 is \$5,000,000.

These projects were selected for possible funding due to the proximity of these projects to one another, the projects provide connectivity for vehicular and pedestrian traffic, and all are currently on the City's 6-year Transportation Improvement Plan.

The application due date is May 11, 2012. Upon closing of the application submissions, PWTF Board staff will complete the review through a dialogue with the agencies pertaining to their project review questions and comments.

Selection and recommendations for those successful projects will be forwarded to the PWTF Board meeting in August. The Board's recommendation for funding will be forwarded to the state Legislature for consideration and final approval of any, some or all the projects will be completed in October 2012-May 2013.

Enclosures: PWTF Funding 2014 Process, Location Map of Proposed Improvements, Point Fosdick Gap Sidewalk Improvements, 50<sup>th</sup> Street Improvements.

**RECOMMENDATION**

Councilmember Payne asked if Pierce County has been contacted. The council committee agreed that this project should be tied in with Pierce County, which would wrap the sidewalks around the schools. Mr. Payne said that he could contact Stan Fleming. It was recommended that Mr. Misiurak contact Pierce County requesting a letter a financial participation as it would be a significant benefit to them. Councilmember Payne also suggested exploring a "special purpose district". This would result in the City providing funding for engineering costs at approximately \$5M. A lengthy discussion ensued about

funding. Councilmember Ekberg expressed his concern about where the City funding would come from since this project would need to be completed in three years.

**Meeting adjourned at 3:45 p.m.**

Respectively submitted,

*Maureen Whitaker*



**DATE of MEETING:** July 19, 2012

**TIME:** 3:00 p.m.

**LOCATION:** Public Works Conference Room

**MEMBERS PRESENT:** Councilmembers Ekberg, Payne, and Perrow

**STAFF PRESENT:** City Administrator Dennis Richards, City Engineer Steve Misiurak, Sr. Engineers Emily Appleton and Jeff Langhelm, WWTP Supervisor Darrell Winans, Project Engineer Marcos McGraw, and Asst. City Clerk Maureen Whitaker

**OTHERS PRESENT:** none

**SCRIBE:** Maureen Whitaker

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1. DONKEY CREEK PROJECT UPDATE.

**DISCUSSION POINTS**

Emily Appleton stated that all permits are almost in. The project will go out to bid at the end of August with award of the project in November. The utility companies will start their relocation work the week of August 1<sup>st</sup> taking 6-8 weeks. Traffic control will be present. There will be periodic road closures on N. Harborview Drive for 2-5 days. CenturyLink and Puget Sound Energy (gas) may need to close the road due to not enough space to work and a safety issue with moving the high-pressure gas line. There will be similar impacts for the relocation of the sewer line. Austin Street will be closed as a staging area.

Ms. Appleton also reported that a small survey contract is needed to survey data points for the utility work.

Public Outreach – A public open house is scheduled for July 25<sup>th</sup> at the Harbor History Museum to present the project and address any public concerns. Ms. Appleton stated that the city is aware of the concerns of the residents and businesses in the area. The local residents do not want night work while the businesses prefer it. Examples of the open house project posters were provided and discussed.

Councilmember Payne briefly addressed the groundbreaking event for Congressman Dicks. The groundbreaking will take place on September 7<sup>th</sup> or 21st with a reception at the Museum.

**RECOMMENDATION**

There was a suggestion to order three more CMS boards for the project.

2. 2012 CHIP SEAL PROJECT.

**DISCUSSION POINTS**

Jeff Langhelm reported on the status of the asphalt overlay and chip sealing. The asphalt overlay portion has been completed and the raising of the utilities will be completed by the end of next week. The next phase is the chip seal with a fog seal applied a few days afterwards, which will have an impact to motorists, as it cannot be driven upon for 2-3 hours. Mr. Langhelm discussed that the chip seal mix will include an increased amount of oil, which will wear better. Last year the city used the average from the WSDOT Standard Specifications and has since learned that it didn't have enough oil in it. The fog seal will increase the longevity of the chip seal and make the roadway black. The affected roadways will be striped all at once.

The work also included scrapping the old manholes and replacing with hinged manholes for better loss prevention. Mr. Langhelm reported that this program saved approximately \$49-\$50K.

Councilmember Perrow stated the work was impressive and efficient.

**RECOMMENDATION**

Councilmember Perrow requested that the weeds be killed at the intersections to improve safety and visibility.

3. MARITIME PIER, RAMP AND FLOAT PROJECT UPDATE.

**DISCUSSION POINTS**

Marcos McGraw reported that the construction contract was awarded to Redside Construction. Work is scheduled to begin the week of July 30<sup>th</sup>. All work should be substantially complete by the first part of October. Work will be completed by the waterside from the asphalt side of the pier.

The existing bulkhead will be covered with decking for public viewing. There was a brief discussion about a ribbon cutting ceremony at the end of September or early October.

4. LIFT STATION 3A REHAB & GREASE INTERCEPTOR INSPECTIONS.

**DISCUSSION POINTS**

Lift Station 3A - Darrell Winans provided an update of LS 3A stating it was in poor condition and needed to be rehabilitated as soon as possible. He has already met with HDR Engineering in an effort to move forward. Mr. Winans stated that the funding will come from lift stations 12, 14, and 16.

**DISCUSSION POINTS**

Grease Interceptor Inspections - Mr. Winans reported that as part of the inspections, WWTP staff are educating the businesses to help them understand the maintenance requirements of city code. This takes a great deal of time and labor but a necessary step in the proper operation of the plant.

**COMMENTS FROM COUNCIL**

Councilmember Perrow stated that the streetscapes are being overlooked. He said that on Harborview and Pioneer, right of the wall is full of weeds and said many of the planters are in need of attention. Harborview Drive and the Maritime Pier areas need to be weeded and look rough. He further requested that the concrete at the old Ferry Landing needs to be pressure washed. Cushman Trail on backside of Goodwill – needs bark or something.

Councilmember Payne suggested that the city implement having the planter strips adopted by the businesses.

Councilmember Payne also reported that he and Councilmember Perrow attended the kick-off of the new play zone. He stated that it was not an ask event and the first non-solicited donation came in for \$25K.

**Meeting adjourned at 4:35 p.m.**

Respectively submitted,

*Maureen Whitaker*



NOTICE OF LIQUOR LICENSE APPLICATION

Consent Agenda - 3a

Page 1 of 1

RETURN TO: WASHINGTON STATE LIQUOR CONTROL BOARD
License Division - 3000 Pacific, P.O. Box 43075
Olympia, WA 98504-3075
Customer Service: (360) 664-1600
Fax: (360) 753-2710
Website: www.liq.wa.gov
DATE: 8/22/12

TO: MOLLY TOWSLEE, CITY CLERK

RE: ASSUMPTION
From EMPIRE RESTAURANTS INC.
Dba BLUE CANNON PIZZA COMPANY

APPLICANTS:

VINMAG LLC

MAGLIUOLO, VINCENZO
1967-04-17

License: 405752 - 1U County: 27
UBI: 603-228-263-001-0001
Tradenname: BLUE CANNON PIZZA CO
Loc Addr: 4726 BORGEN BLVD STE B
GIG HARBOR WA 98332-6832

Mail Addr: 28835 PACIFIC HWY S
FEDERAL WAY WA 98003-3801

Phone No.: 253-970-4565 TARA ADAMS

Privileges Applied For:
DIRECT SHIPMENT RECEIVER-IN WA ONLY
BEER/WINE REST - BEER/WINE

As required by RCW 66.24.010(8), the Liquor Control Board is notifying you that the above has applied for a liquor license. You have 20 days from the date of this notice to give your input on this application. If we do not receive this notice back within 20 days, we will assume you have no objection to the issuance of the license. If you need additional time to respond, you must submit a written request for an extension of up to 20 days, with the reason(s) you need more time. If you need information on SSN, contact our CHRI Desk at (360) 664-1724.

- 1. Do you approve of applicant ?
2. Do you approve of location ?
3. If you disapprove and the Board contemplates issuing a license, do you wish to request an adjudicative hearing before final action is taken?
4. If you disapprove, per RCW 66.24.010(8) you MUST attach a letter to the Board detailing the reason(s) for the objection and a statement of all facts on which your objection(s) are based.

DATE

SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE



Subject: Resolution – Sole Source KECO pump Replacement

Proposed Council Action: Authorize Resolution No. 909 waiving competitive bidding for the purchase of a vessel pump-out system from KECO Pump & Equipment, the sole source supplier, and authorize the Mayor to execute a purchase order necessary to purchase the KECO vessel pump-out system.

Dept. Origin: Engineering

Prepared by: Marcos McGraw MBW
Project Engineer

For Agenda of: September 10, 2012

Exhibits: Resolution, quote proposal

Concurred by Mayor: Initial & Date
Approved by City Administrator: [Signature] 8-16-12
Approved as to form by City Atty: [Signature] 8/14/12
Approved by Finance Director: [Signature] 8/15/12

Table with 5 columns: Expenditure Required, Amount, Budgeted, Appropriation Required, and a dollar amount (\$0).

INFORMATION / BACKGROUND

The City Council authorized a consultant services contract to design and permit a float extension and replacement vessel pump out system. Construction is anticipated to proceed this winter. However, fabrication of the pump system has a long lead fabrication time of up to four weeks. Ordering the pump system now will allow the City to furnish the system to the contractor at the time of construction preventing the four week delay to the construction schedule.

The existing system sits in a concrete vault on shore. Use of the updated KECO system will allow the City to utilize the existing vault and the City's current tools and supplies for maintenance and repair of the new system.

FISCAL CONSIDERATION

The cost for this pump system is \$22,204.53 including sales tax, which will be funded by the 2012 Budget amount for the Jerisich Dock Extension. The 2012 City of Gig Harbor Budget includes funding for this work in the Parks Development Division, item 2.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize Resolution No. 909 waiving competitive bidding for the purchase of a vessel pump-out system from KECO Pump & Equipment, the sole source supplier, and authorize the Mayor to execute a purchase order necessary to purchase the vessel pump-out system.



RESOLUTION NO. 909

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON WAIVING THE REQUIREMENT FOR COMPETITIVE BIDS FOR PURCHASE OF A VESSEL PUMP OUT SYSTEM BY KECO PUMP AND EQUIPMENT FOR THE JERISICH DOCK PROJECT.

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WHEREAS, the City of Gig Harbor will build an extension to Jerisich Dock and upgrade the old vessel pump out system as a part of its Jerisich Dock Extension project (CPP1204); and

WHEREAS, the project design includes a vessel pump out system to replace the existing system; and

WHEREAS, the City desires to purchase a KECO vessel pump system model 900R as an 'in-kind' replacement with technological and mechanical improvements as it is compatible with existing infrastructure; and

WHEREAS, the City currently has parts, tools and equipment to maintain and repair the KECO pump system; and

WHEREAS, the City's purchasing policy set forth in Resolution No. 593 authorizes the waiver of competitive bidding in the event the product comes from a sole supplier; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

**Section 1. Waiver of Competitive Bidding.** As authorized by Section 2 of Resolution No. 593, competitive bidding is hereby waived for the purchase of the KECO vessel pump system model 900R to be installed during construction of the capital improvement project Jerisich Dock Extension (CPP1204) as KECO Pumps and Equipment is the sole source of the product.

RESOLVED this 10th day of September, 2012.

CITY OF GIG HARBOR

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MAYOR, CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

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CITY CLERK, MOLLY M. TOWSLEE

FILED WITH THE CITY CLERK: 08/16/12  
PASSED BY THE CITY COUNCIL: 09/10/12  
RESOLUTION NO. 909



# KECO Pump and Equipment

P.O Box 80308 San Diego, CA. 92138  
 Phone: 619-298-3800 Fax: 619-298-3300  
[www.pumpahead.com](http://www.pumpahead.com)

<b>Bill To:</b> L003155
<b>City Of Gig Harbor</b> 3510 Grandview Street
Gig Harbor WA 98335 USA

<b>Ship To:</b>
<b>Gig Harbor City Dock</b> 4216 Harborview Drive
Gig Harbor WA 98335 USA

<b>Quote Total:</b>
<b>\$ 20,465.00</b>
Prices In U.S Dollars

**Contact:** Darrell Winas  
**Phone:**  
**Fax:**  
**Email:**

**Shipping Method:** UPS/GROUND

**Payment Terms:** Net 30  
**Prepared By:** manager  
**Sales Rep:** House

Qty:	Item #	Description	Unit Price	Total
1.000	PER900.M40-REM-V	KECO Model 900R: Peristaltic "Remote" Location Pumping System. 30+ Gallons Per Minute, Direct Drive Gearbox, Clear Viewing Window, Leak Detection w/ Auto Shut Down, Stainless Steel Pump Frame, Aluminum Pump Housing: Vertical Orientation Includes Pulse Reduction Inlet/Outlet Plumbing, Stainless Steel Fasteners & 3 Year Warranty	\$ 10,250.000	\$ 10,250.00
1.000	PERD0300.1PH	3HP Baldor TEFC Electric Motor - 1 PHASE 60Hz		
1.000	EP033301.02/UL	Peristaltic Series 900R Control Panel. NEMA 4x Enclosure, Heavy Duty Motor Starter with Overload Relay and Auxiliary Contacts. Includes Integral Pump Hour Meter and (24v) Low Voltage Control Transformer with Overload. Adjustable Solid State Pump Run Timer- 115V 1 PH		
1.000	F0900.000	Fiberglass Pump Enclosure 38" X 38". Includes Non Metallic Vents, Lifting Handles And Hour Meter Inspection Port.		
1.000	RPC FIBERGLAS-EB4	Fiberglass Remote Pumping Center with Internal Electric Actuated Ball Valve. Includes Suction Hose Storage Rack and Removable Access Panel. Integral Union For Field Connection.	\$ 1,250.000	\$ 1,250.00
1.000	EC050001.00	Push To Start / Stop Pump Control (Low Voltage) For Remote Pumping Center. NEMA 4x Color Coded (Red / Green) Push Buttons and Internal Junction Box	\$ 225.000	\$ 225.00
2.000	H0030.015	30' Suction Hose Assembly with Crush Resistant Lexan® Site Glass (MNPT) and Male Q.C Adapter. Non Marking, Vacuum Rated (30 Hg.) EPDM Suction Hose with Factory Installed Stainless Steel Hose Clamps.	\$ 185.000	\$ 370.00
2.000	C6008.BNJ	Heavy Duty Suction Isolation Valve. 1 1/2" FNPT w/ Stainless Steel Hardware, Viton Seals & Teflon Seat.	\$ 40.000	\$ 80.00
2.000	C0010.PKG	Quick Connect Fitting Package for Holding Tank Connection – Includes Brass Reinforced Universal Suction Nozzle (straight), 1-1/2" & 1-1/4" Male Adapter(s)	\$ 65.000	\$ 130.00
1.000	KAP300	300 Series Kleen-A-Pottee Dump Station With Solar Fan And Fresh Water Rinse Hose. Molded Fiberglass Construction With Uv Inhibitors And Includes Operating Instructions.	\$ 1,625.000	\$ 1,625.00
1.000	OPT.300VPUSH	Automated Ball Valve For Kleen-A-Pottee Dump Station w/ Color Coded Push Button Control	\$ 1,350.000	\$ 1,350.00
1.000	MS-1 Upg Pkg 2 yr	MarineSync Corporation MS-1 Pumpout Monitoring Device & 2-Year Service Plan.	\$ 3,315.000	\$ 3,315.00
1.000	MS-1 2 Year Svc.	MarineSync 2 Year Enhanced Subscription - Additional Years	\$ 700.000	\$ 700.00

Please note payment terms listed above. Complete pump systems shall ship via insured LTL freight carrier. Parts & Accessory orders shall ship via standard ground service unless otherwise specified or noted. Please notify KECO Inc., prior to shipping if lift gate is required at destination or if destination is residential. COD payments are subject to revised shipping costs. All shipping costs are estimates.





# KECO Pump and Equipment

P.O Box 80308 San Diego, CA. 92138  
Phone: 619-298-3800 Fax: 619-298-3300  
[www.pumpahead.com](http://www.pumpahead.com)

Qty:	Item #	Description	Unit Price	Total
1.000	PERH1000.M40-B	Internal Peristaltic Hose (NR) Blue Stripe, M40 Models (replacement)	\$ 675.000	\$ 675.00

**Notes:** Optional Items and Spare Parts have Been Included In Quote. System Has Been Quoted With MarineSync PumpOut Monitoring System. Additional 2 Year Subscription Has Been Included. Please Allow 3-4 Weeks ARO For Delivery.

115V Power is Required at the RPC and KAP Dump Station.  
Pump Voltage to be Determined at Time of Order.

Quote Subtotal:	\$ 19,970.00
Discount:	
Sales Tax:	
Shipping Estimate:	\$ 495.00
<b>Quote Total:</b>	<b>\$ 20,465.00</b>





Business of the City Council  
City of Gig Harbor, WA

**Subject:** Resolution – Surplus Equipment

**Proposed Council Action:**

Adopt Resolution No. 910 declaring the specified equipment surplus and eligible for sale.

**Dept. Origin:** Public Works-Operations

**Prepared by:** Marco Malich  
Public Works Supervisor

**For Agenda of:** September 10, 2012

**Exhibits:** Resolution No. 910  
Initial & Date

**Concurred by Mayor:**

**Approved by City Administrator:** 2-8/27/12

**Approved as to form by City Atty:** \_\_\_\_\_

**Approved by Finance Director:** \_\_\_\_\_

**Approved by Department Head:** \_\_\_\_\_

Expenditure Required	\$0	Amount Budgeted	\$0	Appropriation Required	\$0
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**INFORMATION / BACKGROUND**

Staff requests authorization to surplus the following equipment:

- 1996 Ford F450 Dump Truck
- 2001 Chevrolet Tahoe

This equipment is worn out and has been replaced.

**FISCAL CONSIDERATION**

Proceeds from the auctioning of these items will go to the General Fund.

**BOARD OR COMMITTEE RECOMMENDATION**

N/A

**RECOMMENDATION / MOTION**

**Move to:** Adopt Resolution No. 910 declaring the specified equipment surplus and eligible for sale.

RESOLUTION NO. 910

A RESOLUTION OF THE CITY OF GIG HARBOR  
DECLARING CITY EQUIPMENT SURPLUS AND ELIGIBLE  
FOR DISPOSITION.

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**WHEREAS**, the Gig Harbor City Council has determined that city-owned equipment is surplus to the City's equipment needs and has been or is in need of being replaced with new equipment; and

**NOW, THEREFORE**, the City Council of the City of Gig Harbor hereby resolves as follows.

To declare as surplus:

EQUIPMENT	Quantity	SERIAL / ASSET NUMBER	MODEL INFO.
1996 Ford Dump Truck	1	1FDLF47TEB13887	F450
2001 Chevrolet	1	1GNEK13T31J243946	Tahoe

PASSED ON THIS 10th day of September, 2012.

APPROVED:

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MAYOR CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

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MOLLY M. TOWSLEE, CITY CLERK

FILED WITH THE CITY CLERK: 08/23/12  
PASSED BY THE CITY COUNCIL: 09/10/12  
RESOLUTION NO. 910



**Subject:** Resolution - Fee Schedule Revision for 2012

**Proposed Council Action:** Pass resolution amending Community Development Fee Schedule

**Dept. Origin:** Public Works

**Prepared by:** Willy Hendrickson  
Engineering Technician

**For Agenda of:** September 10, 2012

**Exhibits:** Resolution

Initial & Date

**Concurred by Mayor:**

CLH 9/5/12

**Approved by City Administrator:**

R - 9/4/12

**Approved as to form by City Atty:**

via email

**Approved by Finance Director:**

9/12

**Approved by Department Head:**

\_\_\_\_\_

Expenditure Required	0	Amount Budgeted	0	Appropriation Required	0
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**INFORMATION / BACKGROUND**

This resolution is an update to the Community Development Fee Schedule. The fee schedule was last updated on December 12, 2011. The changes are additions to the current fee schedule in Section J. Engineering Fees and are as follows.

Fire Hydrant Indemnification Processing Fee (\$1330.00)

Fire Hydrant Indemnification Processing Fee – Building/Fire Review (\$98.00).

**FISCAL CONSIDERATION**

Additional permit fee revenue from this update will be minimal, if any, and depend upon the amount of development activity.

**BOARD OR COMMITTEE RECOMMENDATION**

None

**RECOMMENDATION / MOTION**

Move to: Pass resolution amending Community Development Fee Schedule.

RESOLUTION NO. 911

A RESOLUTION OF THE CITY OF GIG HARBOR, WASHINGTON, WHICH ESTABLISHES FEES FOR COMMUNITY DEVELOPMENT LAND USE APPLICATIONS AND PERMITS, BUILDING PERMIT FEES, ENGINEERING FEES; AND COPY SERVICE FEES; REPEALING RESOLUTION NO. 886 AND ALL PREVIOUS RESOLUTIONS ESTABLISHING FEES FOR THE SAME PURPOSES; AND ESTABLISHING AN EFFECTIVE DATE OF SEPTEMBER 10, 2012.

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**WHEREAS**, the City of Gig Harbor has established land use, engineering, building permit and other community development fees by Resolution; and

**WHEREAS**, the Gig Harbor City Council has requested that development services departments evaluate fees on an annual basis and, as necessary, propose adjustments to the fee schedule; and

**WHEREAS**, the last update to the Land Use, Building Permit and Engineering fees was approved in December 12, 2011 in Resolution No. 886; and

**WHEREAS**, the revised fee schedule reflects the City's increased costs relating to the processing of applications, inspecting and reviewing plans, investigating hazardous conditions or preparing detailed statements pursuant to chapter 43.21C RCW; and

**WHEREAS**, the proposed fee schedule adjustments are deemed necessary to maintain fair and equitable service and application fees; NOW, THEREFORE,

**THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

Section 1. The City Council hereby repeals Resolution No. 886 and adopts the Community Development Fee Schedule attached as Exhibit "A" and incorporated herein by this reference.

Section 2. Effective Date. This Resolution shall take effect on September 10, 2012.

PASSED by the City Council this 10th day of September, 2012.

APPROVED:

\_\_\_\_\_  
Charles L. Hunter, Mayor



ATTEST:

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Molly Towslee, City Clerk

Filed with City Clerk: 9/10/12  
Passed by City Council: 9/10/12  
Resolution No. 911

Exhibit "A"

CITY OF GIG HARBOR  
COMMUNITY DEVELOPMENT  
FEE SCHEDULE

**A. LAND USE PERMIT APPLICATION FEES**

When a development proposal involves two or more permits listed in 3 through 14 below being consolidated and processed concurrently, the highest cost land use permit shall be charged the full fee and all other land use permits charged 50% of the applicable fee. Specified engineering fees, building/fire fees, third party review fees and the fees listed in 1 and 2, and 15 through 24 below are not subject to the 50% reduction. The fees below are paid at submittal of application and include public notice fees; see section F for required deposits and fees incurred during the review process.

<b>1) Amendment to Comprehensive Plan</b>		
a) Map Amendment		\$3,550.00
b) Urban Growth Area Adjustment		\$3,550.00
c) Text Amendment		\$3,550.00
<b>2) Amendments to Municipal Code</b>		
a) Zoning District Boundary		\$3,475.00
b) Text		\$3,550.00
c) Height Restriction Area Amendment		\$3,475.00
<b>3) Conditional Use Permit</b>		
a) Single-family / Accessory Dwelling Unit		\$900.00
b) Nonresidential/Multiple-family in existing building		\$1,450.00
c) New Nonresidential / Multiple-family Dev.		\$3,500.00
*Above fees include \$130.00 for Building/Fire review		
<b>4) Variance/Interpretation</b>		
a) Single-family Variance		\$875.00
b) Non-Single-family Variance		\$1,325.00
c) Administrative Variance		\$525.00
d) Interpretation		\$550.00
*Above variance fees include \$98.00 for Building/Fire review		
<b>5) Site Plan Review and Landscape Plans</b>		
a) Major Site Plan Review		
New use or building – Combined Total		\$ 4,760.00
Planning	\$ 3,400.00	
Building/Fire	\$ 260.00	
Engineering	\$ 1,100.00	
Existing/approved site plan modifications/expansions – Combined Total		\$ 2,980.00
Planning	\$ 2,150.00	
Building/Fire	\$ 130.00	
Engineering	\$ 700.00	
Modification of conditions of approval – Combined Total		\$ 1,830.00
Planning	\$ 1,250.00	
Building/Fire	\$ 130.00	
Engineering	\$ 450.00	

Regional stormwater ponds – Combined Total		\$ 1,700.00
Planning	\$ 1,250.00	
Engineering	\$ 450.00	
b) Minor Site Plan Review		
Change in use		\$ 100.00
Changes to GFA/impervious surface – Combined Total		\$ 1,098.00
Planning	\$ 550.00	
Building/Fire	\$ 98.00	
Engineering	\$ 450.00	
Changes to landscaping/common areas/vegetation retention areas/parking lot layout with no impervious surface change		\$ 550.00
Demolition		\$ 100.00
Changes to stormwater facilities – Combined Total		\$ 1,000.00
Planning	\$ 550.00	
Engineering	\$ 450.00	
Changes to Conditions of Approval		\$ 550.00
Rapid Charging Stations		\$ 100.00
c) Alternative Landscape Plan		\$ 550.00
<b>6) Planned Residential District (PRD)</b>		
(Exclusive of Subdivision fees)		
a) Preliminary PRD – Combined Total		\$ 3,900.00
Planning	\$ 3,250.00	
Building/Fire	\$ 325.00	
Engineering	\$ 325.00	
b) Final PRD		\$ 1,100.00
c) Major PRD Amendment – Combined Total		\$ 1,930.00
Planning	\$ 1,100.00	
Engineering	\$ 700.00	
Building/Fire	\$ 130.00	
d) Minor PRD Amendment – Combined Total		\$ 998.00
Planning	\$ 550.00	
Building/Fire	\$ 98.00	
Engineering	\$ 350.00	
<b>7) Planned Unit Development (PUD)</b>		
(Exclusive of subdivision fees)		
a) Preliminary PUD – Combined Total		\$ 3,900.00
Planning	\$ 3,250.00	
Building/Fire	\$ 325.00	
Engineering	\$ 325.00	
b) Final PUD		\$ 1,100.00
c) Major PUD Amendment – Combined Total		\$ 1,930.00
Planning	\$ 1,100.00	
Building/Fire	\$ 130.00	
Engineering	\$ 700.00	
e) Minor PUD Amendment – Combined Total		\$ 998.00
Planning	\$ 550.00	
Building/Fire	\$ 98.00	
Engineering	\$ 350.00	

<b>8) Performance Based Height Exception</b>	<b>\$1,423.00</b>
Planning	\$1,325.00
Building/Fire	\$ 98.00
<b>9) Transfer of Density Credit Request</b>	<b>\$ 550.00</b>
<b>10) Subdivisions</b>	
a) Preliminary Plat – Combined Total	\$ 5,875.00 + \$ 55.00/lot
Planning	\$ 3,475.00 + \$ 55.00/lot
Engineering	\$ 2,075.00
Building/Fire	\$ 325.00
b) Minor Preliminary Plat Revisions – Combined Total	\$1,648.00
Planning	\$ 1,100.00
Building/Fire	\$ 98.00
Engineering	\$ 450.00
c) Final Plat – Combined Total	\$ 2,875.00 + \$ 55.00/per lot
Planning	\$ 1,250.00 + \$ 55.00/per lot
Engineering	\$ 1,625.00
d) Plat Alterations/Vacations – Combined Total	\$ 2,123.00
Planning	\$ 1,325.00
Building/Fire	\$ 98.00
Engineering	\$ 700.00
<b>11) Short Subdivisions and Boundary Line Adjustments</b>	
a) Preliminary Short Plat Approval – Combined Total	\$ 2,610.00
Planning	\$ 1,250.00
Engineering	\$ 550.00
Building/Fire	\$ 260.00
b) Final Short Plat Approval – Combined Total	\$ 750.00
Planning	\$ 550.00
Engineering	\$ 200.00
c) Boundary Line Adjustment – Combined Total	\$ 773.00
Planning	\$ 550.00
Engineering	\$ 125.00
Building/Fire	\$ 98.00
<b>12) Binding Site Plans</b>	
a) Binding Site Plans – Combined Total	\$ 3,473.00
Planning	\$ 1,800.00
Engineering	\$ 1,575.00
Building/Fire	\$ 98.00
b) Amendment/Modification/Vacation – Combined Total	\$ 765.00
Planning	\$ 700.00
Building/Fire	\$ 65.00
<b>13) Shoreline Management Permits</b>	
a) Substantial Development (based upon actual costs or fair market value, whichever is higher)	
< \$10,000	\$ 1,325.00
> \$10,000 < \$100,000	\$ 2,400.00
> \$100,000 < \$500,000	\$ 3,475.00
> \$500,000 < \$1,000,000	\$ 5,650.00
> \$1,000,000	\$ 8,375.00
b) Variance	\$ 3,475.00
c) Conditional Use	\$ 3,475.00

- d) Revision \$ 1,325.00
- e) Request for Exemption \$ 575.00

**14) Communications Facilities Application Review**

- a) General Application Review – Combined Total \$ 840.00
  - Planning \$ 775.00
  - Building/Fire \$ 65.00
- b) Special Exception \$ 550.00
- c) Conditional Use \$ 3,475.00

**15) Wetlands/Critical Areas Analysis**

- a) City staff review:
  - Steep Slopes/Erosion Hazard/Landslide Hazard \$ 550.00
  - Critical Habitat/Streams \$ 550.00
  - Aquifer Recharge Hydrogeologic Report \$ 550.00
  - Critical Areas Preliminary Site Investigation \$ 550.00
  - Critical Areas Report/Mitigation Review \$ 550.00
  - Reasonable Use Permit \$ 1,625.00
  - Variance \$ 1,625.00
  - Flood Plain Development
    - i) Flood Hazard Permit \$ 100.00
    - ii) Elevation Certificate Review \$ 450.00
- b) Third Party review:
  - Critical areas analysis report Actual Cost
  - Critical areas mitigation/monitoring report Actual Cost

**16) Design Review**

- a) Administrative Approval/DRB Recommendation/Exceptions:
  - Nonresidential and Multifamily
    - Up to 10,000 sq. ft. gross floor area (GFA) \$ 90.00/each 1,000 sq. ft.
    - 10,001-20,000 sq. ft. GFA \$ 115.00/each 1,000 sq. ft.
    - >20,000 sq. ft. GFA \$ 143.00/each 1,000 sq. ft.
  - Subdivision \$ 650.00
  - Site plans with no buildings/GFA \$ 650.00
  - Single-family/duplex dwelling \$ 150.00
- b) Administrative Review of Alternative Designs:
  - Single-family/duplex dwelling \$ 425.00 for first 2 alternatives requested + \$140.00 for each additional.
  - Tenant Improvement \$ 700.00 for first 2 alternatives requested + \$275.00 for each additional.
- c) Amendments to existing or approved plans/buildings: (Fees below are cumulative based on the type of revisions)
  - Minor Adjustment to Hearing Examiner Decisions \$700.00
  - Revisions to parking, landscaping, site amenities, subdivision \$ 350.00
  - Revisions to existing or approved building 25% of fees required by 16a above based on the GFA of the building being revised with a minimum of \$350.00 for each building revised
  - Revisions to single-family/duplex dwelling \$ 75.00

**17) Sign Permits**

a) All signs less than 25 sq. ft.	\$ 45.00
b) Change of Sign, all sizes	\$ 45.00
c) Request for Variance	\$ 550.00
d) Projecting	\$ 75.00
e) Wall Sign, non-illuminated:	
25-50 sq. ft.	\$ 75.00
51-99 sq. ft.	\$ 100.00
>100 sq. ft.	\$ 120.00
f) Wall Sign, illuminated:	
25-50 sq. ft.	\$ 90.00
51-99 sq. ft.	\$ 110.00
>100 sq. ft.	\$ 130.00
g) Ground Sign, non-illuminated:	
25-50 sq. ft.	\$ 110.00
51-100 sq. ft.	\$ 130.00
h) Ground Sign, illuminated:	
25-50 sq. ft.	\$ 130.00
51-100 sq. ft.	\$ 155.00
i) Master Sign Plan Review (per Building)	
1 - 5 Tenants	\$ 110.00
6 - 12 Tenants	\$ 165.00
13+ Tenants	\$ 220.00

**18) Development Agreements**

a) Development Agreements – Combined Total	\$ 1,800.00+ City Attorney fees
Planning	\$ 1,300.00+ City Attorney fees
Engineering	\$ 500.00
b) Development Agreements which include deviations from development standards other than extending the approval duration or phasing of projects	
Combined Total	\$ 6,830.00+ City Attorney fees
Planning	\$ 5,200.00+ City Attorney fees
Engineering	\$ 1,500.00
Building/Fire	\$ 130.00

**19) Special Use Permit**

	\$ 120.00
Planning	\$ 55.00
Building/Fire	\$ 65.00

**20) Temporary Use Permit**

	\$ 120.00
Planning	\$ 55.00
Building/Fire	\$ 65.00

**21) Land Clearing Permit**

\$ 275.00

**22) Nonconforming Use and Structure Review**

a) Nonconforming use review	\$ 700.00
b) Changes from one nonconforming use to another	\$ 1,325.00
c) Nonconforming structure review	\$ 700.00

**23) Historic Preservation**

a) Local Register Nomination/Removal	\$ 110.00
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- b) Certificate of Appropriateness/Waiver \$ 110.00
- c) Special Property Tax Valuation \$ 110.00

**24) Appeals/Reconsideration**

- a) To the Hearing Examiner:
  - Reconsideration \$ 165.00
  - Administrative Variance \$ 275.00
  - Administrative Decision \$ 275.00

Note: Appellants who substantially prevail on appeal as determined by the planning director will be refunded the above appeal fee and will not be billed hearing examiner fees. Appellants who do not substantially prevail on appeal will be billed for the hearing examiner costs.

- b) To the Building Code Advisory Board: \$ 550.00

**B. ENVIRONMENTAL REVIEW (SEPA)**

- 1) Checklist \$ 425.00
- 2) Environmental Impact Statement
  - a) Prepared by Staff Actual Cost
  - b) Prepared by Consultant Actual Cost
- 3) Appeals of Decisions
  - a) Administrator's Final Determination (DNS or EIS) \$ 275.00

Note: Appellants who substantially prevail on appeal as determined by the planning director will be refunded the above appeal fee and will not be billed hearing examiner fees. Appellants who do not substantially prevail on appeal will be billed for the hearing examiner costs.

**C. ANNEXATION PETITION**

- 1) Notice of Intent to Commence Annexation \$ 500.00
- 2) Annexation Petition (once accepted by Council)
  - a) Less than 10 acres \$ 1,295.00
  - b) 10 - 50 acres \$ 2,195.00
  - c) 50 - 100 acres \$ 3,195.00
  - d) 100 + acres \$ 5,195.00
- \*Above fees include \$195.00 for Building/Fire and \$500 for Public Works review
- 3) Enumeration actual cost with deposit

**D. REQUESTS FOR INFORMATION**

- 1) Land-use information, verbal No Charge
- 2) Land-use information, written response requested related to active permit No Charge

**E. STAFF PREAPPLICATION REVIEW**

- (includes a written summary of the meeting) \$ 585.00
  - Planning \$ 325.00
  - Building/Fire \$ 130.00
  - Public Works \$ 130.00

**F. INVOICED FEES AND DEPOSITS:**

- 1) **Additional Submittal Review Fees:** The costs above in section A include the review of the initial application and two revisions (three submittals total) plus the preparation of staff reports and administrative decisions. If a project requires staff review of more than three submittals, the applicant will be charged a rate of \$100.00 per hour (minimum of eight hours) for the time the project planner spends reviewing each submittal thereafter. The applicant shall pay \$800.00 prior to staff commencing review of each additional submittal.
- 2) **Recording Fees:** For those applications which require recording of the final document, the applicant shall bear the costs of all recording.
- 3) **Hearing Examiner Fees:** For those applications which require a public hearing, the applicant shall bear all the costs of the hearing examiner for the public hearing. The applicant shall deposit \$1,000.00 at time of application to cover hearing examiner costs. Actual costs in excess of the deposit will be billed to the applicant. Actual costs below the deposit will be refunded. In the case of appeals, the appellant shall only pay hearing examiner cost if the appellant does not prevail.
- 4) **Attorney Fees:** For those applications for a development agreement, the applicant shall bear all the costs of the city attorney for review of the development agreement. The applicant shall deposit \$1,000.00 at time of application to cover attorney costs. Actual costs in excess of the deposit will be billed to the applicant. Actual costs below the deposit will be refunded.
- 5) **Critical Area Review Deposit:** For those applications which require third-party consultant review of critical area reports, delineations and mitigation, the applicant shall bear all the costs of the third-party consultant review. The applicant will be required to submit a deposit for the anticipated review prior to the consultant starting review of the project.
- 6) **Annexation Enumeration Deposit:** An applicant shall pay for the actual cost of annexation enumeration if approved. Prior to adoption of an ordinance annexing property, the applicant shall deposit an amount determined by the Planning Director, based on the size and expected population, to be used for enumeration by the city. Actual costs in excess of the deposit will be billed to the applicant. Actual costs below the deposit will be refunded. If the annexation petition is denied, the deposit will be refunded.

**G. COPY SERVICES/ADDRESS LABELS**

1)	Zoning Map/Comprehensive Plan Land Use Map (24" x 36")	\$ 6.80
2)	Zoning Code	\$ 49.00
3)	Comprehensive Plan	\$ 35.00
4)	Shoreline Master Program	\$ 15.00
5)	Critical Areas Map (24"x 36")	\$ 6.80
6)	Visually Sensitive Area (24"x 36")	\$ 6.80
7)	Design Manual (GHMC 17.99)	\$ 22.00
8)	Full Size Bond Reproduction (By Outside Service)	Charge by outside service+\$ 5.00
9)	Full Size Bond Reproduction (In House)	\$ 6.80 each
10)	8-1/2 x 11", 8-1/2" x 14" & 11" x 17" B&W Copies No charge for first 50 copies	\$ 0.15 each
11)	8-1/2" x 11", 8-1/2" x 14 & 11" x 17" Color Copies No charge for first 50 copies	\$ 0.20 each
13)	Scanned documents for electronic records request B&W No charge for first 50 copies	\$ 0.05 each
14)	Scanned documents – Color No charge for first 50 copies	\$ 0.10 each
15)	Copy of existing CD or burning documents to CD	\$ 1.00 each



- 16) Address labels of property owners within 300 feet of project included in permit fees

**H. FEE REIMBURSEMENTS**

Application fees may be reimbursed at the following rate (percent of total fee):

Request to withdraw application prior to any public notice issued	100%
Request to withdraw application after any public notice issued.	85%
Request to withdraw application after 1 <sup>st</sup> comprehensive review of project	50%
Request to withdraw application after 2 <sup>nd</sup> comprehensive review of project, issuance of staff report or SEPA threshold determination	35%
Request to withdraw application after 2 <sup>nd</sup> comprehensive review of project, or following a public hearing or issuance of administrative decision	0%

Traffic report preparation fees, if addressed in a Hearing Examiner appeal, may be reimbursed to the extent directed by the Examiner in the Examiner's final decision.

**I. UTILITY EXTENSION REQUEST \$ 560.00**

**J. ENGINEERING FEES**

**Traffic Report Preparation**

Traffic Report Preparation Fees shall be charged as follows based on the number of PM Peak Hour Trips:

Tier	PM Peak Hour Trips	Traffic Report Preparation Fee
I	>2 up to 50	\$ 1,815
II	51 - 150	\$ 3,025
III	151 - 300	\$ 6,050
IV	301 - 750	\$ 9,075
V	>750	\$ 9,075 plus \$25 per trip over 750

**Engineering Permit Fees:**

Public Works Variance	\$ 1,330.00
Public Works Variance – Building/Fire Review	\$ 98.00
Actual or Projected Sewer Use Review	\$ 1,330.00
Sewer Exception Review	\$ 750.00
Building Review-Single Family Residence (SFR)	\$ 98.00
Building Review-Tenant Improvement w/Change in use	\$ 180.00
Encroachment (Administrative and Inspection)	\$ 250.00
Encroachment (Temporary)	\$ 30.00
Right of way / Vacation – Building/Fire	\$ 98.00
Water CRC (Non-SFR)	\$ 90.00
Sewer CRC (Non-SFR)	\$ 90.00
Transportation CRC (Non-SFR)	\$ 90.00
Comprehensive Plan Change (Utility Element)	\$ 1,330.00 (plus consultant fees)
Utility System Consistency Review	\$ 1,330.00 (plus consultant fees)
Banner installation/removal fee	\$ 100.00
(in addition to Right of way (Temporary) fee)	
Fire Hydrant Indemnification Processing Fee	\$ 1,330.00
Fire Hydrant Indemnification Processing Fee – Building/Fire Review	\$ 98.00

**Engineering Plan Review Fees:**

Water: linear feet	\$ 165.00 for 1st 150 linear feet (lf) + \$0.30/lf
Sewer: linear feet	\$ 165.00 for 1st 150 linear feet (lf) + \$0.30/lf
Street or street w/curb, gutter and sidewalk	\$ 165.00 for 1st 150 linear feet (lf) + \$0.40/lf
Curb, gutter and sidewalk only	\$ 165.00 for 1st 150 linear feet (lf) + \$0.40/lf
Storm: Number of catch basins	\$ 120.00 for 1st + \$16.28 for each additional
Storm: Retention and detention facilities	\$ 165.00 for each facility
Lighting(per luminare)	\$ 135.00 plus \$10.85 per luminare
Signals	\$ 555.00 per intersection
Encroachment Permit	\$ 50.00
Civil Permit Review – Building/Fire	\$ 325.00

**Additional Resubmittal Review Fees:** The fees above for Engineering Plan Review include the initial review of the plans and two revisions (three submittals total). If a project requires staff review of more than three submittals, the applicant will be charged a rate of \$100.00 per hour (minimum of four hours) for the time the staff reviewer spends reviewing each submittal thereafter, and the minimum fee is due prior to start of review of the fourth submittal. Fees above the minimum resubmittal fee shall be billed to the applicant.

**Engineering Construction Inspection Fees:**

Water: linear feet	\$ 300.00 for 1st 150 linear feet (lf) + \$1.63/lf
Sewer: linear feet	\$ 300.00 for 1st 150 linear feet (lf) + \$1.63/lf
Sewer: residential step system	\$ 210.00 for each residence
Street	\$ 300.00 for 1st 150 linear feet (lf) + \$1.20/lf
Curb, gutter and sidewalk only	\$ 300.00 for 1st 150 linear feet (lf) + \$1.20/lf
Storm	\$ 145.00 per retention area + \$0.60/lf pipe
Lighting (per luminaire)	\$ 145.00 + \$16.48 per luminaire
Signals	\$ 1,140.00 per intersection
Grease interceptor permit	\$ 500.00

<b>Grading Plan Review Fees</b>	
100 Cu. Yds. or less	\$ 32.97
101 to 1000 Cu Yds.	\$ 50.98
1,001 to 10,000 Cu. Yds.	\$ 68.32
10,001 to 100,000 Cu. Yds.	\$68.32 for the first 10,000 plus \$34.16 each additional 10,000 or fraction thereof.
100,001 to 200,000 Cu. Yds.	\$368.78 for the first 100K plus \$18.97 for each additional 10,000 or fraction thereof.
200,001 Cu. Yds. or more	\$549.92 for the first 200,000 plus \$10.85 for each additional 10,000 or fraction thereof.
<b>Grading Permit Fees</b>	
100 Cu. Yds. or less	\$50.98
101 to 1000 Cu. Yds.	\$50.98 for the first 100 Cu. Yds. plus \$24.95 for each additional 100 Cu. Yds or fraction thereof.
1,001 to 10,000 Cu. Yds.	\$266.28 for the first 1,000 Cu. Yds. plus \$20.07 for each additional 1,000 Cu. Yds. or fraction thereof.
10,001 to 100,000 Cu. Yds.	\$444.16 for the first 10,000 Cu. Yds. plus \$91.11 for each additional 10,000 Cu. Yds. or fraction thereof.
100,001 Cu. Yds or more	\$1,257.10 for the first 100,000 Cu. Yds. plus \$50.98 for each additional 10,000 Cu. Yds. or fraction thereof.



**K. BUILDING PERMIT FEES**

**Table 1-1**  
**Building Permit Fees**

Total Valuation	Fee
\$1.00 to \$500.00	\$34.00
\$501.00 to \$2,000.00	\$34.00 for the first \$500.00 plus \$5.00 for each additional \$100.00 or fraction thereof to and including \$2,000.00
\$2,001 to \$25,000	\$96.00 for the first \$2,000.00 plus \$21.00 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$535.00 for the first \$25,000.00 plus \$15.00 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$880.00 for the first \$50,000.00 plus \$11.00 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$1,358.00 for the first \$100,000.00 plus \$9.00 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$4,420.00 for the first \$500,000.00 plus \$8.00 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	\$7,666.00 for the first \$1,000,000.00 plus \$5.00 for each additional \$1,000.00 or fraction thereof
Demolition Permit	\$119.00
Building Permit Plan Review Fees	
Building permit plan review fees	The fee for review of building plans will equal 65% of the permit fee in addition to the permit fee.
Base Plan Fees	
Base Plan Application Filing Fee.	\$55.00
New Base Plan Review Fee.	150% of plan review fee calculated under T. 1-1 for new construction.
Establish base plan from plan previously approved by the City.	100% of plan review fee calculated under T 1-1 for new construction.
Subsequent plan review fee for use of established base plan.	70% of the plan review fee calculated under T 1-1 for new construction.

**Table 1-2**  
**Square Foot Construction Costs<sup>a,b,c</sup>**

Group (2006 IBC/IRC)		Type of Construction								
		IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
A-1	Assembly, theaters, with stage	189.23	183.14	178.89	171.53	159.52	158.67	166.11	147.80	142.49
	Theaters, without stage	174.54	168.46	164.20	156.86	144.83	144.00	151.44	133.11	127.80
A-2	Assembly, nightclubs	142.74	138.74	135.26	130.18	121.78	120.30	125.43	110.92	107.25
	Restaurants, bars, banq. halls	141.59	137.59	132.97	129.05	119.50	119.15	124.29	108.64	106.11
A-3	Assembly, churches	175.26	169.18	164.91	157.56	145.52	144.68	152.16	133.81	128.50
	General, comm.. halls, libraries museums	145.11	139.03	133.62	127.41	114.22	115.36	122.01	102.51	98.33
A-4	Assembly, arenas	141.59	137.59	132.50	129.05	119.50	119.15	124.29	108.64	106.11
B	Business	145.76	140.48	136.01	129.64	116.00	115.37	124.70	103.60	99.69
E	Educational	153.06	147.89	143.66	137.30	126.65	123.66	132.76	113.16	108.93
F-1	Factory/Industrial, mod. Hazard	88.39	84.34	79.30	76.89	66.44	67.58	73.76	56.66	53.83
F-2	Factory/Industrial, low hazard	87.26	83.19	79.30	75.76	66.44	66.44	72.62	56.66	52.69
H-1	High hazard, explosives	83.02	78.96	75.06	71.53	62.38	62.38	68.05	52.61	N.P.
H-2-4	High hazard	83.02	78.96	75.06	71.53	62.38	62.03	68.39	52.61	48.63
H-5	HPM	145.76	140.48	136.01	129.64	116.00	115.37	124.70	103.60	99.69
I-1	Institutional, supervised	143.92	138.99	135.25	129.76	119.05	139.99	125.83	109.42	105.08
I-2	Institutional, incapacitated	242.62	237.35	232.88	226.52	212.47	N.P.	221.57	200.06	N.P.
I-3	Institutional, restrained	165.57	160.29	155.83	149.47	137.22	135.44	144.51	124.81	118.62
I-4	Institutional, day care	143.92	138.99	135.25	129.76	119.05	118.99	125.83	109.42	105.08
M	Mercantile	106.37	102.36	97.73	93.80	84.82	84.47	89.04	73.95	71.43

Group (2006 IBC/IRC)		Type of Construction								
		IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
R-1	Residential, hotels	145.37	140.43	136.69	131.21	120.56	120.50	127.33	110.92	106.61
R-2	Residential, multi-family	145.36	139.42	134.95	128.36	115.80	115.71	123.92	104.23	99.04
R-3	Residential, 1/2 family	138.06	134.24	130.94	127.33	121.30	121.01	125.20	115.49	107.21
R-4	Residential, care/asst. living	143.92	138.99	135.25	129.76	119.05	118.99	125.83	109.42	105.08
S-1	Storage, moderate hazard	81.88	77.82	72.78	70.38	60.10	61.24	67.25	50.33	47.49
S-2	Storage, low hazard	80.73	76.68	72.78	69.25	60.10	60.10	66.11	50.33	46.35
U	Utility, miscellaneous	62.53	59.12	55.61	52.83	45.82	45.82	49.86	37.67	35.87

- a. Private garages use utility, miscellaneous
- b. Unfinished basements (all use group) = \$15.00 per sq. ft.
- c. N.P. = not permitted

**Table 1-3  
Plumbing Permit Fees**

**Permit Issuance**

1. For issuing each permit \$28.00

**Unit Fee Schedule (in addition to items 1 above)**

- |   |          |
|---|----------|
| 1. For each plumbing fixture on one trap or a set of fixtures on one trap (including water, drainage piping and backflow protection therefore)          | \$10.00  |
| 2. For each building sewer and each trailer park sewer  | \$21.00  |
| 3. Rainwater Systems - per drain (inside building)  | \$10.00  |
| 4. For each private sewage disposal system  | \$55.00  |
| 5. For each water heater and/or vent  | \$10.00  |
| 6. For each gas-piping system of one to five outlets  | \$ 8.00  |
| 7. For each additional gas-piping system outlet (per outlet)  | \$ 3.00  |
| 8. For each industrial waste pretreatment interceptor including its trap and vent, except kitchen-type grease interceptors functioning as fixture traps | \$21.00  |
| 9. For each installation, alteration, or repair of water piping and/or water treating equipment, each   | \$10.00  |
| 10. For each repair or alteration of drainage or vent piping, each fixture  | \$10.00  |
| 11. For each private landscape irrigation system on any one meter including backflow protection devices therefore.                                      | \$ 10.00 |
| 12. For each atmospheric-type vacuum breakers not included in item 11:  | \$ 2.00  |
| 13. For each backflow protective device other than atmospheric-type vacuum breakers:  | \$20.00  |
| 14. For each gray water system  | \$55.00  |
| 15. For initial installation and testing for a reclaimed water system (excluding initial test)  | \$42.00  |
| 16. For each medical gas piping system serving one to five inlet(s)/outlet(s) for a specific gas  | \$69.00  |
| 17. For each additional medical gas inlet(s)/outlet(s)  | \$ 8.00  |

**Plan Review Fee**

A plan review fee equal to 65% of the permit fee shall be charged in addition to the permit fee for all plumbing permits. **Exception:** No plan review fee will be charged for plumbing permits related to residential construction regulated under the International Residential Code.

**Table 1-4  
Mechanical and Fuel Gas Permit Fees**

**Permit Issuance**

1. For issuing each permit \$ 34.00

**Unit Fee Schedule (in addition to issuance fee above)**

2. HVAC units	\$ 22.00
3. Each appliance vent or diffuser without appliance	\$ 11.00
4. Repair of each appliance & refrigeration unit	\$ 19.00
5. Each boiler / compressor	\$ 22.00
6. Each air handler	\$ 16.00
7. Each VAV box	\$ 16.00
8. Each evaporative cooler other than portable type	\$ 16.00
9. Each ventilation fan connected to a single duct	\$ 11.00
10. Each ventilation system not part of a system under permit	\$ 16.00
11. Each hood served by mech. exhaust system including the ductwork	\$ 16.00
12. Each piece of equipment regulated by the mechanical code but not listed in this table (fireplace inserts)	\$ 16.00
13. Each fuel gas piping system of one to five outlets	\$ 8.00
14. Each additional fuel gas outlet	\$ 3.00
15. Propane tank installation	\$ 66.00

**Plan Review Fee**

A plan review fee equal to 65% of the permit fee shall be charged in addition to the permit fee for all mechanical permits. **Exception:** No plan review fee will be charged for mechanical permits related to residential construction regulated under the International Residential Code.



**Table 1-5  
Fire System Permit Fees**

<b>Type of Fire Protection System</b>	<b>Fees (includes plan review, testing, and inspection)</b>
<b>Fire Alarm Systems</b>	
New Com./Multi. Fam. (first 4 zones)	\$472.00 plus \$2.00 per device
Additional zones	\$ 60.00 ea. plus \$2.00 per device
Tenant Improvement	\$354.00 plus \$2.00 per device
Additional Zones	\$ 60.00 plus \$2.00 per device
Residential (1-2 fam. dwellings)	\$190.00 plus \$2.00 per device
Sprinkler supervision/notification only	\$201.00 plus \$2.00 per device
System upgrade/panel replacement	One half the above listed fees for new work.
<b>Fire Sprinkler Systems</b>	
NFPA 13, 13 R Systems	
1. Each new riser up to 99 heads	\$ 207.00+4.00/head
2. Each wet riser over 99 heads	\$578.00
3. Each dry riser over 99 heads	\$718.00
4. Each new deluge or pre-action system	\$718.00
5. Each new combination sprinkler/standpipe system including a single riser	\$931.00
6. Sprinkler underground	\$149.00
7. Revision to existing system	\$66.00+3.00/head
8. For each electronic permit for installation/relocation of not more than 10 heads and not involving installation/modification of branch or main piping.	\$ 66.00
9. High piled stock or rack system	
Add to riser fee	\$371.00
NFPA 13D systems	
1. Per dwelling unit fee	\$298.00
<b>Standpipe Systems</b>	
1. Each new Class 1 system	
Dry system	\$286.00
Wet system	\$409.00
2. Each new Class 2 system	\$495.00
3. Each new Class 3 system	\$495.00
<b>Fire Pumps</b>	\$898.00
<b>Type I Hood Suppression Systems</b>	
1. Pre-engineered	\$234.00
2. Custom engineered	\$409.00
<b>Fixed Pipe Fire Suppression</b>	
1. Pre-engineered	\$248.00
2. Custom engineered	\$569.00

**Table 1-6  
Additional Services**

1.	Inspections outside of normal business hours	\$ 66.00/hr <sup>1</sup>
2.	Reinspection fee	\$ 66.00/hr
	Reinspection fees double accumulatively when work requiring reinspection is not corrected prior to request for reinspection. (2 <sup>nd</sup> reinspection = \$132.00; 3 <sup>rd</sup> reinspection = \$264.00 etc.)	
3.	Expired permit renewal within 1 year of expiration	One-half (50%) of the original permit fee.
4.	Inspections for which no fee is specifically indicated	\$ 66.00/hr
5.	Fire Code Operational Permit Inspection	\$ 66.00/hr
6.	Additional plan review required by changes, additions or revisions to approved plans (per hour - minimum charge one-half hour)	\$ 66.00/hr
7.	Temporary Certificate of Occupancy	\$ 236.00
8.	Certificate of Occupancy for change in use	\$ 66.00/hr
9.	Adult Family Home licensing inspection	\$ 66.00/hr
10.	Investigation fee for work without a permit	100% of the permit fee in addition to the permit fee.
11.	Expedited plan review by third party contract	Actual Cost but not less than 65% of the permit fee.
12.	Incident management and investigation	\$ 66.00/hr <sup>1</sup>
13.	Fire flow test	\$130.00
14.	Appeal of directors decision to BCAB	\$130.00

<sup>1</sup> A two hour minimum fee will be charged for all additional services involving employee overtime.

**Table 1-7  
Fire Code Operational and Construction Permit Fees**

<b>Operation</b>	<b>Fee</b>
Aerosol Products	\$ 66.00
Amusement Buildings	\$ 66.00
Aviation Facilities	\$130.00
Carnivals and fairs	\$ 66.00
Battery systems	\$130.00
Cellulose nitrate film	\$ 66.00
Combustible dust producing operations	\$ 66.00
Combustible fibers	\$ 66.00
<b>Exception: Permit not required for agricultural storage</b>	
Compressed gases	\$ 66.00
Exception: Vehicles using CG as a fuel for propulsion See IFC T. 105.6.9 for permit amounts	
Covered mall buildings - Required for: placement of retail fixtures and displays, concession equipment, displays of highly combustible goods and similar items in the mall; display of liquid or gas fired equipment in the mall; use of open flame or flame producing equipment in the mall.	\$ 66.00
Cryogenic fluids	\$ 66.00
Exception: Vehicles using cryogenic fluids as a fuel for propulsion or for refrigerating the lading. See IFC T. 105.6.11 for permit amounts	
Dry cleaning plants	\$ 66.00
Exhibits and trade shows	\$ 66.00
Explosives	\$198.00
Fire hydrants and valves	\$ 66.00
Exception: Authorized employees of the water company or fire department.	
Flammable and combustible liquids	\$132.00
In accordance with IFC 105.6.17	
Floor finishing	\$ 66.00
In excess of 350 sq. ft. using Class I or Class II liquids	
Fruit and crop ripening	\$ 66.00
Using ethylene gas	
Fumigation and thermal insecticidal fogging	\$ 66.00
Hazardous materials	\$ 66.00
See IFC T. 105.6.21 for permit amounts	
HPM facilities	\$132.00
High piled storage	\$132.00
In excess of 500 sq. ft.	
Hot work operations	\$ 66.00
In accordance with IFC 105.6.24	
Industrial ovens	\$ 66.00
Lumber yards and woodworking plants	\$ 66.00
Liquid or gas fueled vehicles or equipment In assembly buildings	\$ 66.00

**Table 1-7**  
**Fire Code Operational and Construction Permit Fees - cont.**

LP Gas	\$132.00
Exception: 500 gal or less water capacity container serving group R-3 dwelling	
Magnesium working	\$ 66.00
Miscellaneous combustible storage	\$ 66.00
In accordance with IFC 105.6.30	
Open burning	\$ 66.00
Exception: Recreational fires	
Open flames and torches	\$ 66.00
Open flames and candles	\$ 66.00
Organic coatings	\$ 66.00
Places of assembly	\$ 66.00
Private fire hydrants	\$ 66.00
Pyrotechnic special effects material	\$ 66.00
Pyroxylin plastics	\$ 66.00
Refrigeration equipment	\$ 66.00
Regulated under IFC Ch. 6	
Repair garages and motor fuel dispensing facilities	\$ 66.00
Rooftop heliports	\$ 66.00
Spraying or dipping	\$ 66.00
Using materials regulated under IFC Ch. 15	
Storage of scrap tires and tire byproducts	\$ 66.00
Temporary membrane structures, tents and canopies	\$ 66.00
Except as provided in IFC 105.6.44	
Tire re-building plants	\$ 66.00
Waste handling	\$ 66.00
Wood products	\$ 66.00
 <b>Required Construction Permits</b>	
Automatic fire extinguishing systems	Ref. Table 1-5
Compressed gases except as provided under IFC 105.7.2	Ref. Table 1-3
Fire alarm and detection systems and related equipment	Ref. Table 1-5
Fire pumps and related equipment	Ref. Table 1-5
Flammable and combustible liquids - in accordance with IFC 105.7.5	\$132.00
Hazardous materials	\$132.00
Industrial ovens regulated under IFC Ch. 21	\$132.00
LP Gas - installation or modification of LP gas system	Ref. Table 1-4
Private fire hydrants - installation or modification of private fire hydrants	Ref. Table 1-5
Spraying or dipping - installation or modification of a spray room, dip tank, or booth	\$132.00
Standpipe system	Ref. Table 1-4
Temporary membrane structures tents and canopies Except as provided under IFC 105.7.12	Included in Op. Permit Fee



Business of the City Council  
City of Gig Harbor, WA

**Subject:** Acceptance of Quit Claim Deed – Old Burnham Drive Properties

**Proposed Council Action:** Authorize the Mayor to accept the quit claim deed for six parcels located in the McCormick Creek Basin.

**Dept. Origin:** Public Works/Engineering

**Prepared by:** Jeff Langhelm *JA*

**For Agenda of:** September 10, 2012

**Exhibits:** Quit Claim Deed and Location Map

Initial & Date

**Concurred by Mayor:**

**Approved by City Administrator:** *R- 8/20/12*

**Approved as to form by City Atty:** *VIA EMAIL 8/20/12*

**Approved by Finance Director:** *Barb 8/20/12*

**Approved by Department Head:** *JA 8/20/12*

<b>Expenditure Required</b>	\$ 0	<b>Amount Budgeted</b>	\$ 0	<b>Appropriation Required</b>	\$ 0
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**INFORMATION/BACKGROUND**

The City of Gig Harbor requested from Pierce County the transfer of six properties located north of the intersection of Woodhill Drive and Burnham Drive. These properties (Parcel Nos. 012225-4082, -6029, -6042, -6040, -2125, and -6037) are owned by Pierce County Surface Water Management. The City requested this transfer be performed at no cost to the City. These properties were once in the jurisdiction of Pierce County but are now under the jurisdiction of Gig Harbor due to a 2009 annexation. Pierce County proposed the transfer of these properties via quit claim deed prepared by Pierce County with conditions for protection of natural conservation features in perpetuity and maintaining drainage structures in perpetuity. These drainage structures primarily consist of weirs constructed to improve fish passage.

Pierce County has confirmed they have not performed an environmental site assessment on the properties and will not be performing an assessment at this time. Consideration should be made by the City Council on the risk of acquiring these properties without having an environmental site assessment performed. Currently staff has not received a recommendation to perform a formal site assessment. However, Wayne Matthews performed a brief visual assessment on April 4 and found minimal debris on the properties (mostly abandoned furniture).

**FISCAL CONSIDERATION**

While there is no direct cost associated with the acquisition of these properties, there will be an ongoing cost for maintenance of the drainage structure as identified in the quit claim deed. This drainage structure primarily consists of weirs constructed of logs affixed to the creek bed. The estimated average annual maintenance cost for the drainage structure is approximately \$2,000.

Additionally, Parcel "B" of the Quit Claim Deed (012225-6029) is subject to a road maintenance agreement and Parcel "C" (012225-6040, 6042, and 2125) is subject to a well agreement. Pierce County has notified the City that they have never been requested to participate in costs for these agreements; however, there is a possibility that the owner of this parcel may, at one point, be required to pay for a portion of these costs.

**BOARD OR COMMITTEE RECOMMENDATION**

A draft quit claim deed was presented at the April 2012 and June 2012 Parks Commission meeting and has received support from the Parks Commission.

**RECOMMENDATION/MOTION**

**Move to:** Authorize the Mayor to accept the quit claim deed for six parcels located in the McCormick Creek Basin.

RETURN TO:  
PUBLIC WORKS & UTILITIES  
9850 64th Street W  
University Place WA 99487-1078

Tax Parcel No's: 01-22-25-4-082; & 01-22-25-6-029; & 01-22-25-6-040; & 01-22-25-6-042;  
01-22-25-2-125; & 01-22-25-6-037.

## QUIT CLAIM DEED

The Grantor, **Pierce County**, a municipal corporation and political subdivision of the State of Washington, for and in consideration of mutual benefits and the protection in perpetuity of the significant natural conservation features of the following described properties lying within the McCormick Creek basin, hereby conveys and quit claims to **The City of Gig Harbor**, a municipal corporation, its successors and/or assigns, the following described real estate situate in the City of Gig Harbor, County of Pierce, State of Washington, together with any and all after acquired title of the Grantor therein, to wit:

**ORIGINAL** 8/21 Rev.

Parcel "A" (Mueller) 01-22-25-4-082

All that certain real property situate in the County of Pierce, State of Washington, being a portion of the West half of the Southeast quarter of Section 25, Township 22 North, Range 01 East of the Willamette Meridian, and being more particularly described as follows: **Beginning** at a point on the West line of the Southeast quarter of said Section 25, distant thereon North 02° 29' 00" East 2259.43 feet from the South quarter corner of said Section 25; thence from said **Point of Beginning**, South 59° 49' 05" East 88.88 feet; thence South 38° 38' 35" East 212.12 feet; thence South 50° 16' 28" East 26.19 feet; thence South 03° 30' 57" West 59.85 feet; thence South 13° 34' 41" East 69.22 feet; thence South 13° 15' 06" West 224.81 feet to the Northeasterly right of way line of Woodhill Drive NW as shown on the Large Lot Subdivision Map recorded under Auditor's Certificate Number 1582, Pierce County Records; thence along said Northeasterly right of way line, along the arc of a non-tangent curve to the right, the radius point of which bears South 63° 59' 23" West, 1176.00 feet; thence along said right of way line, Southeasterly along said curve through a central angle of 01° 36' 04", an arc length of 32.86 feet; thence tangent to the preceding curve South 24° 24' 33" East 93.45 feet; thence tangent to the preceding course along the arc of a curve to the left having a radius of 1116.00 feet and a central angle of 07° 13' 00", an arc length of 140.57 feet; thence tangent to the preceding curve South 31° 37' 33" East 226.51 feet; thence tangent to the preceding course along the arc of a curve to the left having a radius of 208.75 feet and a central angle of 74° 06' 55", an arc length of 270.03 feet to the Westerly right of way line of Burnham Drive NW (said right of way line being 30 feet Westerly of and parallel with the centerline of the existing traveled way); thence along said Westerly right of way line North 19° 00' 29" West 272.30 feet; thence tangent to the preceding course along the arc of a curve to the right having a radius of 848.51 feet and a central angle of 09° 40' an arc

length of 143.35 feet to the Southwesterly right of way line of Old Burnham County Road (30 feet southwesterly of and parallel with the centerline of the existing old road) thence along said Southwesterly right of way line of Old Burnham County Road, North 35° 00' 13" West 110.90 feet; thence North 29° 25' 46" West 95.06 feet; thence North 26° 25' 50" West 139.95 feet; thence tangent to the preceding course along the arc of a curve to the right having a radius of 330.00 feet and a central angle of 20° 09' 52", an arc length of 116.14 feet; thence tangent to the preceding curve North 06° 15' 58" West 54.73 feet; thence tangent to the preceding course along the arc of a curve to the left having a radius of 270.00 feet and a central angle of 28° 57' 55", an arc length of 136.50 feet; thence tangent to the preceding curve North 35° 13' 53" West 303.26 feet; thence tangent to the preceding course along the arc of a curve to the left having a radius of 170.00 feet and a central angle of 17° 08' 23", an arc length of 50.85 feet; thence tangent to the preceding curve North 52° 22' 15" West 51.67 feet; thence North 55° 43' 28" West 23.11 feet to an intersection with the West line of the Southeast quarter of said Section 25; thence along said West line South 02° 29' 00" West 219.73 feet to the **Point of Beginning**. *Containing 237,793 Sq Ft) As per Statutory Warranty Deed recorded under AFN: 200410120842.*

**Subject to:**

1. Relinquishment of access to State Highway and of light, view and air recorded under AFN 1795395.
2. Condemnation of access to State Highway and of light, view and air by Pierce County Superior Court Decree under Cause no. 206549.
3. 60 foot culvert extended into the within described property as delineated on Short Plat 77-610.
4. Survey recorded under AFN 8509120164

**Parcel "B" (Sletto) 01-22-25-6-029**

Lot 4 as shown on Short Plat 8902060256 as filed with the Auditor in Pierce County Washington. *(Containing 386,487 Sq Ft m/l) As per Statutory Warranty Deed recorded under AFN 200312230858.*

**Subject to:**

1. Sanitary Sewer Facilities Agreement recorded under AFN 9206230318.
2. Easement recorded under AFN 8403290223.
3. Road Maintenance Agreement recorded under AFN 8911140398.
4. Easement to Harbor Pump & Water Co. recorded under AFN's 2385483 & 2385484.
5. Road Improvement Agreement recorded under AFN 8902020470.
6. Conditions, Restrictions, Reservations, Easement provisions, Dedications and Statements as shown on said Short Plat.
7. 60 foot road & utility easement recorded under AFN's 2511071 & 1716745.
8. Surface Water Pipeline easement recorded under AFN 200706040163.

**Parcel "C" (Greeson) 01-22-25-6-040 & 6-042 & 2-125**

Lot 1 of Pierce County Short Plat 77-696 according to Plat recorded October 12<sup>th</sup> 1977 in Pierce County Washington, **Except:** the East 150.00 feet thereof.

**Together with** the following described property: **Commencing** at the Northeast corner of Government Lot 2 in Section 25, Township 22 North, Range 01 East of the Willamette Meridian in Pierce County Washington; thence South 02° 29' 00" West along the East line of said Government Lot 2 a distance of



467.00 feet to the South line of the Short Plat recorded under AFN 8501250117, and the **True point of Beginning**; thence North 87° 53' 45" West along said South line to the intersection of the centerline of McCormick Creek; thence Southerly along said creek centerline to the North line of Short Plat 77-696; thence South 87° 53' 45" East along said North line to intersect the East line of said Government Lot 2; thence North 02° 29' 00" East along said East line a distance of 112.85 feet to the **True Point of Beginning, Except:** the East 150.00 feet thereof.

**Also Together with** the South half, as measured along the West line of Lot 2 of Pierce County Short Plat 77-696 recorded October 12<sup>th</sup> 1977 in Pierce County Washington; **Except:** the following described property: **Beginning** at the Southwest corner of said Lot 2; thence North 02° 06' 11" East along the West line thereof a distance of 112.07 feet to the North line of said South half; thence South 87° 53' 45" East along said North line a distance of 26.20 feet; thence South 05°06' 14" West a distance of 112.23 feet to the South line of said Lot 2; thence North 87° 53' 45" West along said South line a distance of 20.33 feet to the **Point of Beginning.** (All containing 120,371 Sq Ft)

**Also Together with** a non-exclusive easement for road and utility purposes over, under and across that portion of vacated Burnham-Hunt County Road lying within Lot 2 in Section 25, Township 22 North, Range 01 East of the Willamette Meridian in Pierce County Washington. *As per Statutory Warranty Deed recorded under AFN 200608080706.*

**Subject to:**

1. Reimbursement agreement recorded under AFN 9206230318.
2. Pipeline easement acquired through use recorded under AFN 2385483.
3. Restriction recorded under AFN 8403280168
4. Conditions, Restrictions, Easement Provisions, Dedications and statements as shown on the Short Plat.
5. Road maintenance Agreement recorded under AFN 9505220054.
6. Easements recorded under AFN's 8403290223 & 2511071 & 2647623.
7. Agreements recorded under AFN's 9102150087 & 9102220291.

**Parcel "D" (Southwell) 01-22-25-6-037**

That portion of Lot 3 as shown on Short Plat 8501250117, as filed with the Auditor in Pierce County Washington, lying Easterly of the following described line:

**Beginning** at a point on South line of said Lot 3, distant thereon North 87° 53' 45" West 540.83 feet from the Southeast corner thereof; thence from said Point of Beginning North 21° 31' 44" West 134.41 feet to the North line of said Lot 3 and the terminus of this line description. (Containing 127,622 Sq Ft) *As per Statutory Warranty Deed recorded under AFN 200412270385.*

**Subject to:**

1. Easement to Harbor Pump and Water Company recorded under AFN 2385483.
2. Easement to Robert Johnson etal recorded under AFN 2511071.
3. Easement for utilities recorded under AFN 2647623.
4. Easement to Harbor Water Company recorded under AFN 8112170227.
5. Agreement recorded under AFN 9206230318.
6. Notification of restrictions recorded under AFN 9208210569.

- 7. Conditions, Restrictions, Reservations, Easement Provisions, Dedications and statements as shown on said Short Plat.

Note: The encumbrances identified against each of the above referenced properties are accurate as of the date of their purchase by Pierce County. No subsequent title report has been requested.

*All parties covenant and agree that this conveyance is made to transfer ownership and responsibility for the protection in perpetuity of the natural conservation features of the above described properties lying within the McCormick Creek Basin, to the City of Gig Harbor, its successors and or assigns, for real property annexed into the City of Gig Harbor. The Grantee, its successors and or assigns, shall retain and protect in perpetuity the natural habitat, and the conservation features and functions of McCormick Creek and its buffers, as wetland, aquatic and riparian habitat for fish, wildlife and plants, and the preservation of water quality, and shall prevent any use of, or activity within the above described real property that is not consistent with these values. The Grantee, its successors and or assigns shall assume all responsibility for continued maintenance and operation of the weirs which have been constructed for fish passage within McCormick Creek.*

Dated this \_\_\_\_ day of \_\_\_\_\_, 2012

**Pierce County**

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

Pat McCarthy, Pierce County Executive

STATE OF WASHINGTON            )  
  )        ss.  
County of Pierce                    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2012, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Pat McCarthy, to me known to be the Executive, respectively of PIERCE COUNTY, the corporation that executed the foregoing instrument, and acknowledge the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first written above.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington residing at \_\_\_\_\_

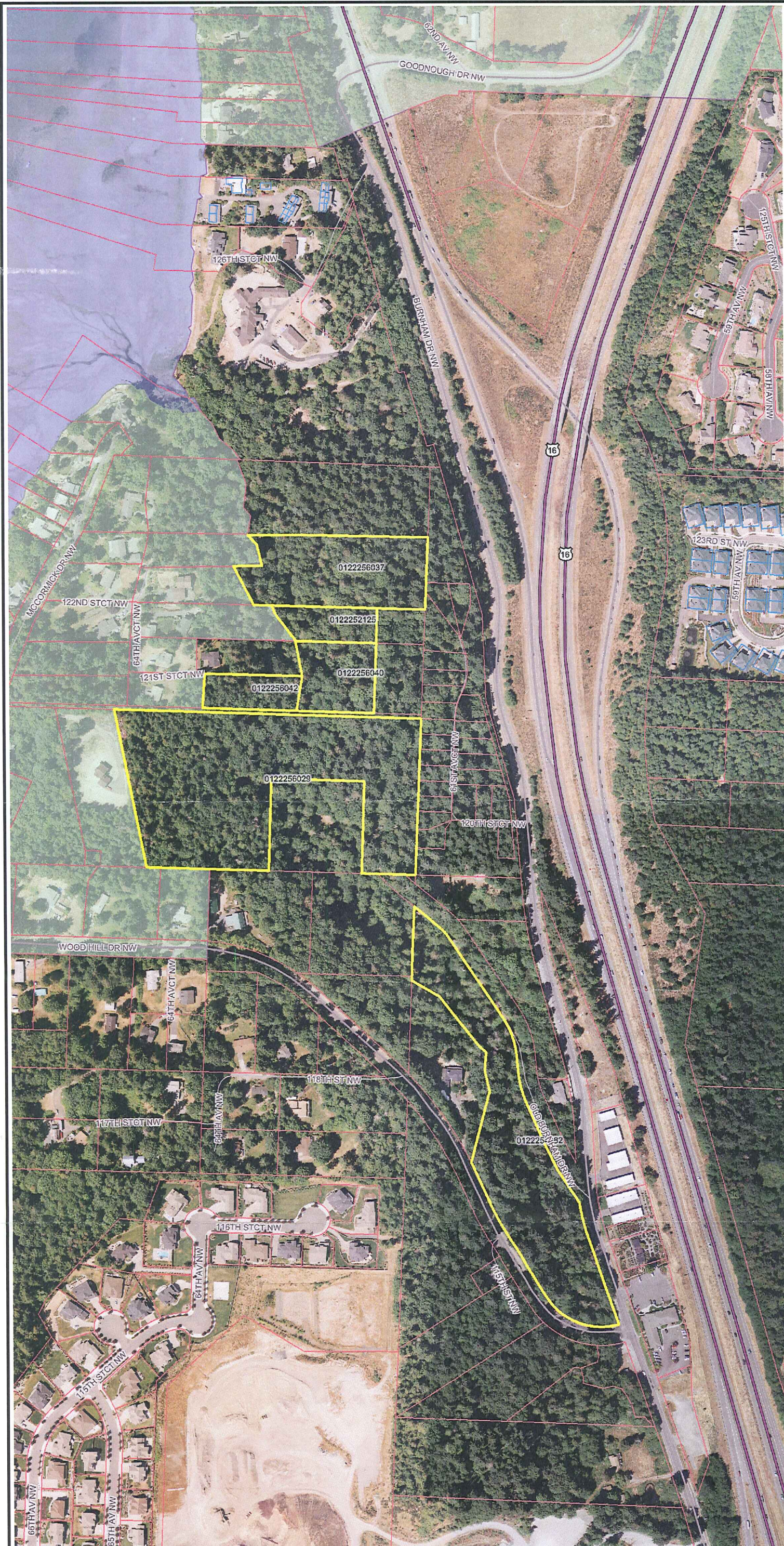
Approved as to form:

Accepted By:

\_\_\_\_\_  
Deputy Prosecuting Attorney

\_\_\_\_\_  
City of Gig harbor





Map Legend

- Highlighted Tax Parcels
- Tax Parcels**
- Base Parcel
- Condominium
- Other
- Roads**
- Interstate
- Limited Access State Routes
- Other State Routes
- Ramps
- Major Arterial
- Collector
- Local Access
- Pierce County Basemap**

- Alder Lake
- Alder Lake (Thurston County)
- Alder Lake Island
- American Lake
- Anderson Island
- Auburn
- BNSF Railroad
- Bankers Island
- Barlow Island/Camp Murray
- Bay Lake
- Beard Island
- Bonney Lake
- Buckley
- Camp Murray National Guard
- Carbon Glacier
- Carbonado
- Clear Lake
- Clearwater Wilderness
- Columbia Crest
- Cowlitz Glacier
- Cowlitz/Nisqually Glacier
- Crescent Lake
- Dash Point State Park
- Dupont
- Eagle Island
- Eatonville
- Edgewood
- Edmunds Glacier
- Emmons Glacier
- Enumclaw
- Fife
- Fircrest
- Flett Glacier
- Fox Island
- Fryngpan Glacier
- Gifford Pinchot NF
- Gig Harbor
- Gig Harbor Peninsula
- Glacierview Wilderness
- Gravelly Lake
- Harts Lake
- Herron Island
- Ingraham Glacier
- Inter Glacier
- Island
- Island (Thurston County)
- Island A
- Island Twentyone
- Joemma Beach State Park
- Johnson Marsh
- Joint Base Lewis - McChord
- Kapowsin Lake
- Kautz Glacier
- Ketron Island
- Key Peninsula
- Kopachuck State Park
- Kreger Lake
- Lake Tapps
- Lakewood
- McNeil Island
- Milton
- Mount Baker Snoqualmie NF
- Mt. Rainier (Proposed)
- Mt. Rainier National Park
- Mud Mountain Lake
- Mud Mountain Lake (King County)
- Muir Snowfield
- Nisqually Glacier
- Norse Peak Wilderness
- North Mowich Glacier
- Ohanapecosh Glacier
- Ohop Lake
- Orting
- Pacific
- Paradise Glacier
- Penrose Point State Park
- Pierce County
- Plum Creek Timber Co
- Puget Sound
- Puget Sound (Kitsap County)
- Puget Sound (Mason County)
- Puget Sound (Thurston County)
- Puget Sound Islands
- Puyallup
- Puyallup Glacier
- Pyramid Glacier
- Raft Island
- Reach Island (Mason County)
- Roy
- Russell Glacier

0 160 320 ft.



3/22/12 11:50 AM



The map features are approximate and are intended only to provide an indication of said feature. Additional areas that have not been mapped may be present. This is not a survey. Orthophotos may not align with other data. Pierce County assumes no liability for variations ascertained by actual survey. All data is expressly provided AS IS and WITH ALL FAULTS. Pierce County makes no warranty of fitness for a particular purpose.





**Business of the City Council  
City of Gig Harbor, WA**

**Subject:** East Tank Fencing/Tennis Court Fencing – Contract Authorization

**Proposed Council Action:**

Award and authorize the Mayor to execute a Small Public Works Contract with Summit Fence Company in the amount of \$18,341.93 for East Tank Fencing and Tennis Court Fencing at Crescent Creek Park.

**Dept. Origin:** Public Works/Operations

**Prepared by:** *Marco Malich*  
Marco Malich  
Public Works Superintendent

**For Agenda of:** September 10, 2012

**Exhibits:** Small Public Works Contract

	Initial & Date
<b>Concurred by Mayor:</b>	<i>CLH 9/5/12</i>
<b>Approved by City Administrator:</b>	<i>R-9/4/12</i>
<b>Approved as to form by City Atty:</b>	<i>vlg email 8-30-12</i>
<b>Approved by Finance Director:</b>	<i>AT for DR</i>
<b>Approved by Department Head:</b>	_____

<b>Expenditure Required</b>	\$18,341.93	<b>Amount Budgeted</b>	\$24,000	<b>Appropriation Required</b>	\$0
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**INFORMATION/BACKGROUND**

In accordance with the City's Limited Public Works Process (Resolution No. 884), staff solicited written quotes from contractors on the Site Improvement and Repair, Fencing & Gates-Chainlink Small Works Roster and one quote was received for this work:

Contractor	East Tank Fencing – Schedule A	Tennis Court Fencing – Schedule B	Total Bid - All Schedules
Summit Fence Co.	\$8,821.05	\$9,520.88	\$18,341.93

**FISCAL CONSIDERATION**

The 2012 Water Operating budget, Objective #5 provides \$12,000 to install fencing around the East Water Tank (96<sup>th</sup> Street NW) to provide security/safety to the site. Parks Operating budget, Objective #12 provides \$12,000 to resurface, restripe, purchase a new net and replace the fencing at the tennis courts (Crescent Creek Park).

**BOARD OR COMMITTEE RECOMMENDATION**

N/A

**RECOMMENDATION/MOTION**

Award and authorize the Mayor to execute a Small Public Works Contract with Summit Fence Company in the amount of \$18,341.93 for East Tank Fencing and Tennis Court Fencing at Crescent Creek Park.

CITY OF GIG HARBOR  
SMALL PUBLIC WORKS CONTRACT

THIS CONTRACT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the City of Gig Harbor, Washington (the "City"), and Summit Fence Company, LLC, (the "Contractor").

FOR AND IN CONSIDERATION of the mutual benefits and conditions hereinafter contained, the parties hereto agree as follows:

1. Scope of Work.

The Contractor agrees to furnish all material, labor, tools, equipment, apparatus, etc. necessary to perform and complete in a workmanlike manner the work set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference.

2. Time of Performance and Completion.

The work to be performed under this Contract shall commence as soon as the Contractor has received a Notice to Proceed from the City and in accordance with the schedule set forth in the Scope of Work. All work to be performed under this Contract shall be completed no later than 45 days from the date of Notice to Proceed.

3. Payments.

The Contractor agrees to perform all work called for at the rate of Eighteen Thousand Three Hundred Forty-One Dollars and Ninety-Three Cents (\$18,341.93), including applicable Washington State Sales Tax. Said sum shall constitute full compensation for all labor, materials, tools, appliances, etc. required to perform the required services. Total compensation shall not exceed Eighteen Thousand Three Hundred Forty-One Dollars and Ninety-Three Cents (\$18,341.93).

4. Retainage. [This section intentionally left blank.]

5. Performance and Payment Bond. [This section intentionally left blank.]

6. Warranty/Maintenance Bond. [This section intentionally left blank.]

7. Indemnity.

A. The Contractor shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits, including attorney's fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees or volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

C. The provisions of this section shall survive the expiration or termination of this Agreement.

8. Insurance.

A. The Contractor shall secure and maintain in force throughout the duration of this Contract, business auto coverage for any auto no less than a \$1,000,000 each accident limit.

B. The Contractor shall secure and maintain in force throughout the duration of this Contract, comprehensive general liability insurance with a minimum coverage of not less than a limit of \$1,000,000 per occurrence, \$2,000,000 annual aggregate for bodily injury, including death, and property damage. The insurance will be written on an occurrence basis, by an 'A' rated company licensed to conduct business in the State of Washington. The general liability policy shall name the City as an additional insured and shall include a provision prohibiting cancellation, changes and reductions of coverage under said policy except upon thirty (30) days prior written notice to the City. Certificates of coverage as required by this Section shall be delivered to the City with the signed Contract. Under this Agreement, the Contractor's insurance shall be considered primary in the event of a loss, damage or suit. The City's own comprehensive general liability policy will be considered excess coverage with respect to defense and indemnity of the City only and no other party. Additionally, the commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

C. The Contractor shall request from his insurer a modification of the ACORD certificate to include language that prior written notification will be given to the City of

Gig Harbor at least 30 days in advance of any cancellation, suspension or material change in the Contractor's coverage.

D. In addition, the Contractor shall secure and maintain workers' compensation insurance pursuant to the laws of the State of Washington.

9. Prevailing Wage.

A. The prevailing rate of wage to be paid to all workmen, laborers, or mechanics employed in the performance of any part of this Contract shall be in accordance with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries. The rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Contract will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are attached hereto and by reference made a part of this Contract as though fully set forth herein.

B. On or before the date of commencement of the work, the Contractor shall file a statement under oath with the City and with the Director of Labor and Industries certifying the rate of hourly wage paid and to be paid each classification of laborers, workmen, or mechanics employed upon the work by the Contractor or any Subcontractor, which shall not be less than the prevailing rate of wage. Such statement and any subsequent statement shall be filed in accordance with the practices and procedures required by the Department of Labor and Industries.

10. Termination.

A. Termination for Contractor's Default. If the Contractor refuses or fails to make adequate progress of the work, or to prosecute the work or any separable part thereof with such diligence that will insure its completion within the time specified in this Contract, or defaults under any provision or breaches any provision of this Contract, the City may serve notice upon the Contractor and its surety of the City's intention to terminate by default the right of the Contractor to perform the Contract, and unless within ten (10) days after the serving of such notice, the Contractor shall satisfactorily arrange to cure its failure to perform and notify the City of the corrections to be made, the right of the Contractor to proceed with the work shall terminate. In the event of any such termination, the City shall serve notice thereof upon the Surety and the Contractor, provided, however, that if the Surety does not commence performance thereof within twenty (20) days from the date of the mailing to such Surety of the notice of termination, the City may take over the work and prosecute the same to completion by Contract or otherwise for the account and at the expense of the Contractor. In the case of termination for default, the Contractor shall not be entitled to receive any further payment until the work is finished.

B. Termination by City for Convenience. The performance of work under this Contract may be terminated by the City in accordance with this paragraph in whole or in part, whenever the City shall determine that such termination is in the best interest of the City. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which performance or work under the Contract is terminated, and the date upon which such termination becomes effective. The Contractor shall stop work on the project upon the date set forth in the Notice of Termination and shall take such actions as may be necessary, or as the City may direct, for the protection and preservation of the work. After receipt of a Notice of Termination, the Contractor shall submit to the City its termination claim, in the form and with the certification prescribed by the City. Such claim shall be submitted promptly but in no event later than 3 months from the effective date of the termination. Upon approval by the City, the termination claim shall be paid.

C. Termination by Contractor. If the work should be stopped under an order of any court, or other public authority, for a period of thirty (30) days, through no act or fault of the Contractor or of anyone employed by him, then the Contractor may, upon seven (7) days written notice to the City, terminate this Contract and recover from the City payment for all work executed and any proven loss sustained. Should the City fail to pay to the Contractor, within the payment period provided for in this Contract, any sum due and owing, then the Contractor may, upon seven (7) days written notice to the City, stop the work or terminate this Contract.

11. Compliance with Laws. The Contractor shall at all times comply with all applicable state and local laws, rules, ordinances and regulations.

12. Nondiscrimination. Except to the extent permitted by a bona fide occupational qualification, the Contractor agrees that the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, honorably discharged veteran or military status, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability.

13. Independent Contractor. No agent, employee or representative of the Contractor shall be deemed to be an agent, employee or representative of the City for any purpose. Contractor shall be solely responsible for all acts of its agents, employees, representatives and subcontractors during the performance of this contract.

14. Relationship of Parties. The parties intend that an independent contractor-client relationship will be created by this Agreement. As the Contractor is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subcontractor of the Contractor shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. In the performance of the work, the Contractor is an

{ASB983054.DOC;1\00008.900000\ }



independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance, and unemployment insurance are available from the City to the employees, agents, representatives, or subcontractors of the Contractor. The Contractor will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Contractor performs

15. Legal Action. In the event that either party shall bring suit to enforce any provision of this Contract or to seek redress for any breach, the prevailing party in such suit shall be entitled to recover its costs, including reasonable attorneys' fees.

16. Entire Agreement. This Contract, together with all attachments, represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations and agreements, whether written or oral. This Contract may be amended only by written change order, properly signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first written above.

CITY OF GIG HARBOR

CONTRACTOR

\_\_\_\_\_  
MAYOR CHARLES L. HUNTER  
Date: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
MOLLY TOWSLEE, CITY CLERK

APPROVED AS TO FORM:  
Office of the City Attorney

\_\_\_\_\_

EXHIBIT A  
**EAST TANK FENCING**  
**TENNIS COURT FENCING – CRESCENT CREEK PARK**  
**SCOPE OF WORK**  
August 22, 2012

**PROJECT REQUIREMENTS:**

**Quote Due Date** - For consideration for this project, price quotations must be received by **10:00 a.m., Wednesday, August 29, 2012** at City of Gig Harbor, Public Works/Operations, Attn: Terri Reed, 3510 Grandview Street, Gig Harbor, WA 98335 or email to: [reedt@cityofgigharbor.net](mailto:reedt@cityofgigharbor.net).

**City Contract** – Sample contract to perform this work provided for reference as to City requirements, including insurance and prevailing wage requirements. A Statement of Intent to Pay Prevailing Wages and an Affidavit of Wages Paid is required to be filed with the Department of Labor and Industries.

Before submitting a price quotation proposal, prospective respondents shall be responsible to examine the site of the work and determine for themselves all of the physical conditions in relation to this project, including all measurements and site conditions. The East Tank is located behind a locked gate but arrangements can be made if you wish to examine the location.

At time of completion, all workmanship will be inspected by the City. All removed fencing and gates will be delivered by the contractor to the Public Works Shop where the City crews will take to a recycling facility for disposal.

**PROJECT DESCRIPTION:**

**BASE BID – SCHEDULE A - EAST TANK FENCING**

Install new fence around the well site located off of 96<sup>th</sup> Street NW, Gig Harbor, WA. Site photos provided for reference. Map layout provided for reference showing approximate fence location.

- Install commercial 9 gauge galvanized mesh, 6 feet in height, with 3 runs of barb wire affixed to the top for security. Total length of fence is approximately 350 lineal feet.
- Existing gate will be removed and disposed of by City Public Works staff.
- Install a 20 foot gate and related hardware, consisting of (2) 10 foot gates that meet in the middle

**BASE BID – SCHEDULE B -TENNIS COURT FENCING**

Replace existing tennis court fencing at Crescent Creek Park, 3303 Vernhardson Street, Gig Harbor, WA. Site photos provided for reference.

- Remove and dispose of old fencing material.
- Existing galvanized posts will remain in place. Straightening of some existing posts will be necessary.
- Install 9 gauge 1 3/4" galvanized mesh or fabric, with black vinyl coating. Existing fence fabric at the tennis court is 140" tall (360 lineal feet).
- Replace fabric on (3) 4' x 7' gates to match fence.
- Install 1 1/2" stabilizing bar approximately 6 feet high, between all posts, encompassing the perimeter of the court (360 lineal feet).

EXHIBIT A

EAST TANK FENCING/  
TENNIS COURT FENCING - CRESCENT CREEK PARK  
QUOTE FORM


For consideration for this project, price quotations must be received on this form by 10:00 a.m.,  
Wednesday, August 29, 2012 at:

Mall/Hand-Deliver to: City of Gig Harbor  
Public Works/Operations  
Attn: Terri Reed  
3510 Grandview Street  
Gig Harbor, WA 98335

Or email to: [reedt@cityofgigharbor.net](mailto:reedt@cityofgigharbor.net)

Questions: Contact Terri Reed at (253) 853-7640 or [reedt@cityofgigharbor.net](mailto:reedt@cityofgigharbor.net)

<u>ITEM</u>	<u>DESCRIPTION:</u>	<u>AMOUNT</u>
	The Contractor agrees to furnish all material, labor, tools, equipment, apparatus, etc. necessary to perform and complete in a workmanlike manner the work set forth in the Scope of Work, dated August 22, 2012 for:	
BASE BID -	EAST TANK FENCING	\$ 8,130. <sup>00</sup>
SCHEDULE A	WA State Sales Tax (8.5%)	\$ 691.05
	TOTAL FOR BASE BID - SCHEDULE A	\$ 8,821.05
BASE BID -	TENNIS COURT FENCING	\$ 8,775. <sup>00</sup>
SCHEDULE B	WA State Sales Tax (8.5%)	\$ 745.88
	TOTAL FOR BASE BID - SCHEDULE B	\$ 9,520.88
TOTAL	TOTAL FOR ALL BID SCHEDULES	\$ 18,341.93

Signature:  Date: 8/29/12

Printed Name: Brian Lindstrom Title: Project Estimator

Company Name: Summit Fence Company, LLC

Address: P.O. Box 11388  
Olympia, WA 98508

Phone: 360-455-1250 Fax: 360-455-9846

Email address: [brian@summitfenceco.com](mailto:brian@summitfenceco.com)

UBI Number: 602 989 588

WA Contractor License No.: SUMMIFC 901CR

RECEIVED

AUG 28 2012 - 3:45 pm

CITY OF GIG HARBOR  
PUBLIC WORKS DEPT.



Business of the City Council  
City of Gig Harbor, WA

**Subject:** Cushman Trail Phase 3 and 4 Proj.  
Public Works Trust Fund  
-- Direct-Appropriations Grant Contract

**Proposed Council Action:** Approve and authorize the Mayor to sign and authorize the formal approval of the direct-appropriations grant contract as presented.

**Dept. Origin:** Public Works/Engineering

**Prepared by:** Stephen Misiurak, PE  
City Engineer

**For Agenda of:** September 10, 2012

**Exhibits:** Direct-Appropriations Grant Contract  
Attachment IV-Project Funding

	Initial & Date
<b>Concurred by Mayor:</b>	<u>CSH 9/5/12</u>
<b>Approved by City Administrator:</b>	<u>R-9/5/12</u>
<b>Approved as to form by City Atty:</b>	<u>approved via email 9/5/12</u>
<b>Approved by Finance Director:</b>	<u>DF 9/12</u>
<b>Approved by Department Head:</b>	<u>9/3/12</u>

Expenditure Required	\$ 0	Amount Budgeted	See Fiscal Consideration Below	Appropriation Required	0
----------------------	------	-----------------	--------------------------------	------------------------	---

**INFORMATION / BACKGROUND**

This is a direct-appropriations grant contract, in the amount of \$1,182,000 between the City and the Washington State Public Works Board. This grant will fund a portion of the construction of the Cushman Trail Phase 3 and 4 Project. The remaining portions of the project will be funded by other grants and City local monies as well.

**FISCAL CONSIDERATION**

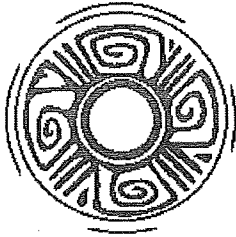
The attached Exhibit A depicts the available funding for the entire project between the limits of 96<sup>th</sup> Street and Borgen Blvd. A City local match of \$650,000 is required to complete the necessary project funding gap and will be requested in the 2013 Budget Funding cycle.

**BOARD OR COMMITTEE RECOMMENDATION**

None.

**RECOMMENDATION / MOTION**

**Move to:** Approve and authorize the Mayor to sign and authorize formal approval of the direct-appropriations grant contract as presented.



Washington State  
Public Works Board

1011 Plum Street SE  
Post Office Box 42525  
Olympia, Washington 98504-2525

RECEIVED

AUG 24 2012

CITY OF GIG HARBOR  
ENGINEERING

August 23, 2012

Stephen Misiurak  
City of Gig Harbor  
3510 Grandview St.  
Gig Harbor, WA 98335

RE: Contract Number: SD12-963-140

Dear Mr. Misiurak

Enclosed are two originals of your Direct-Appropriations Contract. This Contract details the terms and conditions that will govern the agreement between us. Please review the terms and conditions of the Contract carefully. We recommend consulting with your legal advisor before accepting this grant offer.

When you have obtained the appropriate original signatures (do not use signature stamps), return both original contracts and all the attachments to the Board office within 60 calendar days of the date of this letter. Failure to return the contracts within this timeline may result in the grant offer being withdrawn.

After the Contracts have been signed by the Board, one fully executed original along with instructions for drawing funds will be mailed to you. We encourage you to store these and all pertinent documents associated with this project and grant offer in a file that is readily accessible to auditors for their periodic review.

We look forward to working with you over the course of your successful project. If you have any questions about this Contract, please contact me.

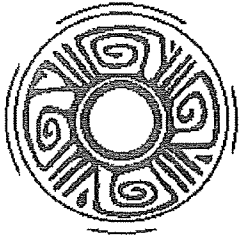
Sincerely

Jeff Hinckle  
PWB Staff  
(360) 725-3060  
jeff.hinckle@commerce.wa.gov

Enclosures:

AUG 24 2012

CITY OF GIG HARBOR  
ENGINEERING



**Washington State  
Public Works Board**

Washington State Dept of Commerce  
1011 Plum St  
P.O. Box 42525  
Olympia, WA 98504-2525

**Capital Agreement between:**

**City of Gig Harbor**

and

**Public Works Board**

**For:**

Project Name: **Cushman Phase 4**  
Contract Number: **SD12-963-140**  
Loan Type: Main Street Direct Appropriation

**Execution/Start Date:** \_\_\_\_\_ **Date of Contract Execution** \_\_\_\_\_



**Department of Commerce**

Innovation is in our nature.

---

## DECLARATIONS

### CLIENT INFORMATION

Legal Name:	City of Gig Harbor
Contract Number:	SD12-963-140
Federal Tax Identification Number:	91-6001435
State Wide Vendor Number:	SWV0000349-00

### PROJECT INFORMATION

Project Title:	Cushman Phase 4
Project City:	Gig Harbor
Project State:	Washington
Project Zip Code:	98335

### GRANT INFORMATION

Grant Amount:	\$1,182,000.00
Appropriation Number:	ESB 5127, Section 305
Contract End Date:	12/31/2013
Biennium	2011-13
Biennium Close Date	6/30/2013
Earliest Date for Construction Reimbursement:	4/23/2012

### SPECIAL TERMS AND CONDITIONS GOVERNING THIS AGREEMENT

None.

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**CONTRACT FACE SHEET**

Contract Number: SD12-963-140

Washington State Department of Commerce  
**PUBLIC WORKS BOARD**  
**GRANT PROGRAMS—DIRECT-APPROPRIATION PROJECTS**

<b>1. Contractor</b> City of Gig Harbor 3510 Grandview St. Gig Harbor, WA 98335		<b>2. Contractor Doing Business As (optional)</b> N/A	
<b>3. Contractor Representative</b>		<b>4. Public Works Board Representative</b>	
<b>5. Contract Amount</b> \$1,182,000.00	<b>6. Funding Source</b> Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>	<b>7. Contract Start Date</b> Contract Execution Date	<b>8. Contract End Date</b> 12/31/2013
<b>9. Federal Funds (as applicable)</b> N/A	<b>Federal Agency</b> N/A	<b>CFDA Number</b> N/A	
<b>10. Tax ID #</b> 91-6001435	<b>11. SWV #</b> SWV0000349	<b>12. UBI #</b>	<b>13. DUNS #</b>
<b>14. Contract Purpose</b> The Board and the Contractor have entered into this Contract to undertake a legislatively-approved project that furthers the goals and objectives of Washington State Direct Appropriations Program. The Board, defined as the Washington State Public Works Board, and Contractor acknowledge and accept the terms of this Contract and attachments and have executed this Contract on the date below to start as of the date and year last written below. The rights and obligations of both parties to this Contract are governed by this Contract and the following other documents incorporated by reference: Contract Terms and Conditions including ATTACHMENT I: PROJECT SCOPE OF WORK; ATTACHMENT II: CERTIFICATION OF THE PAYMENT AND REPORTING OF PREVAILING WAGES; and ATTACHMENT III: CERTIFICATION OF INTENT TO ENTER THE LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED) CERTIFICATION PROCESS (if applicable).			
<b>FOR THE CONTRACTOR</b>		<b>FOR THE PUBLIC WORKS BOARD</b>	
Signature _____		John LaRocque, Executive Director _____	
Print Name _____		Date _____	
Title _____		<b>APPROVED AS TO FORM ONLY</b>	
Date _____		Rob McKenna Attorney General	
		Signature on File Kathryn Wyatt Assistant Attorney General	



## CONTRACT TERMS AND CONDITIONS

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### PUBLIC WORKS BOARD GRANT PROGRAMS—DIRECT APPROPRIATION PROJECTS

#### Part 1. SPECIAL TERMS AND CONDITIONS

##### 1.1. DEFINITIONS

As used throughout this Washington State Capital Budget Direct-Appropriation Contract the following terms shall have the meaning set forth below:

- A. "Contract" shall mean this Washington State Capital Budget Direct-Appropriation Contract.
- B. "Contractor" shall mean the local government identified on the Contract Face Sheet performing service(s) under this Contract and who is a Party to the Contract, and shall include all employees and agents of the Contractor.
- C. "The Board" shall mean the Washington State Public Works Board created in Revised Code of Washington (RCW) 43.155.030, and who is a Party to the Contract.
- D. "Declarations " and "Declared" shall refer to the project information, grant terms and conditions as stated on the Declarations Page of this Grant Contract, displayed within the contract in **THIS STYLE** for easier identification.

##### 1.2. AUTHORITY

Acting under the authority of Chapter 43.155 RCW, the Board has awarded the Contractor a Washington State Capital Budget Direct-Appropriation grant for a legislatively-approved project pursuant to the legislative **APPROPRIATION NUMBER** and **BIENNIUM** as shown on the Declarations Page..

##### 1.3. PURPOSE

The Board and the Contractor have entered into this Contract to undertake a legislatively-approved project that furthers the goals and objectives of Washington State. The project will be undertaken by the Contractor and will include the activities described in **Attachment I: SCOPE OF WORK**. The project must be undertaken in accordance with the grant terms and conditions, and all applicable federal, state and local laws and ordinances, which by this reference are incorporated into this Contract as though set forth fully herein.

##### 1.4. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- A. Applicable federal and state of Washington statutes and regulations.
- B. Special Terms and Conditions including attachments.
- C. General Terms and Conditions.

**1.5. GRANT AMOUNT**

The Board shall pay an amount not to exceed the awarded **GRANT AMOUNT** as shown on the attached Declarations Page for the eligible costs necessary for or incidental to the performance of work as set forth in the described in **Attachment I: SCOPE OF WORK**.

**1.6. CERTIFICATION OF FUNDS**

This section has been deleted but title retained for document continuity.

**1.7. MODIFICATION TO THE PROJECT COSTS**

This section has been deleted but title retained for document continuity.

**1.8. PROJECT EXPENDITURES ELIGIBLE FOR REIMBURSEMENT**

Payments to the Contractor shall be made on a reimbursement basis only. For the purposes of this Contract, eligible costs shall be construed to mean costs incurred and paid, or costs incurred and payable within thirty (30) days. Only costs incurred on or after the **EARLIEST DATE FOR CONSTRUCTION REIMBURSEMENT** as shown in the Declarations, are eligible for reimbursement under this Contract.

The Contractor may be reimbursed for eligible costs related to the activities identified in **Attachment I: SCOPE OF WORK**.

- A. Real property and costs directly associated with such purchase, when purchased or acquired solely for the purposes of the project;
- B. Design, engineering, architectural, and planning;
- C. Archaeological/historical review;
- D. Construction management and construction observation (from external sources only);
- E. Construction costs including, but not limited to, the following:
  - i. Site preparation and improvements;
  - ii. Permits and fees;
  - iii. Labor and materials;
  - iv. Taxes on project goods and services;
  - v. Capitalized equipment;
  - vi. Information technology infrastructure; and
  - vii. Landscaping.
- F. Insurance premiums as required in Section 1.19;
- G. Other costs authorized through the legislation.

**1.9. BILLING PROCEDURES AND PAYMENT**

The Board shall reimburse the Contractor for eligible project expenditures up to the maximum payable under this Contract. When requesting reimbursement for costs incurred or expenditures made, the Contractor shall submit a signed and completed Invoice Voucher (Form A-19), referencing the **Attachment I: SCOPE OF WORK** project activity performed, and any appropriate documentation. The Invoice Voucher must be certified by an official of the Contractor with authority to bind the Contractor.

Each Invoice Voucher must be accompanied by a Project Status Report, which describes, in narrative form, the progress made on the project since the last invoice was submitted, as well as a report of project status to date. The Board will not release payment for any reimbursement request received unless and until the Project Status Report is received. After approving the Invoice Voucher and Project Status Report, the Board shall promptly remit a warrant to the Contractor.

The final Invoice Voucher payment shall not occur prior to the completion of all project activities as identified in **Attachment I: SCOPE OF WORK**. A sum not to exceed ten percent (10%) of the grant amount will be retained until all project activities are complete and a Certified Project Completion Report is completed and submitted by the Contractor, per Section 1.10.

The Contractor shall submit all Invoice Vouchers and any required documentation to:

Contracts Administration Unit  
Department of Commerce  
PO Box 42525  
Olympia, WA 98504-2525

The Board will pay the Contractor upon acceptance of services provided and receipt of properly completed invoices, which shall be submitted to the Board not more often than monthly.

Payment shall be considered timely if made by the Board within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

The Board may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Contract shall be made by the Board.

Duplication of Billed Costs. The Contractor shall not bill the Board for services performed under this Contract, and the Board shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs. The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

#### **1.10. CERTIFIED PROJECT COMPLETION REPORT AND FINAL PAYMENT**

The Contractor shall complete a Certified Project Completion Report when activities identified in **Attachment I: SCOPE OF WORK** are complete.

The Contractor shall provide the following information to the Board:

- A. A certified statement that the project, as described in **Attachment I: SCOPE OF WORK**, is complete and, if applicable, meets required standards.
- B. A certified statement of the actual dollar amounts spent, from all funding sources, in completing the project as described in **Attachment I: SCOPE OF WORK**.
- C. Certification that all costs associated with the project have been incurred and accounted for. Costs are incurred when goods and services are received and/or contract work is performed.
- D. A final voucher for the remaining eligible funds.

The Contractor will submit the Certified Project Completion Report together with the last Invoice Voucher for a sum not to exceed the balance of the grant amount including the ten percent (10%) retainage, as described in Section 1.9. The final Invoice Voucher payment shall not occur prior to the completion of all project activities identified in **Attachment I: SCOPE OF WORK** and the Board's receipt and acceptance of the Certified Project Completion Report.

#### **1.11. REPORTS**

The Contractor shall furnish the Board with Project Status Reports when submitting Invoice Vouchers (as described in Section 1.9), a Certified Project Completion Report at project completion

(as described in Section 1.10), and other reports as the Board may require. Failure to file reports as requested may result in termination of this Contract.

**1.12. EVALUATION AND MONITORING**

The Contractor shall cooperate with and freely participate in any monitoring or evaluation activities conducted by the Board, including site inspections, if necessary.

The Contractor may be asked by the Board to provide photographs, either hard copy or electronically, which visually depict the progress made on the project.

The Board or the State Auditor and any of their representatives shall have full access to and the right to examine all of the Contractor's records with respect to all matters covered in this Contract. Such representatives shall be permitted to audit, examine, and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, payrolls, and records of matters covered by this Contract. Such rights last for six (6) years from the date final payment is made hereunder.

**1.13. OWNERSHIP OF PROJECT/CAPITAL FACILITIES**

The Board makes no claim to any real property improved or constructed with funds awarded under this Contract and does not assert and will not acquire any ownership interest in or title to the capital facilities and/or equipment constructed or purchased with state funds under this Contract. This provision does not extend to claims that the Board may bring against the Contractor in recapturing funds expended in violation of this Contract.

**1.14. CHANGE OF OWNERSHIP OR USE FOR CONTRACTOR-OWNED PROPERTY**

The Contractor understands and agrees that any or all assets acquired, constructed, or otherwise improved by the Contractor using the funds under this Contract shall be held and used by the Contractor for the purposes stated in **Attachment I: SCOPE OF WORK** for a period of at least ten (10) years from the date the final payment is made.

For a period of at least ten (10) years from the date the final payment is made, in the event that the Contractor decides to change or transfer ownership of any or all assets acquired, constructed, or otherwise improved by the Contractor using the funds under this Contract, the Contractor agrees that any such decision or action must be submitted in writing and approved by the Board in writing at least thirty (30) days prior to the execution of such decision or action.

In the event the Contractor is found to be out of compliance with this section, the Contractor shall repay the principal amount of the grant as stated in Section 1.5, plus interest calculated at the rate of interest on State of Washington general obligation bonds issued most closely to the effective date of the legislation in which the subject asset was authorized. Repayment shall be made pursuant to Section 1.20. Recapture Provision.

**1.15. CHANGE OF USE FOR LEASED PROPERTY**

The Contractor understands and agrees that any facility leased by the Contractor that is constructed, renovated, or otherwise improved using state funds under this Contract shall be used by the Contractor for the purposes stated in **Attachment I: SCOPE OF WORK** for a period of at least ten (10) years from the date the final payment is made.

In the event the Contractor is found to be out of compliance with this section, the Contractor shall repay the principal amount of the grant as stated in Section 1.5, plus interest calculated at the rate of interest on State of Washington general obligation bonds issued most closely to the effective date of the legislation in which the subject facility was authorized. Repayment shall be made pursuant to Section 1.20. Recapture Provision.

**1.16. HISTORICAL AND CULTURAL ARTIFACTS**

Prior to commencing construction, Contractor shall complete the requirements of Governor's Executive Order 05-05, or, as a substitute for completion of Governor's Executive Order 05-05, Contractor shall complete Section 106 of the National Historic Preservation Act. Contractor agrees that the Contractor is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural artifacts and agrees to hold harmless the Board and the State of Washington in relation to any claim related to such historical or cultural artifacts discovered, disturbed, or damaged as a result of the project funded by this Contract.

In addition to the requirements set forth in this Contract, Contractor shall, in accordance with Governor's Executive Order 05-05, coordinate with the Washington State Department of Archaeology and Historic Preservation (DAHP), including any recommended consultation with any affected tribe(s), during project design and prior to construction to determine the existence of any tribal cultural resources affected by the proposed project funded by this Contract. Contractor agrees to avoid, minimize, or mitigate impacts to the cultural resource as a continuing pre-requisite to receipt of funds under this Contract.

The Contractor agrees that, unless the Contractor is proceeding under an approved historical and cultural monitoring plan or other memorandum of agreement, if historical or cultural artifacts are discovered during construction, the Contractor shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at DAHP. If human remains are uncovered, the Contractor shall report the presence and location of the remains to the coroner and local enforcement immediately, then contact DAHP and the concerned tribe's cultural staff or committee.

The Contractor shall require this provision to be contained in all sub-contracts for work or services related to **Attachment I: SCOPE OF WORK**.

In addition to the requirements set forth in this Contract, Contractor agrees to comply with RCW 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and, WAC 25-48 regarding Archaeological Excavation and Removal Permits.

Completion of the Section 106 of the National Historic Preservation Act shall substitute for completion of Governor's Executive Order 05-05.

In the event that the Contractor finds it necessary to amend **Attachment I: SCOPE OF WORK**, the Contractor may be required to re-comply with Governor's Executive Order 05-05 or Section 106 of the National Historic Preservation Act.

**1.17. SIGNAGE, MARKERS, AND PUBLICATIONS**

If, during the period covered by this Contract, the Contractor displays or circulates any communication, publication, or donor recognition identifying the financial participants in the project, any such communication or publication must identify "The Taxpayers of Washington State" as a participant.

**1.18. PREVAILING WAGE LAW**

The project funded under this Contract is subject to state prevailing wage law (Chapter 39.12 RCW). The Contractor is advised to consult the Industrial Statistician at the Washington Department of Labor and Industries to determine the prevailing wages that must be paid. The Board is not responsible for determining the prevailing wages applying to this project or for any prevailing wage payments that may be required by law.



## 1.19. INSURANCE

### A. Private Organizations

The Contractor shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State of Washington should there be any claims, suits, actions, costs, damages, or expenses arising from any loss, or negligent or intentional act or omission of the Contractor or its subcontractors, or agents of either, while performing under the terms of this Contract.

The insurance required shall be issued by an insurance company authorized to do business within the State of Washington. Except for Professional Liability or Errors and Omissions Insurance, the insurance shall name the State of Washington, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Contractor shall instruct the insurers to give the Board thirty (30) calendar days advance notice of any insurance cancellation or modification.

The Contractor shall submit to the Board within fifteen (15) calendar days of the Contract start date, a certificate of insurance, which outlines the coverage and limits required under this insurance section. During the term of the Contract, the Contractor shall submit renewal certificates not less than thirty (30) calendar days prior to expiration of each policy required under this section.

The Contractor shall provide insurance coverage that shall be maintained in full force and effect during the term of this Contract, as follows:

Commercial General Liability Insurance Policy. Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of Contract activity but no less than \$1,000,000 per occurrence. Additionally, the Contractor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

Automobile Liability. In the event that performance pursuant to this Contract involves the use of vehicles, owned or operated by the Contractor or its subcontractors, automobile liability insurance shall be required. The minimum limit for automobile liability is \$1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.

Professional Liability, Errors, and Omissions Insurance. The Contractor shall maintain Professional Liability or Errors and Omissions Insurance. The Contractor shall maintain minimum limits of no less than \$1,000,000 per occurrence to cover all activities by the Contractor and licensed staff employed or under Contract to the Contractor. The State of Washington, its agents, officers, and employees need not be named as additional insureds under this policy.

Fidelity Insurance. Every officer, director, employee, or agent who is authorized to act on behalf of the Contractor for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:

- i. The amount of fidelity coverage secured pursuant to this Contract shall be \$100,000 or the highest of planned reimbursement for the Contract period, whichever is lowest. Fidelity insurance secured pursuant to this paragraph shall name the Contractor as beneficiary.
- ii. Subcontractors that receive \$10,000 or more per year in funding through this Contract shall secure fidelity insurance as noted above. Fidelity insurance secured by subcontractors pursuant to this paragraph shall name the Contractor as beneficiary.

The Contractor shall provide, at the Board's request, copies of insurance instruments or certifications from the insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that the Board will be provided thirty (30) days advance written notice of cancellation.

**B. Self-Insured Contractors**

With prior approval from the Board, the Contractor may provide insurance coverage under a self-insured/liability pool or self-insured risk management program. In order to obtain permission from the Board, the Contractor shall provide:

- i. a description of its self-insurance program, and
- ii. a certificate and/or letter of coverage that outlines coverage, limits, and deductibles.

All self-insured risk management programs or self-insured/liability pool financial reports must comply with Generally Accepted Accounting Principles (GAAP) and adhere to accounting standards promulgated by:

- i. Governmental Accounting Standards Board (GASB),
- ii. Financial Accounting Standards Board (FASB), and
- iii. The Washington State Auditor's annual instructions for financial reporting.

Contractors participating in joint risk pools shall maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. The State of Washington, its agents, and employees need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

Contractor shall provide annually to the Board a summary of coverages and a letter of self-insurance, evidencing continued coverage under Contractor's self-insured/liability pool or self-insured risk management program. Such annual summary of coverage and letter of self-insurance will be provided on the anniversary of the start date of this Contract.

Employers Liability ("Stop Gap") Insurance. In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident of \$1,000,000 each employee for bodily injury or disease.

Excess Coverage. By requiring insurance herein, the Board does not represent that coverage and limits will be adequate to protect Contractor and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to the Board in this Contract.

Unemployment and Industrial Insurance. The Contractor shall be in full compliance with all state unemployment and industrial insurance laws while performing work under this Contract. The Board will not be responsible for payment of industrial insurance premiums or for any other claim or benefit for the Contractor, or any subcontractor or employee of the Contractor, which might arise under the industrial insurance laws during performance of this Contract.

Protection of Project Property, Contractor's Assumption of Risk. The Contractor shall continuously maintain adequate protection of all the project work from damage and shall protect the property from injury or loss arising in connection with this Contract. The entire work of the Contractor shall be at the sole risk of the Contractor. The Contractor may elect to secure fire, extended coverage, and vandalism insurance or all-risk insurance to cover the project work during the course of construction. The Contractor shall take all necessary precautions for the safety of employees working on the project, and shall comply with all applicable provisions of federal, state, and local safety laws and building codes to prevent accidents or injuries to persons, on, about, or adjacent to the premises where the work is being performed.

**1.20. RECAPTURE PROVISION**

In the event that the Contractor fails to expend state funds in accordance with state law and/or the provisions of this Contract, the Board reserves the right to recapture state funds in an amount equivalent to the extent of noncompliance. Repayment by the Contractor of state funds under this recapture provision shall occur within thirty (30) days of demand. In the event that the Board is required to institute proceedings to enforce this recapture provision, the Board shall be entitled to its cost thereof, including reasonable attorney's fees.

**1.21. REDUCTION IN FUNDS**

In the event state funds appropriated for the work contemplated under this Contract are withdrawn, reduced, or limited in any way by the Washington State Governor or Legislature during the Contract period, the parties hereto shall be bound by any such revised funding limitations as implemented at the discretion of the Board, and shall meet and renegotiate the Contract accordingly.

**1.22. REAPPROPRIATION**

The parties hereto understand and agree that any state funds, including the ten percent (10%) retainage as described in Section 1.9, not expended by the **BIENNIUM CLOSE DATE** listed on the Declarations Page will lapse on that date unless specifically reappropriated by the Washington State Legislature, in a budget or budget amendment proposed by the Legislature or Governor, and approved as law. Commerce will make all necessary efforts to seek reappropriation of funds into the next biennium following the declared **BIENNIUM**. If funds are so reappropriated, Commerce's obligation under the terms of this Contract shall be contingent upon the terms of such reappropriation..

## Part 2. GENERAL TERMS AND CONDITIONS

### 2.1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Public Works Board Chair and/or the designee authorized in writing to act on the Chair's behalf.
- B. "Contractor" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- B. "BOARD" shall mean the Washington State Public Works Board created in Revised Code of Washington (RCW) 43.155.030, and which is a Party to the Contract.
- C. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- D. "State" shall mean the state of Washington.
- E. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

### 2.2. ALLOWABLE COSTS

Costs allowable under this Contract are actual expenditures according to an approved budget up to the maximum amount stated on the Contract Award or Amendment Face Sheet.

### 2.3. ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

### 2.4. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

### 2.5. AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, ALSO REFERRED TO AS THE "ADA" 28 CFR PART 35

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

### 2.6. APPROVAL

This contract shall be subject to the written approval of the Board's Authorized Representative and shall not be binding until so approved. The contract may be altered, amended, or waived only by a written amendment executed by both parties.

**2.7. ASSIGNMENT**

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of the Board.

**2.8. ATTORNEY'S FEES**

Unless expressly permitted under another provision of the Contract, in the event of litigation or other action brought to enforce Contract terms, each party agrees to bear its own attorneys fees and costs.

**2.9. AUDIT**

**A. General Requirements**

Contractors are to procure audit services based on the following guidelines.

The Contractor shall maintain its records and accounts so as to facilitate the audit requirement and shall ensure that Subcontractors also maintain auditable records.

The Contractor is responsible for any audit exceptions incurred by its own organization or that of its Subcontractors:

THE BOARD reserves the right to recover from the Contractor all disallowed costs resulting from the audit.

As applicable, Contractors required to have an audit must ensure the audits are performed in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards (the Revised Yellow Book) developed by the Comptroller General.

Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Contractor must respond to the BOARD requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

**B. STATE FUNDS**

Contractors expending \$100,000 or more in total state funds in a fiscal year must have a financial audit as defined by Government Auditing Standards (The Revised Yellow Book) and according to Generally Accepted Auditing Standards (GAAS). The Schedule of State Financial Assistance must be included. The schedule includes:

- Grantor agency name
- State program name
- BARS account number
- Grantor
- Agency contract number
- Contract award amount including amendments (total grant award)
- Beginning balance
- Current year revenues
- Current year expenditures
- Ending balance
- Program total

If the Contractor is a state or local government entity, the Office of the State Auditor shall conduct the audit. Audits of non-profit organizations are to be conducted by a certified public accountant selected by the Contractor.

The Contractor shall include the above audit requirements in any subcontracts.

In any case, the Contractor's financial records must be available for review by the Board .

**C. Documentation Requirements**

The Contractor must send a copy of any required audit Reporting Package as described in OMB Circular A-133, Part C, Section 320(c) no later than nine (9) months after the end of the Contractor's fiscal year(s) by sending a scanned copy to [auditreview@commerce.wa.gov](mailto:auditreview@commerce.wa.gov) or by sending a hard copy to:

Department of Commerce  
ATTN: Audit Review and Resolution Office  
1011 Plum Street  
PO Box 42525  
Olympia WA 98504-2525

In addition to sending a copy of the audit, when applicable, the Contractor must include:

- Corrective action plan for audit findings within three (3) months of the audit being received by the BOARD.
- Copy of the Management Letter.

**2.10. CODE REQUIREMENTS**

All construction and rehabilitation projects must satisfy the requirements of applicable local, state, and federal building, mechanical, plumbing, fire, energy and barrier-free codes. Compliance with the Americans with Disabilities Act of 1990, 28 C.F.R. Part 35 will be required, as specified by the local building Department.

**2.11. CONFIDENTIALITY/SAFEGUARDING OF INFORMATION**

A. "Confidential Information" as used in this section includes:

1. All material provided to the Contractor by the BOARD that is designated as "confidential" by the BOARD;
2. All material produced by the Contractor that is designated as "confidential" by the BOARD; and
3. All personal information in the possession of the Contractor that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person's name, health, finances, education, business, use of government services, addresses, telephone numbers, social security number, driver's license number and other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

B. The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of the BOARD or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide the BOARD with its policies and procedures on confidentiality. The BOARD may require changes to such policies and procedures as they apply to this Contract whenever the BOARD reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period

specified by the BOARD. Upon request, the Contractor shall immediately return to the BOARD any Confidential Information that the BOARD reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.

- C. Unauthorized Use or Disclosure. The Contractor shall notify the BOARD within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

## **2.12. CONFORMANCE**

If any provision of this contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

## **2.13. COPYRIGHT PROVISIONS**

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the BOARD. The BOARD shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to the BOARD effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to the BOARD a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to the BOARD.

The Contractor shall exert all reasonable effort to advise the BOARD, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide the BOARD with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. The BOARD shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

## **2.14. DISALLOWED COSTS**

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

## **2.15. DISPUTES**

Except as otherwise provided in this Contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with the Chair of the BOARD, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;

- state the disputed issues;
- state the relative positions of the parties;
- state the Contractor's name, address, and Contract number; and
- be mailed to the Director and the other party's (respondent's) Contract Representative within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent shall send a written answer to the requestor's statement to both the Director or the Director's designee and the requestor within five (5) working days.

The Director or designee shall review the written statements and reply in writing to both parties within ten (10) working days. The Director or designee may extend this period if necessary by notifying the parties.

The decision shall not be admissible in any succeeding judicial or quasi-judicial proceeding.

The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable alternate dispute resolution (ADR) method in addition to the dispute hearing procedure outlined above.

#### **2.16. DUPLICATE PAYMENT**

The Contractor certifies that work to be performed under this contract does not duplicate any work to be charged against any other contract, subcontract, or other source.

#### **2.17. ETHICS/CONFLICTS OF INTEREST**

In performing under this Contract, the Contractor shall assure compliance with the Ethics in Public Service Act (Chapter 42.52 RCW) and any other applicable state or federal law related to ethics or conflicts of interest.

#### **2.18. GOVERNING LAW AND VENUE**

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

#### **2.19. INDEMNIFICATION**

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the state of Washington, the BOARD, all other agencies of the state and all officers, agents and employees of the state, from and against all claims or damages for injuries to persons or property or death arising out of or incident to the Contractor's performance or failure to perform the Contract. The Contractor's obligation to indemnify, defend, and hold harmless includes any claim by the Contractor's agents, employees, representatives, or any Subcontractor or its agents, employees, or representatives.

The Contractor's obligation to indemnify, defend, and hold harmless shall not be eliminated by any actual or alleged concurrent negligence of the state or its agents, agencies, employees and officers.

Subcontracts shall include a comprehensive indemnification clause holding harmless the Contractor, THE BOARD, the state of Washington, its officers, employees and authorized agents.

The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.



**2.20. INDEPENDENT CAPACITY OF THE CONTRACTOR**

The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and its employees or agents performing under this Contract are not employees or agents of the state of Washington or the BOARD. The Contractor will not hold itself out as or claim to be an officer or employee of the BOARD or of the state of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Contractor.

**2.21. INDUSTRIAL INSURANCE COVERAGE**

The Contractor shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, The BOARD may collect from the Contractor the full amount payable to the Industrial Insurance Accident Fund. The BOARD may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the BOARD under this Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

**2.22. LAWS**

The Contractor shall comply with all applicable laws, ordinances, codes, regulations, and policies of local, state, and federal governments, as now or hereafter amended, including, but not limited to:

**Washington State Laws and Regulations**

- A. Affirmative action, RCW 41.06.020 (11).
- B. Boards of directors or officers of non-profit corporations – Liability - Limitations, RCW 4.24.264.
- C. Disclosure-campaign finances-lobbying, Chapter 42.17 RCW.
- D. Discrimination-human rights commission, Chapter 49.60 RCW.
- E. Ethics in public service, Chapter 42.52 RCW.
- F. Housing assistance program, Chapter 43.185 RCW
- G. Interlocal cooperation act, Chapter 39.34 RCW.
- H. Noise control, Chapter 70.107 RCW.
- I. Office of minority and women's business enterprises, Chapter 39.19 RCW and Chapter 326-02 WAC.
- J. Open public meetings act, Chapter 42.30 RCW.
- K. Prevailing wages on public works, Chapter 39.12 RCW.
- L. Public records act, Chapter 42.56 RCW.
- M. Relocation assistance - real property acquisition policy, Chapter 8.26 RCW.
- N. Shoreline management act of 1971, Chapter 90.58 RCW.
- O. State budgeting, accounting, and reporting system, Chapter 43.88 RCW.
- P. State building code, Chapter 19.27 RCW and Energy-related building standards, Chapter 19.27A RCW, and Provisions in buildings for aged and handicapped persons, Chapter 70.92 RCW.
- Q. State Coastal Zone Management Program, Publication 01-06-003, Shorelands and Environmental Assistance Program, Washington State Department of Ecology.
- R. State environmental policy, Chapter 43.21C RCW.
- S. State Executive Order 05-05 Archeological and Cultural Resources.

**2.23. LICENSING, ACCREDITATION AND REGISTRATION**

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

**2.24. LIMITATION OF AUTHORITY**

Only the Authorized Representative or Authorized Representative's designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract.

**2.25. LOCAL PUBLIC TRANSPORTATION COORDINATION**

Where applicable, Contractor shall participate in local public transportation forums and implement strategies designed to ensure access to services.

**2.26. NONCOMPLIANCE WITH NONDISCRIMINATION LAWS**

During the performance of this Contract, the Contractor shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with the BOARD. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

**2.27. POLITICAL ACTIVITIES**

Political activity of Contractor employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17 RCW and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.

**2.28. PREVAILING WAGE LAWS**

The Contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this contract, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for the Board's review upon request.

**2.29. PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION**

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

**2.30. PUBLICITY**

The Contractor agrees not to publish or use any advertising or publicity materials in which the state of Washington or the BOARD's name is mentioned, or language used from which the connection with the state of Washington's or the BOARD's name may reasonably be inferred or implied, without the prior written consent of the BOARD.

**2.31. RECAPTURE**

In the event that the Contractor fails to perform this contract in accordance with state laws, federal laws, and/or the provisions of this contract, The BOARD reserves the right to recapture funds in an amount to compensate the BOARD for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by the BOARD. In the alternative, The BOARD may recapture such funds from payments due under this contract.

**2.32. RECORDS MAINTENANCE**

The Contractor shall maintain all books, records, documents, data and other evidence relating to this Contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of six years following the date of final payment.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

**2.33. REGISTRATION WITH DEPARTMENT OF REVENUE**

If required by law, the Contractor shall complete registration with the Washington State Department of Revenue.

**2.34. RIGHT OF INSPECTION**

At no additional cost all records relating to the Contractor's performance under this Contract shall be subject at all reasonable times to inspection, review, and audit by the BOARD, the Office of the State Auditor, and federal and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Contract. The Contractor shall provide access to its facilities for this purpose.

**2.35. SAVINGS**

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, The BOARD may terminate the Contract under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

**2.36. SEVERABILITY**

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Contract and to this end the provisions of this Contract are declared to be severable.

**2.37. SUBCONTRACTING**

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of the BOARD.

If the BOARD approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, the BOARD in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to the BOARD if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the BOARD for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that the BOARD and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

**2.38. SURVIVAL**

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

**2.39. TAXES**

All payments accrued on account of payroll taxes, unemployment contributions, the Contractor's income or gross receipts, any other taxes, insurance or expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

**2.40. TERMINATION FOR CAUSE / SUSPENSION**

In event the BOARD determines that the Contractor failed to comply with any term or condition of this Contract, the BOARD may terminate the Contract in whole or in part upon written notice to the Contractor. Such termination shall be deemed "for cause." Termination shall take effect on the date specified in the notice.

In the alternative, the BOARD upon written notice may allow the Contractor a specific period of time in which to correct the non-compliance. During the corrective-action time period, the BOARD may suspend further payment to the Contractor in whole or in part, or may restrict the Contractor's right to perform duties under this Contract. Failure by the Contractor to take timely corrective action shall allow the BOARD to terminate the Contract upon written notice to the Contractor.

"Termination for Cause" shall be deemed a "Termination for Convenience" when the BOARD determines that the Contractor did not fail to comply with the terms of the Contract or when the BOARD determines the failure was not caused by the Contractor's actions or negligence.

If the Contract is terminated for cause, the Contractor shall be liable for damages as authorized by law, including, but not limited to, any cost difference between the original contract and the replacement contract, as well as all costs associated with entering into the replacement contract (i.e., competitive bidding, mailing, advertising, and staff time).

**2.41. TERMINATION FOR CONVENIENCE**

Except as otherwise provided in this Contract, the BOARD may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, the BOARD shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

**2.42. TERMINATION PROCEDURES**

After receipt of a notice of termination, except as otherwise directed by the BOARD, the Contractor shall:

- A. Stop work under the Contract on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities related to the Contract;
- C. Assign to the BOARD all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the BOARD has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts. Any attempt by the Contractor to settle such claims must have the prior written approval of the BOARD; and
- D. Preserve and transfer any materials, contract deliverables and/or the BOARD property in the Contractor's possession as directed by the BOARD.

Upon termination of the Contract, the BOARD shall pay the Contractor for any service provided by the Contractor under the Contract prior to the date of termination. The BOARD may withhold any amount due as the BOARD reasonably determines is necessary to protect the BOARD against potential loss or liability resulting from the termination. The BOARD shall pay any withheld amount to the Contractor if the BOARD later determines that loss or liability will not occur.

The rights and remedies of the BOARD under this section are in addition to any other rights and remedies provided under this Contract or otherwise provided under law.

**2.43. WAIVER**

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of THE BOARD.

**ATTACHMENT I:  
PROJECT SCOPE OF WORK**

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**PUBLIC WORKS BOARD  
GRANT PROGRAMS—DIRECT-APPROPRIATION PROJECTS**

**Contractor: City of Gig Harbor  
Contract Number: SD12-963-140  
Project Title: Cushman Phase 4**

The project's scope of work is comprised of the following activities:

**Construct the Cushman Trail Phases 3 and 4, a non-motorized regionally significant trail that will connect to a trailhead that will include asphalt paving, wood bridge over wetlands, rest stops, interpretive signage, parking, pedestrian road crossings, restroom facility, and landscaping. Costs may include, but are not limited to, engineering, environmental/cultural review, permits, public involvement, bid documents, and construction**

If the above scope of work includes engineering, planning, or design activities, the Contractor shall make all plans and documents funded in whole or in part by this Contract available for the Board's review upon reasonable request.

The Contractor, by its signature below, certifies that the project's scope of work and performance measures set forth above have been reviewed and approved by the Contractor's governing body as of the date and year written below.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

**ATTACHMENT II:  
CERTIFICATION OF THE PAYMENT AND REPORTING OF  
PREVAILING WAGES**

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**PUBLIC WORKS BOARD  
GRANT PROGRAMS—DIRECT-APPROPRIATION PROJECTS**

**Contractor: City of Gig Harbor  
Contract Number: SD12-963-140**

The Contractor, by its signature below, certifies that all contractors and subcontractors performing work on the project as described in ATTACHMENT I: PROJECT SCOPE OF WORK shall comply with prevailing wage laws set forth in Chapter 39.12 RCW, as applicable to the project funded by this Contract, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for the Board's review upon request.

If any state funds are used by the Contractor for the purpose of construction, applicable State Prevailing Wages must be paid.

The Contractor, by its signature below, certifies that the declaration set forth above has been reviewed and approved by the Contractor's governing body as of the date and year written below.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE



**ATTACHMENT III:  
CERTIFICATION OF THE INTENT TO ENTER THE LEADERSHIP IN  
ENERGY AND ENVIRONMENTAL DESIGN (LEED)  
CERTIFICATION PROCESS**

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**PUBLIC WORKS BOARD  
GRANT PROGRAMS—DIRECT-APPROPRIATION PROJECTS**

**Contractor: City of Gig Harbor  
Contract Number: SD12-963-140**

The Contractor, by its signature below, certifies that it will enter into the Leadership in Energy and Environmental Design (LEED) certification process, as stipulated in RCW 39.35D, as applicable to the project described in ATTACHMENT I: PROJECT SCOPE OF WORK funded by this Contract. The Contractor shall, upon receipt of LEED certification by the United States Green Building Council, provide documentation of such certification to the Board.

The Contractor, by its signature below, certifies that the declaration set forth above has been reviewed and approved by the Contractor's governing body or board of directors, as applicable, as of the date and year written below.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

Cushman Trail - Project Funding - Attachment IV

Per TIPMODrev application August 2012		Phase 3		Phase 4		Phase 3 and 4		Total Funding	Local Funds	CMAQ Countywide Grant Request	TCSF (FHWA) Federal Funds	PWTF Grant State Funds
Cushman Trail Phases 3 & 4		\$ 165,000	\$ 120,000	\$ 285,000	\$ 285,000	\$ 285,000	\$ 165,000	\$ -	\$ -	\$ 100,000	\$ 20,000	
PE		\$ 5,000	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	
ROW		\$ 1,690,200	\$ 1,180,000	\$ 2,870,200	\$ 2,870,200	\$ 2,870,200	\$ 475,000	\$ 663,000	\$ 552,200	\$ 1,180,000		
Construction		\$ 1,860,200	\$ 1,305,000	\$ 3,165,200	\$ 3,165,200	\$ 3,165,200	\$ 650,000	\$ 663,000	\$ 652,200	\$ 1,200,000		
TOTAL							20.54%	20.95%	20.61%	37.91%		

Local (HBZ) CMAQ TCSF PWTF Grant



Business of the City Council
City of Gig Harbor, WA

Subject: Eddon Boat Park Beach Restoration Project (CPP-1211) (in-water work)
-- Escrow Agreement for Retainage

Proposed Council Action: Authorize and approve the Mayor to execute the Escrow Agreement with Pivetta Brothers Construction, Inc. and Sterling Savings Bank, Burien, WA Branch.

Dept. Origin: Public Works/Engineering

Prepared by: Marcos McGraw
Project Engineer

For Agenda of: September 10, 2012

Exhibits: Escrow Agreement #9906103214

Concurred by Mayor: Initial & Date
Approved by City Administrator:
Approved as to form by City Atty:
Approved by Finance Director:
Approved by Department Head:

Table with 4 columns: Expenditure Required, Amount Budgeted, Appropriation Required. Values are 0, 0, 0.

INFORMATION / BACKGROUND

Pivetta Brothers Construction, Inc. was awarded the Contract for the Eddon Boat Park Beach Restoration (in-work work) at the August 6, 2012 Special Council Meeting. Pivetta Brothers Construction, Inc. has requested that their contract payment retainage be placed in an escrow account with Sterling Savings Bank in Burien, Washington.

FISCAL CONSIDERATION

The retainage percentage amounts to \$2,013.30 (5% of each progress payment).

BOARD OR COMMITTEE RECOMMENDATION

N/A.

RECOMMENDATION / MOTION

Move to: Authorize and approve the Mayor to sign and execute the Escrow Agreement #9906103214 with Pivetta Brothers Construction, Inc. and Sterling Savings Bank.

Escrow Account No. 9906103214  
Agency City of Gig Harbor  
Contract No. CPP-1211

Escrow Agreement

RECEIVED

To Sterling Savings Bank  
(Bank or Trust Company)  
Burien WA  
(Branch)  
224 SW 152nd Street Burien WA 98166  
(Address)

AUG 20 2012

CITY OF GIG HARBOR  
ENGINEERING

The undersigned, Pivetta Brothers Construction, Inc hereinafter referred to as the Contractor, has directed the Agency, to deliver to you its warrants or checks which shall be payable to you for the Contractor. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

Instructions

1. The Agency shall deliver to you from time to time checks or warrants payable to you for the Contractor. You are hereby authorized by the Contractor to endorse any such check or warrant so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such check or warrant shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the Agency. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. Attached is a list of such bonds, or other securities approved by the Agency. No further approval is necessary if any of these bonds or securities are selected by the Contractor, subject to express written approval of you and the Agency. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the Agency as provided in paragraph 4 of this Escrow Agreement.

The investments selected by the Contractor, approved by the Agency and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the Agency's warrants or checks) except in accordance with written instructions from the Agency. The Agency shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instructions shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow Agreement is 10-7-12. Upon request by you, the Agency shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.
4. In the event the Agency orders you to do so in writing, and notwithstanding any other provisions of this agreement, you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the Agency.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

N/A

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Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the Agency directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any unanticipated amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are inquired to render any services not provided for in these instructions, or that there is any assignment of the interests of this escrow or any modification hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigation.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow holder hereunder, you shall give written notice to the Agency and Contractor. The Agency and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the Agency and upon so doing, it absolves you from all further charges and obligations in connection with this escrow.
7. This agreement shall not be binding until executed by you, the Contractor, and accepted by the Agency.

8. This instrument contains the entire agreement between you, the Contractor and the Agency with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice of any default or any other matter, nor be bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.
9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow and do hereby execute this agreement the 14 day of August, 2012.

Pivetta Brothers Construction, Inc

*[Signature]*  
(Contractor)

President

(Title)

1812 Pease Avenue

(Address)

Sumner, WA 98390

(City, State, Zip)

*[Signature]*  
(Bank or Trust Company)

9906103214

(Escrow Account No.)

By

*[Signature]*  
(Authorized Signature)

The above escrow agreement received and accepted by Bank or Trust Company, this 14<sup>th</sup> day of August, 2012

(Agency)

The escrow agreement accepted this \_\_\_\_\_ day of \_\_\_\_\_.

**RETAINAGE INVESTMENT OPTION**

In accordance with RCW 60.28, the Contractor has the option to designate how retained funds are invested. Select one of the following options by checking the appropriate box and filling in the required information.

- Savings Account:** Please place the retained funds in an interested-bearing savings account. Any interest earned will be paid to the firm indicated below. The retained funds shall be deposited with:

Bank Name: \_\_\_\_\_

Branch: \_\_\_\_\_

Account Number: \_\_\_\_\_

- Escrow/Investment:** Please deliver the retained funds to the bank listed below. The funds are to be placed in escrow or invested in accordance with the attached Escrow Agreement. Any interest earned will be paid to the firm indicated below:

Bank Name: Sterling Savings Bank

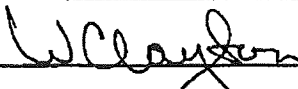
Branch: Burien WA

Account Number: 9906103214

- Guarantee Deposit:** Please deposit the retained funds in a manner selected by the Owner. Any interest earned shall be kept by the Owner.
- Retainage Bond:** Please accept a retainage bond on the City of Gig Harbor's standard retainage bond form in lieu of earned retained funds.

Release of retained funds shall be made in accordance with WSDOT General Requirements, Section 1-09.9(1), by:

Contractor Name: Pivetta Brothers Construction, Inc.

Signature: 

Printed Name: Wally Clayton

Date: 8-14-12





**Business of the City Council  
City of Gig Harbor, WA**

**Subject:** Eddon Boat Park Project Consultant Services Contract Amendment No. 1

**Proposed Council Action:** Approve and Authorize the Mayor to execute Consultant Services Contract Amendment No. 1 with Anchor QEA in the amount of \$5,226.00.

**Dept. Origin:** Public Works/Engineering

**Prepared by:** Marcos McGraw *MRM*  
Project Engineer

**For Agenda of:** September 10, 2012

**Exhibits:** Consultant Services Contract Amendment No. 1 w/ Exhibits A & B

	Initial & Date
<b>Concurred by Mayor:</b>	<i>SMH 9/5/12</i>
<b>Approved by City Administrator:</b>	<i>R-9/5/12</i>
<b>Approved as to form by City Atty:</b>	<i>approved via email 9/5/12</i>
<b>Approved by Finance Director:</b>	<i>CFR 9/12</i>
<b>Approved by Department Head:</b>	<i>9/5/12</i>

Expenditure Required	\$5,226.00	Amount Budgeted	\$175,500.00	Appropriation Required	\$0
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**INFORMATION / BACKGROUND**

In 2011, the City contracted with Anchor QEA to provide support for permit application and design the Eddon Boat Park improvement project. The beach restoration portion of this project is dependent upon an existing Hydraulic Project Approval (HPA), which expires October 7, 2012. The bid ready design package for the entire project, including the beach restoration work, would not be complete prior to that date. Therefore, the City directed the consultant to create a separate bid ready design package for the beach restoration work.

The original consultant services contract included preparation of one bid ready package. The consultant could not have anticipated the additional costs when the original scope and fee was prepared. This amendment addresses revisions to the consultant services agreement associated with the phase 1 (in-water) work. It reduces the effort described in Task 4 of the consultant services agreement. It also adds task 5 "Phase 1 Construction Documents" and Task 6 "Phase 1 Construction Support".

**FISCAL CONSIDERATION**

There are sufficient funds available within the Budget (Objective #4) for this amendment. The table below represents the expenditures to date and the remaining funds available for the specific budget objective for this project. The total contract amount with Amendment #1 is \$43,676.00.



2012 Budget for Street Division Operating, Objective No. 4	\$ 175,500.00
2012 Expenses:	
Anchor QEA consultant services contract	(\$ 38,330.00)
Local permit fees	(\$ 9,435.00)
Grette & Associates (permit reports)	(\$ 5,170.00)
Beach Restoration PW contract – Pivetta Brothers, Inc.	(\$ 43,688.61)
Change Order Authority for Public Works Contract	(\$ 7,000.00)
<i>Amendment #1 to Anchor QEA</i>	(\$ 5,226.00)
<b>Remaining 2012 Budget =</b>	<b>\$ 66,650.39</b>

**BOARD OR COMMITTEE RECOMMENDATION**

N/A

**RECOMMENDATION / MOTION**

Approve and authorize the Mayor to execute Consultant Services Contract Amendment No. 1 with Anchor QEA in the amount of \$5,226.00.

**FIRST AMENDMENT  
TO  
CONSULTANT SERVICES CONTRACT  
BETWEEN THE CITY OF GIG HARBOR AND  
Anchor QEA**

THIS FIRST AMENDMENT is made to that certain Consultant Services Contract dated July 26, 2011 (the "Agreement"), by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Anchor QEA, a corporation organized under the laws of the State of Washington (hereinafter the "Consultant").

**RECITALS**

WHEREAS, the City is presently engaged in completing the Eddon Boat Park Restoration Project and desires to extend consultation services in connection with the project; and

WHEREAS, section 18 of the Agreement requires the parties to execute an amendment to the Agreement in order to modify the scope of work to be performed by the Consultant and to amend the amount of compensation paid by the City;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties in this Amendment as follows:

**Section 1. Scope of Work:** Section 1 of the Agreement is amended to modify the work by reducing the scope of Task 4 and adding new Tasks 5 and 6 as shown in **Exhibit A – Scope of Work** (letter dated August 28, 2012 regarding Task 4 and letter dated August 28, 2012 regarding Tasks 5 and 6), attached to this Amendment and incorporated herein.

**Section 2. Compensation:** Section 2(A) of the Agreement is amended to increase compensation to the Consultant for the work to be performed as described in **Exhibit A** in an amount not to exceed Five Thousand Two Hundred Twenty-six Dollars and Zero Cents (\$5,226.00), as shown in **Exhibit B**, attached to this Amendment and incorporated herein.

**Section 3. Duration of Work:** Section 4 of the Agreement is amended to extend the duration of this Agreement to April 30, 2013.

EXCEPT AS EXPRESSLY MODIFIED BY THIS FIRST AMENDMENT, ALL TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties have executed this First Amendment on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CONSULTANT

CITY OF GIG HARBOR

By:   
Its Principal

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

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

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



720 Olive Way, Suite 1900  
Seattle, Washington 98101  
Phone 206.287.9130  
Fax 206.287.9131

August 28, 2012

Mr. Marcos McGraw  
City of Gig Harbor Public Works Department  
3510 Grandview Street  
Gig Harbor, WA 98335

Re: Eddon Boat Park Additional Work Proposal-Revised  
Project Number: 110289-01.01

Dear Mr. McGraw:

We have prepared this revised proposal, per our recent discussions, to describe the additional work items needed to design, bid and construct park improvements for the Eddon Boat Park Beach Restoration Project (Project) in two phases, rather one. Revisions are limited to correcting minor cost proposal discrepancies, and renumbering tasks consistent with and subsequent to the task numbers in our current contract scope of work. As we discussed, when the current contract scope of work was negotiated (see May 3, 2012 scope of work letter) there was no acknowledge of two design and construction phases; therefore, we assumed that design and construction would occur in a single construction phase.

During the week of July 13, 2012, you requested in a telephone discussion that we needed to prepare a separate set of plans to be bid and constructed prior to October 7, 2012 when the City of Gig Harbor's permits for in-water work associated with sediment remediation expire. A July 13, 2012 email from you confirms the separation of the Project into two parts. As part of these discussions, I clarified that separating the Project from one to two phases of design and construction is additional work for Anchor QEA, LLC (Anchor QEA) and that this was not anticipated when the current scope of work was prepared. As part of these discussions I also stated that additional construction support would be required, and that we requested that one of our Gig Harbor office construction managers (Bud Whittaker) provide 3 (8 hour)

days of construction support during the initial phase of construction. The initial phase of construction is referred to as Phase 1 in this additional work proposal.

The following additional scope of work describes these elements in more detail.

## **ADDITIONAL SCOPE OF WORK**

### **Task 5: Prepare Phase 1 Construction Documents**

A set of Phase 1 construction drawings was prepared on July 13 in draft form for your review, and then finalized on July 17, 2012. These drawings were then used to bid the Phase 1 work from a pool of contractors through your Small Works Roster. A contractor was subsequently selected from this bid process. This Phase 1 construction drawing set is additional work for several reasons. First, it was prepared as a stand-alone set of documents that needed to include sufficient information for bidding and construction. Most of this information would be provided in a different format and as part of a larger set of documents if the work was not split out into a separate phase. The drawings as prepared for Phase 1 are unique and self-sufficient as a set of construction plans, and can no longer be combined with the Phase 2 construction documents. As a result, the time required to prepare this set of documents is additional time that would not have been necessary had the entire project been designed as one construction phase.

### **Task 6: Phase 1 Construction Support**

The three days of construction support is additional to the time included in the current scope and fee. Since there are now two separate phases of the construction, the Phase 1 construction support requires time with a unique project, separate contract, permit, and construction requirements (one is in-water, and one is upland), and involves working with two separate contractors on two separate contracts and scopes of construction. Therefore the 24 hours of construction support for Phase 1 is additional work.

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**Additional Work Proposed Fees**

The proposed fee for the additional scope of work is summarized in the table below.

Task	Proposed Fee
5. Phase 1 Construction Documents	\$ 4,866
6. Phase 1 Construction Support	\$ 3,720
Total Proposed Fee	\$ 8,586

A detailed fee proposal is attached. We appreciate the opportunity to continue to serve the City on this important project!

Sincerely,



Peter Hummel, ASLA, LEED® AP

Anchor QEA, LLC

Attachments





720 Olive Way, Suite 1900  
Seattle, Washington 98101  
Phone 206.287.9130  
Fax 206.287.9131

August 28, 2012

Mr. Marcos McGraw  
City of Gig Harbor, Public Works Department  
3510 Grandview Street  
Gig Harbor, WA 98335

Re: Eddon Boat Park Design: Modified Scope of Work and Fee Proposal Task 4

Dear Mr. McGraw:

This letter consists of a revised scope of work and fee proposal as requested in your email and our discussion dated August 24, 2012 and a subsequent discussion you had with Anna Spooner on August 28, 2012, which describes the need for an adjustment to the current scope of work. The intent of this scope of work and fee proposal is to shift funds from Task 4 construction support, to Task 6 construction support. Task 4 is targeted for Phase 2 construction, and Task 6 is targeted for Phase 1 construction. See my letter dated August 28, 2012 for Phase 1 design and construction revised scope and fee proposal covering Tasks 5 and 6.

## **PROJECT UNDERSTANDING AND PURPOSE**

See letters dated May 3, May 9 and August 28, 2012 regarding changes to permitting, design, and construction implementation of this project. In approving Phase 1 construction support, the City of Gig Harbor (City) has requested that Anchor QEA's scope for Phase 2 construction support be reduced and funds transferred from Task 4 to Task 6. The City will cover all work in the Task 4 that is no longer accomplished by Anchor QEA. The following changes to the Task 4 scope and fee proposal are described below:

## **SCOPE OF WORK**

#### **Task 4: Support Bidding and Construction (Phase 2 Construction)**

- Bidding support will include up to 4 hours of responding to bidder's questions or preparing one addendum if required.
- 4 hours of responding to contractor requests for information (RFI).
- The total number of hours for bidding and construction support, including travel time is 8 hours.

#### **Task 4 Work Products**

- Written responses to bidder's questions, or one bid addendum, provided in Microsoft Word and PDF file format.

**Task 4 Proposed Budget: \$1120**

#### **Assumptions**

- Support during bidding and construction is limited to the hours and tasks identified in the scope of work. Requests for additional support during bidding and construction will be negotiated as additional work.
- If the hours for construction support exceed the hours included in Task 4, the additional time shall be negotiated as additional work.

Please contact me if you have any questions about this proposal. We look forward to working with you on this project!

Sincerely,



Peter Hummel, ASLA, LEED®AP  
Anchor QEA, LLC



# Exhibit B – Estimated Costs and Fees

Additional Scope of Work 8-28-12 Fee Proposal Revised.xlsm

ANCHOR QEA, LLC.  
2012 LABOR BUDGET ESTIMATING FORM  
08/28/12

City of Gig Harbor  
Eddon Boat Park Additional Work

Project Number: 10289-01.01  
Prepared by: Peter Hummel  
Reviewed by: Corie Brooke

Task 5 Phase 1 Construction Documents  
Task 6 Phase 1 Construction Support

Task	Task 1	Task 2	Task 3	Task 4	Task 5	Task 6	Task 7	Task 8	Task 9	Task 10	Total Hours	Total Dollars
<b>Labor Categories</b>	<b>Billing Rate</b>											
Principal CM/Eng/LA/Plan/Scientist	\$ 215	0	0	0	7	0	0	0	0	0	7	\$ 1,505
Sr. Managing Analyst/CM/Eng/LA/Plan/Scientist	\$ 195	0	0	0	0	0	0	0	0	0	0	\$ -
Managing Analyst/CM/Eng/LA/Plan/Scientist	\$ 175	0	0	0	6	0	0	0	0	0	6	\$ 1,050
Senior Analyst/CM/Eng/LA/Plan/Scientist	\$ 155	0	0	0	15	24	0	0	0	0	24	\$ 3,720
Staff 3 Analyst/CM/Eng/LA/Plan/Scientist	\$ 140	0	0	-24	0	0	0	0	0	0	-9	\$ (1,260)
Staff 2 Analyst/CM/Eng/LA/Plan/Scientist	\$ 125	0	0	0	0	0	0	0	0	0	0	\$ -
Staff 1 Analyst/CM/Eng/LA/Plan/Scientist	\$ 105	0	0	0	0	0	0	0	0	0	0	\$ -
Senior CAD Designer	\$ 112	0	0	0	1	0	0	0	0	0	1	\$ 112
CAD Designer	\$ 95	0	0	0	0	0	0	0	0	0	0	\$ -
Project Coordinator/Technical Editor	\$ 95	0	0	0	1	0	0	0	0	0	1	\$ 89
Project Coordinator (Admin)	\$ 89	0	0	0	0	0	0	0	0	0	0	\$ -
Technician	\$ 89	0	0	0	0	0	0	0	0	0	0	\$ -
National Expert Consultant	\$ 250	0	0	0	0	0	0	0	0	0	0	\$ -
<b>Total Hours</b>	\$ -	0	0	-24	30	24	0	0	0	0	30	\$ 5,216
<b>Total Labor</b>	\$ -	0	0	(3,360)	4,856	3,720	0	0	0	0	0	\$ -
<b>Average Hourly Rate</b>	\$ -	0	0	(3,360)	4,856	3,720	0	0	0	0	0	\$ -
<b>Subconsultants</b>												
List subconsultants here												
List subconsultants here												
<b>Total Cost</b>	\$ -	0	0	0	0	0	0	0	0	0	0	\$ -
<b>Markup</b>	10.0%											\$ -
<b>Internal Reimbursables (no markup)</b>												\$ -
CAD/GIS/Computer Modeling (\$/hr)	\$10.00				10							\$ 100
Mileage (\$/mile)	\$0.555											\$ -
Copies (\$/copy)	\$0.10											\$ -
Anchor boat (\$/day)	\$300											\$ -
Faxes (\$/fax)	\$1.00											\$ -
<b>External Expenses (markup)</b>												\$ -
Vehicle Rental												\$ -
Repro/Plotting												\$ -
Mail/Fedex/Courier												\$ -
Travel												\$ -
Hotels/Per Diem												\$ -
Miscellaneous												\$ -
<b>Total Cost</b>	\$ -	0	0	0	10	0	0	0	0	0	10	\$ 100
<b>Markup (External Expenses Only)</b>	10.0%											\$ -
<b>Field Equipment and Supplies Summary</b>												\$ -
(include separate backup if needed)												\$ -
<b>Markup</b>	10.0%											\$ -
<b>TOTAL COSTS</b>	\$ -	0	0	(3,360)	4,866	3,720	0	0	0	0	0	\$ 5,226

8 of 8



**Business of the City Council  
City of Gig Harbor, WA**

**Subject:** Eddon Boat Park Beach Restoration  
– Surveying Services – Consultant Services  
Contract

**Proposed Council Action:** Approve and authorize the Mayor to execute a Consultant Services Contract with Prizm Surveying, Inc. in the not-to-exceed amount of \$3,750.00.

**Dept. Origin:** Public Works/Engineering

**Prepared by:** Marcos McGraw *MM*

**For Agenda of:** September 10, 2012

**Exhibits:** Consultant Services Contract

**Concurred by Mayor:**

**Approved by City Administrator:**

**Approved as to form by City Atty:**

**Approved by Finance Director:**

**Approved by Department Head:**

Initial &  
Date

*CLH 9/5*  
*R - 9/5/12*  
*approved via email 9/5/12*  
*9/5/12*  
*9/5/12*

<b>Expenditure Required</b>	\$3,750.00	<b>Amount Budgeted</b>	\$ 175,500	<b>Appropriation Required</b>	\$0
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**INFORMATION/BACKGROUND**

This contract is for confirmation topographic surveying services to document and provide a record drawing of the final established slope elevations and grades.

**FISCAL CONSIDERATION**

The 2012 Parks Development Division Objective Fund for this project includes sufficient funds allocated for the Eddon Boat Park improvements project to cover these surveying services.

**BOARD OR COMMITTEE RECOMMENDATION**

N/A

**RECOMMENDATION/MOTION**

Approve and authorize the Mayor to execute a Consultant Services Contract with Prizm Surveying, Inc. in the not-to-exceed amount of \$3,750.00.

**CONSULTANT SERVICES CONTRACT  
BETWEEN THE CITY OF GIG HARBOR AND  
PRIZM SURVEYING, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (the "City"), and Prizm Surveying, Inc., a corporation organized under the laws of the State of Washington (the "Consultant").

**RECITALS**

WHEREAS, the City is presently engaged in Eddon Boat Park Improvements Project and desires that the Consultant perform services necessary to provide the following consultation services; and

WHEREAS, the Consultant agrees to perform the services more specifically described in the Scope of Work including any addenda thereto as of the effective date of this Agreement, all of which are attached hereto as **Exhibit A – Scope of Work**, and are incorporated by this reference as if fully set forth herein;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

**TERMS**

1. **Retention of Consultant - Scope of Work.** The City hereby retains the Consultant to provide professional services as defined in this Agreement and as necessary to accomplish the scope of work attached hereto as **Exhibit A** and incorporated herein by this reference as if set forth in full. The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this Agreement.

2. **Payment.**

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Three Thousand Seven Hundred Fifty Dollars and No Cents (\$3,750.00) for the services described in Section 1 herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. The Consultant's staff and billing rates shall be as described in **Exhibit A – Scope of Work**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit A** or bill at rates in excess of the hourly rates shown in **Exhibit A**, unless the parties agree to a modification of this Contract, pursuant to Section 17 herein.

B. The Consultant shall submit monthly invoices to the City after such services have been performed, and a final bill upon completion of all the services described in this Agreement. The City shall pay the full amount of an invoice within forty-five (45) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Consultant of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

**3. Relationship of Parties.** The parties intend that an independent contractor-client relationship will be created by this Agreement. As the Consultant is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subconsultant of the Consultant shall be or shall be deemed to be the employee, agent, representative or subconsultant of the City. In the performance of the work, the Consultant is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance, and unemployment insurance are available from the City to the employees, agents, representatives, or subconsultants of the Consultant. The Consultant will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and subconsultants during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.

**4. Duration of Work.** The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** immediately upon execution of this Agreement. The parties agree that the work described in **Exhibit A** shall be completed by October 31, 2012; provided however, that additional time shall be granted by the City for excusable days or extra work.

**5. Termination.** The City reserves the right to terminate this Agreement at any time upon ten (10) days written notice to the Consultant. Any such notice shall be given to the address specified above. In the event that this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the notice to terminate. In the event that services of the Consultant are terminated by the City for fault on part of the Consultant, the amount to be paid shall be determined by the City with consideration given to the actual cost incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the City at the time of termination, the cost of the City of employing another firm to complete the work required, and the time which may be required to do so.

**6. Non-Discrimination.** The Consultant agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman,

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because of race, color, creed, religion, national origin, marital status, sex, sexual orientation, age or handicap, except for a bona fide occupational qualification. The Consultant understands that if it violates this provision, this Agreement may be terminated by the City and that the Consultant may be barred from performing any services for the City now or in the future.

**7. Indemnification.**

A. The Consultant agrees to hold harmless, indemnify and defend the City, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the Consultant, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the Consultant, its officers, agents, subconsultants or employees, in connection with the services required by this Agreement; provided, however, that:

1. The Consultant's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the City, its officers, agents or employees; and

2. The Consultant's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the Consultant and the City, or of the Consultant and a third party other than an officer, agent, subconsultant or employee of the Consultant, shall apply only to the extent of the negligence or willful misconduct of the Consultant.

B. It is further specifically and expressly understood that the indemnification provided herein constitutes the consultant's waiver of immunity under industrial insurance, title 51 RCW, solely for the purposes of this indemnification. The parties further acknowledge that they have mutually negotiated this waiver. The consultant's waiver of immunity under the provisions of this section does not include, or extend to, any claims by the consultant's employees directly against the consultant.

C. The provisions of this section shall survive the expiration or termination of this Agreement.

**8. Insurance.**

A. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Consultant's own work including the work of the Consultant's agents, representatives, employees, subconsultants or subcontractors.

B. Before beginning work on the project described in this Agreement, the Consultant shall provide evidence, in the form of a Certificate of Insurance, of the following insurance coverage and limits (at a minimum):

1. Business auto coverage for any auto no less than a \$1,000,000 each accident limit, and
2. Commercial General Liability insurance no less than \$1,000,000 per occurrence with a \$2,000,000 aggregate. Coverage shall include, but is not limited to, contractual liability, products and completed operations, property damage, and employers liability, and
3. Professional Liability insurance with no less than \$1,000,000 per occurrence. All policies and coverages shall be on an occurrence basis by an 'A' rated company licensed to conduct business in the State of Washington.

C. The Consultant is responsible for the payment of any deductible or self-insured retention that is required by any of the Consultant's insurance. If the City is required to contribute to the deductible under any of the Consultant's insurance policies, the Contractor shall reimburse the City the full amount of the deductible within 10 working days of the City's deductible payment.

D. The City of Gig Harbor shall be named as an additional insured on the Consultant's commercial general liability policy. This additional insured endorsement shall be included with evidence of insurance in the form of a Certificate of Insurance for coverage necessary in Section B. The City reserves the right to receive a certified and complete copy of all of the Consultant's insurance policies upon request.

E. Under this Agreement, the Consultant's insurance shall be considered primary in the event of a loss, damage or suit. The City's own comprehensive general liability policy will be considered excess coverage with respect to defense and indemnity of the City only and no other party. Additionally, the Consultant's commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

F. The Consultant shall request from his insurer a modification of the ACORD certificate to include language that prior written notification will be given to the City of Gig Harbor at least 30 days in advance of any cancellation, suspension or material change in the Consultant's coverage.

**9. Ownership and Use of Work Product.** Any and all documents, drawings, reports, and other work product produced by the Consultant under this Agreement shall become the property of the City upon payment of the Consultant's fees and charges therefore. The City shall have the complete right to use and re-use such work product in any manner deemed appropriate by the City, provided, that use on any project other than that for which the work product is prepared shall be at the City's risk unless such use is agreed to by the Consultant.

**10. City's Right of Inspection.** Even though the Consultant is an independent contractor with the authority to control and direct the performance and details of the work authorized under this Agreement, the work must meet the approval of the City and shall be

{ASB983053.DOC;1\00008.900000\}



subject to the City's general right of inspection to secure the satisfactory completion thereof. The Consultant agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or become applicable within the terms of this Agreement to the Consultant's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

**11. Records.** The Consultant shall keep all records related to this Agreement for a period of three years following completion of the work for which the Consultant is retained. The Consultant shall permit any authorized representative of the City, and any person authorized by the City for audit purposes, to inspect such records at all reasonable times during regular business hours of the Consultant. Upon request, the Consultant will provide the City with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the Consultant, but the Consultant may charge the City for copies requested for any other purpose.

**12. Work Performed at the Consultant's Risk.** The Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and subconsultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Consultant's own risk, and the Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Consultant for use in connection with the work.

**13. Non-Waiver of Breach.** The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options, and the same shall be and remain in full force and effect.

**14. Resolution of Disputes and Governing Law.**

A. Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Agreement, the matter shall first be referred to the City Engineer or Director of Operations and the City shall determine the term or provision's true intent or meaning. The City Engineer or Director of Operations shall also decide all questions which may arise between the parties relative to the actual services provided or to the sufficiency of the performance hereunder.

B. If any dispute arises between the City and the Consultant under any of the provisions of this Agreement which cannot be resolved by the City Engineer or Director of Operations determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

**15. Written Notice.** All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth below. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

CONSULTANT:  
Prizm Surveying, Inc.  
ATTN: Gary D. Letzring, P.L.S.  
PO Box 110700  
Tacoma, WA 98411  
253-404-0983  
[gletzring@prizmsurveying.com](mailto:gletzring@prizmsurveying.com)

City of Gig Harbor  
ATTN: Stephen Misiurak,  
City Engineer  
3510 Grandview Street  
Gig Harbor, WA 98335  
(253) 851-6170

**16. Subcontracting or Assignment.** The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. If applicable, any subconsultants approved by the City at the outset of this Agreement are named on **Exhibit C** attached hereto and incorporated herein by this reference as if set forth in full.

**17. Entire Agreement.** This Agreement represents the entire integrated agreement between the City and the Consultant, superseding all prior negotiations, representations or agreements, written or oral. This Agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto.

[Remainder of page intentionally left blank]



IN WITNESS WHEREOF, the parties have executed this Agreement this \_\_\_\_\_  
day of \_\_\_\_\_, 20\_\_\_\_.

CONSULTANT

CITY OF GIG HARBOR

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

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

Its: \_\_\_\_\_

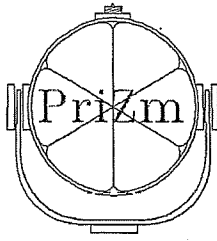
Mayor Charles L. Hunter

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

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



**PRIZM**  
SURVEYING INC.

P.O. Box 110700  
Tacoma, WA 98411  
Office: 253-404-0983  
Fax: 253-404-0984  
[gletzring@prizmsurveying.com](mailto:gletzring@prizmsurveying.com)  
[www.prizmsurveying.com](http://www.prizmsurveying.com)

Mr. Steve Misiurak P.E.  
City of Gig Harbor  
3510 Grandview Street  
Gig Harbor, WA 98335

Sept. 5, 2012

Re: Eddon Boat Park Beach Restoration project.

Dear Mr. Misiurak,

**Prizm Surveying** is pleased to provide you with this proposal for Surveying Services. Prior work performed in the vicinity of the project will be utilized to lower the overall project costs. The following is our proposed scope of work for the project.

**Task 1 – Beach Restoration Construction Surveying:**

1. Perform office research of the City of Gig Harbor, Pierce County, the Department of Natural Resources and other sources for relevant Survey control performed in the vicinity of the project area.
2. Perform a random field traverse or GPS control survey to locate existing survey control and monumentation necessary for the accurate staking of project features.
3. Using plans as provided for the project, calculate and prepare a work sheet for field use identifying positions desired.
4. Field layout of the project limits.
5. Field layout of the proposed Habitat Gravel area.
6. Field layout of the proposed Cobble Mix area.
7. Field layout of the proposed Cobble Mix and Boulders area.
8. Reduce the field notes, and verify positional tolerance of staked points.

**The estimated cost for Task 1 services is \$1,817.50**

- Professional Land Surveyor    1/2 hour @    \$95.00 /hour
- 2-man survey crew                12 hours @    \$125.00 /hour
- Survey Technician                3 hours @     \$85.00 /hour
- Administration                    1/4 hour @    \$60.00 /hour

Exhibit A—Scope of Work (cont'd)

**Task 2 ~ Eddon Boat Park As-built Update:**

*This task updates our prior work on the project noting any features that may have changed on the property since our last As-built drawing and will include Task 1 changes noted above.*

1. Utilizing existing site control and the base survey map, perform an As-Built survey of the site. This will include constructed improvements to the property including: grading, buildings, edges of pavement, walks, curbing, decks and docks, visible utility structures (storm and sanitary structures), etc. Accessible utility structures will be measured for depth, pipe sizes, direction, etc.
2. Reduce field notes, plot data obtained from the fieldwork, and prepare an AutoCAD drawing of the above for design use at a convenient scale showing the data collected along with 1 foot interval contours and spot elevations as deemed necessary. The final Map will be site reviewed, checked and certified by a Professional Land Surveyor. The final map will be provided in electronic format and paper copies for your use.

**The estimated cost of Task 2 is \$1,932.50**

- Professional Land Surveyor      2.5 hour @    \$95.00 /hour
- 2-man survey crew                    8 hours @    \$125.00 /hour
- Survey Technician                    8 hours @    \$85.00 /hour
- Administration                        1/4 hour @    \$60.00 /hour

Specifically excluded from our described scope of services are any title research or reports, any geotechnical studies, wetland or traffic studies, landscaping, and / or any engineering services. If required the Client will pay all costs of title reports, filing fees, and other governmental fees and assessments not specifically identified within this proposal.

PriZm Surveying will perform additional services beyond the basic scope of work upon your request. No extra work will be undertaken without your prior authorization. Revisions to work completed or in progress, requested by you or your agents through no fault of PriZm Surveying, will be considered extra services for which additional compensation is due. If you require a written proposal and authorization for additional services, this should be addressed at the time the work is requested.

Any part of this proposal is negotiable pending your particular survey requirements. Should you desire additional services beyond the scope above our regular hourly rates are as follows:

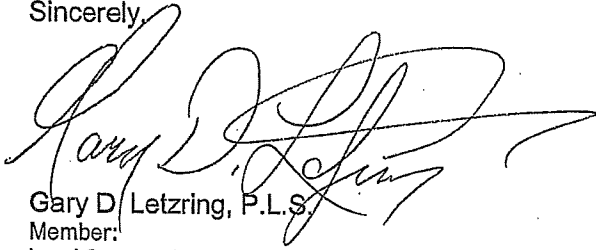
- 2-man survey crew                    \$125 an hour
- GPS survey crew                      \$137.50 an hour
- Licensed Land Surveyor            \$95 an hour
- Survey Technician                    \$85 an hour

Eddon Boat Park

Page 3 of 3

We look forward to working with you on your project, and if you have any questions or comments regarding this proposal, please call me at (253) 404-0983.

Sincerely,



Gary D. Letzring, P.L.S.

Member:

Land Surveyor's Association of Washington,  
National Society of Professional Land Surveyors,  
American Congress on Surveying and Mapping



Business of the City Council
City of Gig Harbor, WA

Subject: Wastewater Treatment Plant
Expansion Phase 2 Public Works Trust Fund
-- Construction Loan Agreement

Proposed Council Action: Approve and
authorize the Mayor to sign and authorize
formal approval of the loan agreement as
presented.

Dept. Origin: Public Works/Engineering

Prepared by: Stephen Misiurak, PE
City Engineer

For Agenda of: September 10, 2012

Exhibits: Loan Agreement

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Initial & Date

CLH 9/6/12

R-9/5/12

approved via email 9/5/12

9/12

9/5/12

Table with 6 columns: Expenditure Required, Amount, See Fiscal Consideration below, Appropriation Required, Amount Budgeted, \$ 0

INFORMATION / BACKGROUND

This is a low interest loan, in the amount of \$4,845,850 between the City and the Washington State Public Works Board. This loan will fund the necessary final design, permitting and construction of the Wastewater Treatment Plant Improvements, Phase 2 Project. This expansion will increase the plant capacity from 1.6 to 2.4 million gallons per day.

FISCAL CONSIDERATION

This agreement requires a City match of 15 percent of local city funds, (\$855,150.00) to be contributed towards this project. The City's match will be contributed during the construction phase of this project and the City will utilize the loan proceeds for the final design and permitting and the majority of construction. Under the terms of this agreement, construction of the improvements must be completed within five years of execution of this agreement. The effective interest rate on the loan is one half of one percent. Repayment of this loan is over a twenty year repayment schedule.

BOARD OR COMMITTEE RECOMMENDATION

None.

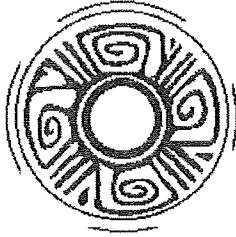
RECOMMENDATION / MOTION

Move to: Approve and authorize the Mayor to sign and authorize formal approval of the loan agreement as presented.

RECEIVED

AUG 03 2012

CITY OF GIG HARBOR  
ENGINEERING



Washington State  
**Public Works Board**

1011 Plum Street SE  
Post Office Box 42525  
Olympia, Washington 98504-2525

August 2, 2012

Stephen Misiurak  
City of Gig Harbor  
3510 Grandview Street

Gig Harbor, WA 98335

RE: Loan Contract Number: PC13-961-051

Dear Mr. Stephen Misiurak:

Enclosed are two originals of your Construction Loan Contract. This Contract details the terms and conditions that will govern the agreement between us. Please review the terms and conditions of the Contract carefully. We recommend consulting with your legal advisor before accepting this loan offer.

When you have obtained the appropriate original signatures (do not use signature stamps), return both original contracts and all the attachments to the Public Works Board office within 60 calendar days of the date of this letter. Failure to return the contracts within this timeline may result in the loan offer being withdrawn.

After the Contracts have been signed by the Board, one fully executed original along with instructions for drawing funds will be mailed to you. We encourage you to store these and all pertinent documents associated with this project and loan offer in a file that is readily accessible to auditors for their periodic review.

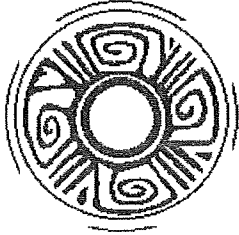
We look forward to working with you over the course of your successful public works project. If you have any questions about this Contract, please contact me at the below listed address.

Sincerely,

Jeff Hinckle  
PWB Staff  
(360) 725-3060  
jeff.hinckle@commerce.wa.gov

Enclosures:  
ATTACHMENT I: ATTORNEY'S CERTIFICATION  
Form EZ1





Washington State  
**Public Works Board**

1011 Plum Street SE  
Post Office Box 42525  
Olympia, Washington 98504-2525

---

**Construction Loan Agreement between:**

**City of Gig Harbor**

and

**Public Works Board**

**For:**

Project Name: **Wastewater Treatment Plant Improvements, Treatment**  
Loan Number: **PC13-961-051**  
Loan Type: **Construction**

**Execution/Start Date:** \_\_\_\_\_ **Contract Execution Date**  
(to be filled by the Public Works Board)



**DECLARATIONS**

**CLIENT INFORMATION**

Legal Name:	City of Gig Harbor
Loan Number:	PC13-961-051
Federal Tax Identification Number:	0
State Wide Vendor Number:	0000349

**PROJECT INFORMATION**

Project Title:	Wastewater Treatment Plant Improvements, Treatment
Project City:	Gig Harbor
Project State:	Washington
Project Zip Code:	98335

**LOAN INFORMATION**

Loan Amount:	\$4,845,850.00
Total Estimated Cost:	\$5,701,000.00
Total Estimated Funding:	\$5,701,000.00
Local Match Percent:	15.00%
Loan Term:	20
Interest Rate:	0.50%
Payment Month:	June 1 <sup>st</sup>
Loan Reimbursement Start Date:	9/1/2011
Time of Performance	60 months from Execution Date of this Contract to Project Completion.

**SPECIAL CONDITIONS GOVERNING THIS LOAN AGREEMENT**

None.

**LOAN SECURITY CONDITION GOVERNING THIS LOAN AGREEMENT**

This loan is a revenue obligation of the Contractor payable solely from the net revenue of the Water Sanitary Sewer system. Payments shall be made from the net revenue of the utility after the payment of the principal and interest on any revenue bonds, notes, warrants or other obligations of the utility having a lien on that net revenue. As used here, "net revenue" means gross revenue minus expenses of maintenance and operations. The Board grants the Contractor the right to issue future bonds and notes that constitute a lien and charge on net revenue superior to the lien and charge of this loan Contract. This option may be used only if the entire project is a domestic water, sanitary sewer, storm sewer, or solid waste utility project.

**DECLARATION (continued)**

Loan Number: PC13-961-051  
Project Title: Wastewater Treatment Plant Improvements,  
Treatment

Scope of Work:

**The City will design and construction Phase 2 Wastewater Treatment Plant Improvements addressing required capacity expansion and improved treatment quality needs. This project is being done to comply with emerging regulatory requirements, meeting existing and anticipated NPDES Permits, and loading limits over the 20-year planning horizon.**

**Project activities include, but are not limited to, engineering, cultural and historical resources review, environmental review, permits, public involvement, bid documents, and construction that allow the Jurisdiction to meet local, state, and federal standards and/or requirements as applicable**



CONTRACT FACE SHEET

Contract Number: PC13-961-051

Washington State Department of Commerce

**PUBLIC WORKS BOARD  
CONSTRUCTION LOAN CONTRACT**

<b>1. Contractor</b> City of Gig Harbor 3510 Grandview Street Gig Harbor, WA 98335		<b>2. Contractor Doing Business As (optional)</b> N/A	
<b>3. Contractor Representative</b> N/A		<b>4. Public Works Board Representative</b>	
<b>5. Contract Amount</b> \$4,845,850.00	<b>6. Funding Source</b> Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>	<b>7. Contract Start Date</b> Contract Execution Date	<b>8. Contract End Date</b> June 1,2032
<b>9. Federal Funds (as applicable)</b> N/A	<b>Federal Agency</b> N/A	<b>CFDA Number</b> N/A	
<b>10. Tax ID #</b> 91-6001435	<b>11. SWV #</b> SWV 0000349-00	<b>12. UBI #</b>	<b>13. DUNS #</b>
<b>14. Contract Purpose</b> Fund a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets and roads, bridges, drinking water systems, stormwater systems, sanitary sewage systems, and solid waste facilities, including recycling facilities. The Board, defined as the Washington State Public Works Board, and Contractor acknowledge and accept the terms of this Contract and attachments and have executed this Contract on the date below to start as of the date and year last written below. The rights and obligations of both parties to this Contract are governed by this Contract and the following other documents incorporated by reference: Contract Terms and Conditions including Declarations Page; and Attachment I: Attorney's Certification.			
<b>FOR THE CONTRACTOR</b>		<b>FOR PUBLIC WORKS BOARD</b>	
_____ Signature		_____ John LaRocque, Executive Director	
_____ Print Name		_____ Date	
_____ Title		<b>APPROVED AS TO FORM ONLY</b>	
_____ Date		This 1st Day of May, 2012 _____ Rob McKenna Attorney General	
		_____ <i>Signature on file</i> Kathryn Wyatt Assistant Attorney General	

PUBLIC WORKS BOARD CONSTRUCTION LOAN PROGRAM

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PUBLIC WORKS BOARD  
CONSTRUCTION LOAN PROGRAM

**SPECIAL TERMS AND CONDITIONS**

**1.1 Definitions**

As used throughout this Construction Loan Contract the following terms shall have the meaning set forth below:

- A. "Contract" shall mean this Construction Loan Contract.
- B. "Contractor" shall mean the local government identified on the Contract Face Sheet performing service(s) under this Contract and who is a Party to the Contract, and shall include all employees and agents of the Contractor.
- C. "The Board" shall mean the Washington State Public Works Board created in Revised Code of Washington (RCW) 43.155.030, and who is a Party to the Contract.
- D. "Declarations " and "Declared" shall refer to the project information, loan terms and conditions as stated on the Declarations Page of this Loan Contract, displayed within the contract in **THIS STYLE** for easier identification.

**1.2 Authority**

Acting under the authority of Chapter 43.155 RCW, the Board has awarded the Contractor a Public Works Trust Fund construction loan for an approved public works project.

**1.3 Purpose**

The Board and the Contractor have entered into this Contract to undertake a local public works project that furthers the goals and objectives of the Washington State Public Works Program. The project will be undertaken by the Contractor and will include the activities described in the **SCOPE OF WORK** shown on the Declarations page. The project must be undertaken in accordance with the loan terms and conditions, and all applicable federal, state and local laws and ordinances, which by this reference are incorporated into this Contract as though set forth fully herein.

**1.4 Order of Precedence**

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- A. Applicable federal and state of Washington statutes and regulations.
- B. Special Terms and Conditions including attachments.
- C. General Terms and Conditions.

**1.5 5- year deferral for start-up systems**

If the project financed by this contract is to develop a system to deliver previously unavailable services, and revenue from those services is to repay the loan, the new system is eligible for a deferral of loan payments for sixty (60) months after the Contract execution date.

Interest accrues for the aforementioned sixty (60) months. The accrued interest only payment is due June 1 of the 6th year of the loan term. Interest and principal payments are due on June 1 of the 7th year of the loan term.

**1.6 Competitive Bidding Requirements**

The Contractor shall comply with the provisions of RCW 43.155.060 regarding competitive bidding requirements for projects assisted in whole or in part with money from the Public Works Program.

**1.7 Default in Repayment**

Loan repayments shall be made on the loan in accordance with Section 1.16 of this Contract. A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a monthly penalty beginning on the first (1st) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be one percent (1%) per month or twelve percent (12%) per annum. The same penalty terms shall apply at project completion if the repayment of loan funds in excess of eligible costs are not repaid at the time of the Project Completion Amendment is submitted, as provided for in Section 1.12.

The Contractor acknowledges and agrees to the Board's right, upon delinquency in the payment of any annual installment, to notify any other entity, creditors, or potential creditors of the Contractor of such delinquency.

The Contractor shall be responsible for all legal fees incurred by the Board in any action undertaken to enforce its rights under this section.

**1.8 Investment Grade Audit**

For projects involving repair, replacement, or improvement of a wastewater treatment plant, or other public works facility for which an investment grade audit is obtainable, Contractor must undertake an investment grade audit.

Costs incurred as part of the investment grade audit are eligible project costs.

**1.9 Eligible Project Costs**

The Contractor pledges to use an amount of matching funds as local project share at a percentage not less than that shown on the Declarations Page as: **LOCAL MATCH PERCENT**, applied to the total eligible portion of the project cost as identified in declared **SCOPE OF WORK**. State and federal grants are not considered local matching funds. Expenditures on eligible project activities incurred up to twelve (12) months prior to the execution of this Contract may be used as match for local project share.

The amount of local funds used for the project will be verified and the percentage that this figure represents of the total project cost will be calculated at project completion. If and to the extent the actual percentage of local match exceeds the proposed match percentage, the loan amount and/or the interest rate charged may be adjusted. At a minimum, the match provided cannot be less than the original match pledged at the time of contract execution. The interest rate adjustment will apply to the remaining payments beginning from the date the Project Completion report is certified. The Contractor agrees to execute the Project Completion Amendment as an amendment to this Contract adjusting the loan amount or interest rate, as appropriate.

Eligible project costs must consist of expenditures eligible under Washington Administrative Code (WAC) 399-30-030 and be related only to project activities described in the declared **SCOPE OF WORK**. Eligible costs for reimbursement shall be construed to mean expenditures incurred and paid, or incurred and payable within thirty (30) days of the reimbursement request. Only costs that have been incurred on or after the **LOAN REIMBURSEMENT START DATE** shown in the Declarations are eligible for reimbursement under this Contract.



The Contractor assures compliance with WAC 399-30-030, which identifies eligible costs for projects assisted with Public Works Program loans.

These terms supersede the terms in Section 2.2. Allowable Costs.

**1.10 Historical and Cultural Resources**

Prior to commencing construction, Contractor shall complete the requirements of Governor's Executive Order 05-05, or, as a substitute for completion of Governor's Executive Order 05-05, Contractor shall complete Section 106 of the National Historic Preservation Act. Contractor agrees that the Contractor is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural artifacts and agrees to hold harmless the Board and the State of Washington in relation to any claim related to such historical or cultural artifacts discovered, disturbed, or damaged as a result of the project funded by this Contract.

In addition to the requirements set forth in this Contract, Contractor shall, in accordance with Governor's Executive Order 05-05, coordinate with the Washington State Department of Archaeology and Historic Preservation (DAHP), including any recommended consultation with any affected tribe(s), during project design and prior to construction to determine the existence of any tribal cultural resources affected by the proposed project funded by this Contract. Contractor agrees to avoid, minimize, or mitigate impacts to the cultural resource as a continuing pre-requisite to receipt of funds under this Contract.

The Contractor agrees that, unless the Contractor is proceeding under an approved historical and cultural monitoring plan or other memorandum of agreement, if historical or cultural artifacts are discovered during construction, the Contractor shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at DAHP. If human remains are uncovered, the Contractor shall report the presence and location of the remains to the coroner and local enforcement immediately, then contact DAHP and the concerned tribe's cultural staff or committee.

The Contractor shall require this provision to be contained in all sub-contracts for work or services related to the declared **SCOPE OF WORK**.

In addition to the requirements set forth in this Contract, Contractor agrees to comply with RCW 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and, WAC 25-48 regarding Archaeological Excavation and Removal Permits.

Completion of the Section 106 of the National Historic Preservation Act shall substitute for completion of Governor's Executive Order 05-05.

In the event that the Contractor finds it necessary to amend the declared **SCOPE OF WORK**, the Contractor may be required to re-comply with Governor's Executive Order 05-05 or Section 106 of the National Historic Preservation Act.

**1.11 Performance Incentives**

The Contractor shall complete the project no later than sixty (60) months after the date of contract execution.

Should the Contractor complete the project within forty-eight (48) months of the date of contract execution, the Contractor may choose one of the two following incentives upon project completion:

Option A: The repayment period will be increased by twenty-four (24) months, not to exceed the life of the asset, OR:

Option B: The interest rate will be decreased by one-quarter of one percent (0.25%).

Should the Contractor complete the project within thirty-six (36) months of the date of contract execution, the Contractor may choose one of the following two incentives upon project completion:

- Option C: The repayment period will be increased by sixty (60) months, not to exceed the life of the asset, OR;
- Option D: The interest rate will be decreased by up to one-half of one percent (0.50%).

Once an option is selected, the Contract shall be modified to note the appropriate change and no further adjustment to the Contract for Performance Incentives shall be authorized. Irrespective of the performance incentive chosen, at no point in time shall the minimum loan interest rate be less than 0.25%.

The calculation of interest rate and term adjustments will apply to the remaining payments beginning from the date the Project Completion report is certified.

#### **1.12 Project Completion Amendment and Certified Project Completion Report**

The Contractor shall complete a Certified Project Completion Report when all activities identified in the **SCOPE OF WORK** are complete. The Board will supply the Contractor with the Certified Project Completion Report form, which shall include:

- A. A certified statement that the project, as described in the declared **SCOPE OF WORK**, is complete and, if applicable, meets required standards.
- B. A certified statement of the actual dollar amounts spent, from all funding sources, in completing the project as described in the **SCOPE OF WORK**.
- C. Certification that all costs associated with the project have been incurred and have been accounted for. Costs are incurred when goods and services are received and/or contract work is performed.
- D. A final voucher for the remaining eligible funds.

The Contractor will submit the Certified Project Completion Report together with the last Invoice Voucher for a sum not to exceed the balance of the loan amount. The final Invoice Voucher payment shall not occur prior to the completion of all project activities identified in the **SCOPE OF WORK** and the Board's receipt and acceptance of the Certified Project Completion Report.

The Project Completion Amendment shall serve as an amendment to this Contract determining the final loan amount, local share, term, and interest rate.

#### **1.13 Project Signs**

If the Contractor displays, during the period covered by this Contract, signs or markers identifying those agencies participating financially in the approved project, the sign or marker must identify the Washington State Public Works Trust Fund as a participant in the project.

#### **1.14 Rate and Term of Loan**

The Board shall loan the Contractor a sum not to exceed the **LOAN AMOUNT** shown on the Contract Face Sheet and declared on the Contract Declarations Page. The interest rate shall be the declared **INTEREST RATE** per annum on the outstanding principal balance. The length of the loan shall not exceed the declared **LOAN TERM** in years, with the final payment due by the **CONTRACT END DATE** as shown on the Contract Face Sheet.

#### **1.15 Recapture**

The right of recapture shall exist for a period not to exceed six (6) years following contract termination. In the event that the Board is required to institute legal proceedings to enforce the recapture provision, the Board shall be entitled to its costs thereof, including attorney's fees.

These terms supersede the terms in Section 2.31. Recapture.

#### 1.16 Reimbursement Procedures and Payment

If funding or appropriation is not available at the time the invoice is submitted, or when this contract is executed, the issuance of warrants will be delayed or suspended until such time as funds or appropriation become available. Therefore, subject to the availability of funds, warrants shall be issued to the Contractor for reimbursement of allowable expenses incurred by the Contractor while undertaking and administering approved project activities in accordance with the declared **SCOPE OF WORK**.

The Board shall reimburse the Contractor for eligible project expenditures up to the maximum loan amount under this contract, as identified in Section 1.10. When requesting reimbursement for costs incurred, the Contractor shall submit a signed and completed Invoice Voucher (Form A19), referencing the **SCOPE OF WORK** project activity performed, and any appropriate documentation such as bills, invoices, and receipts. The Invoice Voucher must be certified by an official of the Contractor with authority to bind the Contractor.

Each Invoice Voucher must be accompanied by a Project Status Report, which describes, in narrative form, the progress made on the project since the last invoice was submitted, as well as a report of project status to date. The Board will not release payment for any reimbursement request received unless and until the Project Status Report is received. After approving the Invoice Voucher and the Project Status Report, the Board shall promptly remit a warrant to the Contractor.

Requests for reimbursements for costs related to **construction** activities will not be accepted until the Contractor provides:

- Proof of compliance with Governor's Executive Order 05-05 or Section 106 of the National Historic Preservation Act, as described in Section 1.10, and
- A signed Public Works Trust Fund Notice of Contract Award and Notice to Proceed, which follows the formal award of a construction contract.

The Contractor shall submit all Invoice Vouchers and all required documentation to:

Contracts Administration Unit  
Department of Commerce  
PO Box 42525  
Olympia, WA 98504-2525

The Board will pay the Contractor upon acceptance of the work performed and receipt of properly completed invoices. Invoices shall be submitted to the Board not more often than monthly.

Payment shall be considered timely if made by the Board within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

The Board may, at its sole discretion, terminate the contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this contract.

No payments in advance or in anticipation of services or supplies to be provided under this contract shall be made by the Board.

Duplication of Billed Costs. If the Contractor is entitled to payment or has been or will be paid by another source for an eligible project cost, then the Contractor shall not be reimbursed by the Board for that cost.

Disallowed Costs. The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

In no event shall the total Public Works loan exceed 100% of the eligible actual project costs. At the time of project completion, the Contractor shall submit to the Board a Project Completion Amendment certifying the total actual project costs and local share. The final Public Works loan disbursement shall bring the total loan to the lesser of 100% of the eligible project costs or the total declared **LOAN AMOUNT**. The Project Completion Amendment shall serve as an amendment to this Contract determining the final loan amount, local share, and interest rate.

In the event that the final costs identified in the Project Completion Amendment indicate that the Contractor has received Public Works Trust Fund monies in excess of 100.00% of eligible costs, all funds in excess of 100.00% shall be repaid to the Public Works Assistance Account by payment to the Department of Commerce, or its successor, together with the submission of the Project Completion Amendment.

#### 1.17 **Repayment**

Loan repayment installments are due on the day and month identified under the term: **PAYMENT MONTH** on the Declarations Page. Payments are due each year during the term of the loan beginning one year from the date of contract execution. Interest only will be charged for this payment if a warrant is issued prior to this date. All subsequent payments shall consist of principal and accrued interest due on the specified **PAYMENT MONTH** date of each year during the remaining term of the loan.

Repayment of the loan under this Contract shall include the declared **INTEREST RATE** per annum based on a three hundred and sixty (360) day year of twelve (12) thirty (30) day months. Interest will begin to accrue from the date each warrant is issued to the Contractor. The final payment shall be on or before the **CONTRACT END DATE** shown on the Declarations page, of an amount sufficient to bring the loan balance to zero.

In the event that the Board approves the Contractor's request for a deferral as outlined in Section 1.5, then the first loan repayment is due sixty (60) months after contract execution. Interest accrues for the sixty (60) months after contract execution. The accrued interest only will be charged for this payment if a warrant is issued prior to this date. Interest and principal payments are due on the declared **PAYMENT MONTH** date of each year during the remaining term of the loan. The Contractor has the right to repay the unpaid balance of the loan in full at any time or make accelerated payments without penalty.

The Contractor will repay the loan in accordance with the preceding conditions through the use of a check, money order, or equivalent means made payable to the Washington State Department of Commerce, or its successor.

#### 1.18 **Reports**

The Contractor shall furnish the Board with:

- A. Project Status Reports with each Invoice Voucher,
- B. Project Reports at the end of each fiscal year,
- C. Certified Project Completion Report at project completion (as described in Section 1.12), and
- D. Other reports as the Board may require.

#### 1.19 **Termination for Cause**

If the Contractor fails to comply with the terms of this Contract, or fails to use the loan proceeds only for those activities identified in the **SCOPE OF WORK**, the Board may terminate the Contract in whole or in part at any time. The Board shall notify the Contractor in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Nothing in this section shall affect the Contractor's obligation to repay the unpaid balance of the loan.

These terms supersede the terms in Section 2.40 Termination for Cause/Suspension.

**1.20 Termination for Convenience**

The Board may terminate this contract in the event that state funds are no longer available to the Board, or are not appropriated for the purpose of meeting the Board's obligations under this contract. Termination will be effective when the Board sends written notice of termination to the Contractor. Nothing in this section shall affect the Contractor's obligation to repay the unpaid balance of the loan.

These terms supersede the terms in Section 2.41 Termination for Convenience.

**1.21 Time of Performance**

No later than sixty (60) months after the date of contract execution the Contractor must reach project completion.

Failure to meet Time of Performance shall constitute default of this contract. In the event of extenuating circumstances, the Contractor may request, in writing, that the Board extend the deadline for project completion. The Board may extend the deadline.

The term of this contract shall be for the entire term of the loan, regardless of actual project completion, unless terminated sooner as provided herein.

**1.22 Special Conditions**

If **SPECIAL CONDITIONS** are listed on the Contract Declarations Page then these conditions are herein incorporated as part of the terms and requirements of this contract.

**1.23 Loan Security**

Loan Security payments shall be made as stated on the attached Declarations Page, and identified therein as **LOAN SECURITY**.

## GENERAL TERMS AND CONDITIONS

### 2.1 DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Public Works Board Chair and/or the designee authorized in writing to act on the Chair's behalf.
- B. "Contractor" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- C. "BOARD" shall mean the Washington State Public Works Board created in Revised Code of Washington (RCW) 43.155.030, and which is a Party to the Contract
- D. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- E. "State" shall mean the state of Washington.
- F. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

### 2.2 ALLOWABLE COSTS

Costs allowable under this Contract are actual expenditures according to an approved budget up to the maximum amount stated on the Contract Award or Amendment Face Sheet.

### 2.3 ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

### 2.4 AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

### 2.5 AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, ALSO REFERRED TO AS THE "ADA" 28 CFR PART 35

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

### 2.6 APPROVAL

This contract shall be subject to the written approval of the Board's Authorized Representative and shall not be binding until so approved. The contract may be altered, amended, or waived only by a written amendment executed by both parties.

### 2.7 ASSIGNMENT

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of the Board.

**2.8 ATTORNEYS' FEES**

Unless expressly permitted under another provision of the Contract, in the event of litigation or other action brought to enforce Contract terms, each party agrees to bear its own attorneys fees and costs.

**2.9 AUDIT**

**A. General Requirements**

Contractors are to procure audit services based on the following guidelines.

The Contractor shall maintain its records and accounts so as to facilitate the audit requirement and shall ensure that Subcontractors also maintain auditable records.

The Contractor is responsible for any audit exceptions incurred by its own organization or that of its Subcontractors.

The Board reserves the right to recover from the Contractor all disallowed costs resulting from the audit.

As applicable, Contractors required to have an audit must ensure the audits are performed in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards (the Revised Yellow Book) developed by the Comptroller General.

Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Contractor must respond to the Board's requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

**B. State Funds Requirements**

Contractors expending \$100,000 or more in total state funds in a fiscal year must have a financial audit as defined by Government Auditing Standards (The Revised Yellow Book) and according to Generally Accepted Auditing Standards (GAAS). The Schedule of State Financial Assistance must be included. The schedule includes:

- Grantor agency name
- State program name
- BARS account number
- Grantor
- Agency contract number
- Contract award amount including amendments (total grant award)
- Beginning balance
- Current year revenues
- Current year expenditures
- Ending balance
- Program total

If the Contractor is a state or local government entity, the Office of the State Auditor shall conduct the audit. Audits of non-profit organizations are to be conducted by a certified public accountant selected by the Contractor.

The Contractor shall include the above audit requirements in any subcontracts.

In any case, the Contractor's financial records must be available for review by the Board .

**C. Documentation Requirements**

The Contractor must send a copy of any required audit Reporting Package as described in OMB Circular A-133, Part C, Section 320(c) no later than nine (9) months after the end of the Contractor's fiscal year(s) to:

Department of Commerce  
ATTN: Audit Review and Resolution Office  
PO Box 42525  
Olympia WA 98504-2525

In addition to sending a copy of the audit, when applicable, the Contractor must include:

- Corrective action plan for audit findings within three (3) months of the audit being received by the Board.
- Copy of the Management Letter.

**2.10 CODE REQUIREMENTS**

All construction and rehabilitation projects must satisfy the requirements of applicable local, state, and federal building, mechanical, plumbing, fire, energy and barrier-free codes. Compliance with the Americans with Disabilities Act of 1990 28 C.F.R. Part 35 will be required, as specified by the local building Department.

**2.11 CONFIDENTIALITY/SAFEGUARDING OF INFORMATION**

A. "Confidential Information" as used in this section includes:

1. All material provided to the Contractor by the Board that is designated as "confidential" by the Board;
2. All material produced by the Contractor that is designated as "confidential" by the Board; and
3. All personal information in the possession of the Contractor that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person's name, health, finances, education, business, use of government services, addresses, telephone numbers, social security number, driver's license number and other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

B. The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of the Board or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide THE BOARD with its policies and procedures on confidentiality. The Board may require changes to such policies and procedures as they apply to this Contract whenever the Board reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by the Board. Upon request, the Contractor shall immediately return to the Board any Confidential Information that the Board reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.

C. Unauthorized Use or Disclosure. The Contractor shall notify the Board within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.



**2.12 CONFORMANCE**

If any provision of this contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

**2.13 COPYRIGHT PROVISIONS**

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the Board. The Board shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to the Board effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to the Board a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to the Board.

The Contractor shall exert all reasonable effort to advise the Board, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide the Board with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. The Board shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

**2.14 DISALLOWED COSTS**

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

**2.15 DISPUTES**

Except as otherwise provided in this Contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with the Chair of the Board, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;
- state the disputed issues;
- state the relative positions of the parties;
- state the Contractor's name, address, and Contract number; and
- be mailed to the Chair and the other party's (respondent's) Representative within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent shall send a written answer to the requestor's statement to both the Chair or the Chair's designee and the requestor within five (5) working days.

The Chair or designee shall review the written statements and reply in writing to both parties within ten (10) working days. The Chair or designee may extend this period if necessary by notifying the parties.

The decision shall not be admissible in any succeeding judicial or quasi-judicial proceeding.

The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable alternate dispute resolution (ADR) method in addition to the dispute hearing procedure outlined above.

**2.16 DUPLICATE PAYMENT**

The Contractor certifies that work to be performed under this contract does not duplicate any work to be charged against any other contract, subcontract, or other source.

**2.17 ETHICS/CONFLICTS OF INTEREST**

In performing under this Contract, the Contractor shall assure compliance with the Ethics in Public Service Act (Chapter 42.52 RCW) and any other applicable state or federal law related to ethics or conflicts of interest.

**2.18 GOVERNING LAW AND VENUE**

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

**2.19 INDEMNIFICATION**

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the state of Washington, the Board, all other agencies of the state and all officers, agents and employees of the state, from and against all claims or damages for injuries to persons or property or death arising out of or incident to the Contractor's performance or failure to perform the Contract. The Contractor's obligation to indemnify, defend, and hold harmless includes any claim by the Contractor's agents, employees, representatives, or any Subcontractor or its agents, employees, or representatives.

The Contractor's obligation to indemnify, defend, and hold harmless shall not be eliminated by any actual or alleged concurrent negligence of the state or its agents, agencies, employees and officers.

Subcontracts shall include a comprehensive indemnification clause holding harmless the Contractor, the Board, the state of Washington, its officers, employees and authorized agents.

The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

**2.20 INDEPENDENT CAPACITY OF THE CONTRACTOR**

The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and its employees or agents performing under this Contract are not employees or agents of the state of Washington or the Board. The Contractor will not hold itself out as or claim to be an officer or employee of the Board or of the state of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Contractor.

**2.21 INDUSTRIAL INSURANCE COVERAGE**

The Contractor shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, the Board may collect from the Contractor the full amount payable to the Industrial Insurance Accident Fund. The Board may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the Board under this Contract, and transmit the deducted amount to the Department of Labor and

Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

**2.22 LAWS**

The Contractor shall comply with all applicable laws, ordinances, codes, regulations and policies of local and state and federal governments, as now or hereafter amended including, but not limited to: Washington State Laws and Regulations

- A. Affirmative action, RCW 41.06.020 (11).
- B. Boards of directors or officers of non-profit corporations – Liability - Limitations, RCW 4.24.264.
- C. Disclosure-campaign finances-lobbying, Chapter 42.17 RCW.
- D. Discrimination-human rights commission, Chapter 49.60 RCW.
- E. Ethics in public service, Chapter 42.52 RCW.
- F. Housing assistance program, Chapter 43.185 RCW.
- G. Interlocal cooperation act, Chapter 39.34 RCW.
- H. Noise control, Chapter 70.107 RCW.
- I. Office of minority and women's business enterprises, Chapter 39.19 RCW and Chapter 326-02 WAC.
- J. Open public meetings act, Chapter 42.30 RCW.
- K. Prevailing wages on public works, Chapter 39.12 RCW.
- L. Public records act, Chapter 42.56 RCW.
- M. Relocation assistance - real property acquisition policy, Chapter 8.26 RCW.
- N. Shoreline management act of 1971, Chapter 90.58 RCW.
- O. State budgeting, accounting, and reporting system, Chapter 43.88 RCW.
- P. State building code, Chapter 19.27 RCW and Energy-related building standards, Chapter 19.27A RCW, and Provisions in buildings for aged and handicapped persons, Chapter 70.92 RCW.
- Q. State Coastal Zone Management Program, Publication 01-06-003, Shorelands and Environmental Assistance Program, Washington State Department of Ecology.
- R. State environmental policy, Chapter 43.21C RCW.
- S. State Executive Order 05-05 Archeological and Cultural Resources.

**2.23 LICENSING, ACCREDITATION AND REGISTRATION**

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

**2.24 LIMITATION OF AUTHORITY**

Only the Authorized Representative or Authorized Representative's designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract.

**2.25 LOCAL PUBLIC TRANSPORTATION COORDINATION**

Where applicable, Contractor shall participate in local public transportation forums and implement strategies designed to ensure access to services.

**2.26 NONCOMPLIANCE WITH NONDISCRIMINATION LAWS**

During the performance of this Contract, the Contractor shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with the Board. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

**2.27 POLITICAL ACTIVITIES**

Political activity of Contractor employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17 RCW and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.

**2.28 PREVAILING WAGE LAW**

The Contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this contract, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for the Board's review upon request.

**2.29 PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION**

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

**2.30 PUBLICITY**

The Contractor agrees not to publish or use any advertising or publicity materials in which the state of Washington or the Board's name is mentioned, or language used from which the connection with the state of Washington's or the Board's name may reasonably be inferred or implied, without the prior written consent of the Board.

**2.31 RECAPTURE**

In the event that the Contractor fails to perform this contract in accordance with state laws, federal laws, and/or the provisions of this contract, the Board reserves the right to recapture funds in an amount to compensate the Board for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by the Board. In the alternative, the Board may recapture such funds from payments due under this contract.

**2.32 RECORDS MAINTENANCE**

The Contractor shall maintain all books, records, documents, data and other evidence relating to this Contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of six years following the date of final payment.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

**2.33 REGISTRATION WITH DEPARTMENT OF REVENUE**

If required by law, the Contractor shall complete registration with the Washington State Department of Revenue.

**2.34 RIGHT OF INSPECTION**

At no additional cost all records relating to the Contractor's performance under this Contract shall be subject at all reasonable times to inspection, review, and audit by the Board, the Office of the State Auditor, and federal and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Contract. The Contractor shall provide access to its facilities for this purpose.

**2.35 SAVINGS**

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, the Board may terminate the Contract under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

**2.36 SEVERABILITY**

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Contract and to this end the provisions of this Contract are declared to be severable.

**2.37 SUBCONTRACTING**

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of the Board.

If the Board approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, the Board in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to the Board if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the Board for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that the Board and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

**2.38 SURVIVAL**

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

**2.39 TAXES**

All payments accrued on account of payroll taxes, unemployment contributions, the Contractor's income or gross receipts, any other taxes, insurance or expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

**2.40 TERMINATION FOR CAUSE / SUSPENSION**

In event the Board determines that the Contractor failed to comply with any term or condition of this Contract, the Board may terminate the Contract in whole or in part upon written notice to the Contractor. Such termination shall be deemed "for cause." Termination shall take effect on the date specified in the notice.

In the alternative, the Board upon written notice may allow the Contractor a specific period of time in which to correct the non-compliance. During the corrective-action time period, the Board may suspend further payment to the Contractor in whole or in part, or may restrict the Contractor's right to perform duties under this Contract. Failure by the Contractor to take timely corrective action shall allow the Board to terminate the Contract upon written notice to the Contractor.

"Termination for Cause" shall be deemed a "Termination for Convenience" when the Board determines that the Contractor did not fail to comply with the terms of the Contract or when the Board determines the failure was not caused by the Contractor's actions or negligence.

If the Contract is terminated for cause, the Contractor shall be liable for damages as authorized by law, including, but not limited to, any cost difference between the original contract and the replacement contract, as well as all costs associated with entering into the replacement contract (i.e., competitive bidding, mailing, advertising, and staff time).

**2.41 TERMINATION FOR CONVENIENCE**

Except as otherwise provided in this Contract the Board may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, the Board shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

**2.42 TERMINATION PROCEDURES**

After receipt of a notice of termination, except as otherwise directed by the Board, the Contractor shall:

- A. Stop work under the Contract on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities related to the Contract;
- C. Assign to the State all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Board has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts. Any attempt by the Contractor to settle such claims must have the prior written approval of the Board; and
- D. Preserve and transfer any materials, contract deliverables and/or the Board property in the Contractor's possession as directed by the Board.

Upon termination of the Contract, the Board shall pay the Contractor for any service provided by the Contractor under the Contract prior to the date of termination. The Board may withhold any amount due as the Board reasonably determines is necessary to protect the Board against potential loss or liability resulting from the termination. The Board shall pay any withheld amount to the Contractor if the Board later determines that loss or liability will not occur.

The rights and remedies of the Board under this section are in addition to any other rights and remedies provided under this Contract or otherwise provided under law.

**2.43 WAIVER**

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of the Board



**ATTACHMENT I: ATTORNEY'S CERTIFICATION**

**PUBLIC WORKS BOARD  
CONSTRUCTION LOAN PROGRAM**

**City of Gig Harbor  
PC13-961-051**

I, \_\_\_\_\_, hereby certify:

I am an attorney at law admitted to practice in the State of Washington and the duly appointed attorney of the Contractor identified on the Declarations Page of the Contract identified above; and

I have also examined any and all documents and records which are pertinent to the Contract, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. The Contractor is a public body, properly constituted and operating under the laws of the State of Washington, empowered to receive and expend federal, state and local funds, to contract with the State of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in their application.
2. The Contractor is empowered to accept the Public Works Trust Fund financial assistance and to provide for repayment of the loan as set forth in the Contract.
3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin the Contractor from repaying the Public Works Trust Fund loan extended by the Public Works Board with respect to such project. The Contractor is not a party to litigation which will materially affect its ability to repay such loan on the terms contained in the Contract.
4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to the Contractor.

\_\_\_\_\_  
Signature of Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address



Business of the City Council  
City of Gig Harbor, WA

**Subject:** First Reading – Ordinance amending Chapter 10.06 GHMC to Incorporate state law parking violations

**Proposed Council Action:** Consider Ordinance on first reading.

**Dept. Origin:** Court

**Prepared by:** Stacy Colberg

**For Agenda of:** September 10, 2012

**Exhibits:** Draft Ordinance

Initial & Date

**Concurred by Mayor:**

**Approved by City Administrator:** *[Signature] 8-15-12*

**Approved as to form by City Atty:** *approved via email*

**Approved by Finance Director:** *[Signature] 8-15-12*

**Approved by Department Head:** *[Signature]*

Expenditure	Amount	Appropriation
Required \$0	Budgeted \$0	Required \$0

**INFORMATION / BACKGROUND**

In 2011 the offenses in RCW 46.16.381 (disabled parking) were repealed and recodified under RCW 46.19.050, effective July 1, 2011. The penalties are unchanged and remain \$450. The outdated reference to disabled parking is presently in the City's Traffic Code in Chapter 10.04 of the Gig Harbor Municipal Code. This Ordinance would remove the outdated reference from the Traffic Code and incorporate the new version into the City's Parking Regulations in Chapter 10.06.

Two additional state laws relating to other parking violations need to be incorporated into the City's Parking Regulations:

- RCW 46.61.570 Stopping, standing, or parking prohibited (20' crosswalk, blocking driveway)
- RCW 46.61.575 Additional parking regulations (wrong direction, 12" from curb)

These state laws, along with the provisions for disabled parking, would be incorporated in a new section 10.06.046.

Except for disabled parking, these parking violations would carry a \$25 penalty, consistent with the current downtown time-restricted parking penalties.

**FISCAL CONSIDERATION**

None

**BOARD OR COMMITTEE RECOMMENDATION**

None

**RECOMMENDATION / MOTION**

**Move to:** Bring back for Second Reading.

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

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO PARKING REGULATIONS; DELETING AN OUTDATED REFERENCE TO RCW 46.16.381 FROM CHAPTER 10.04 OF THE GIG HARBOR MUNICIPAL CODE; AMENDING CHAPTER 10.06 OF THE GIG HARBOR MUNICIPAL CODE TO INCORPORATE BY REFERENCE PARKING REQUIREMENTS UNDER STATE LAW; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.**

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WHEREAS, the City Council adopted traffic and parking regulations in chapters 10.04 and 10.06 of the Gig Harbor Municipal Code, respectively; and

WHEREAS, in 2011 the legislature amended and recodified the provisions relating to parking for persons with disabilities from RCW 46.16.381 to RCW 46.19.050, and the City Council desires to update the reference to state law and move it from the City's traffic code to the City's parking regulations; and

WHEREAS, the City Council further desires to incorporate by reference other state law regulations relating to parking in chapter 10.06 of the Gig Harbor Municipal Code; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Section 10.04.010 - Amended. Section 10.04.010 of the Gig Harbor Municipal Code is amended to delete the reference to RCW 46.16.381.

Section 2. Section 10.06.046 - Added. A new section 10.06.046 is added to the Gig Harbor Municipal Code to read as follows:

**10.06.046 Statutes adopted by reference.**

The following state statutes, including all future amendments, repeals, or additions thereto, are hereby adopted by reference as if set forth in full:

RCW 46.19.050 Restrictions – Prohibitions – Violations – Penalties  
(Special parking privileges for persons with disabilities).

RCW 46.61.570 Stopping, standing, or parking prohibited in specified  
places – Reserving portion of highway prohibited.

RCW 46.61.575 Additional parking regulations.

Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 4. Effective Date. This ordinance shall take effect and be in full force and effect five days after passage and publication of an approved summary consisting of the title.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this \_\_\_\_\_ day of September, 2012.

\_\_\_\_\_  
CITY OF GIG HARBOR

\_\_\_\_\_  
Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Molly M. Towslee, City Clerk

APPROVED AS TO FORM:  
Office of the City Attorney

\_\_\_\_\_  
Angela S. Belbeck

FILED WITH THE CITY CLERK: 08/08/12  
PASSED BY THE CITY COUNCIL:  
PUBLISHED:  
EFFECTIVE DATE:  
ORDINANCE NO: \_\_\_\_\_



Business of the City Council  
City of Gig Harbor, WA

**Subject:** Public Hearing and First Reading - Extension of Interim Regulations re: Medical Cannabis Collective Gardens

**Proposed Council Action:** Hold public hearing, consider ordinance on first reading and bring back for adoption at second reading.

**Dept. Origin:** Planning/Legal

**Prepared by:** Jennifer Kester/Angela Belbeck *JK*

**For Agenda of:** September 10, 2012

**Exhibits:** Draft ordinance, ORD 1218 and ORD 1222, Planning Commission Recommendation

Initial &  
Date

**Concurred by Mayor:**

**Approved by City Administrator:** *R 8/31/12*

**Approved as to form by City Atty:** *emo 8/30/12*

**Approved by Finance Director:** *N/A*

**Approved by Department Head:** *TD 8/30/12*

<b>Expenditure Required</b>	n/a	<b>Amount Budgeted</b>	n/a	<b>Appropriation Required</b>	\$0
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**INFORMATION/BACKGROUND**

Enclosed for your review is an ordinance that would extend the interim regulations for medical cannabis collective gardens an additional six months.

As authorized by state law, on July 11, 2011, the City Council approved Ordinance No. 1218 establishing interim regulations for medical cannabis collective gardens. On July 25, 2011, the City Council held a public hearing on the regulations and adopted Ordinance No. 1222, making additional findings of fact and amending Ordinance No. 1218.

On March 26, 2012, the City adopted Ordinance No. 1236 extending the interim regulations six months and directing the Planning Commission to review the regulations and provide a recommendation by the end of September 2012. The interim regulations will remain in effect until October 11, 2012 unless the interim regulations are extended or new regulations are adopted. No known gardens have been established since Ordinance No. 1218 became effective.

After adoption of Ordinance No. 1236, the intent was to adopt "permanent" medical cannabis collective garden regulations before the interim regulations expired. The Planning Commission held work-study sessions in April and May of 2012 and held a public hearing on May 3<sup>rd</sup>, 2012. On May 17, 2012, the Planning Commission recommended that the interim regulations be extended until after the November 2012 general election when Washington voters will consider Initiative 502. This initiative would decriminalize the licensed production, processing and possession of marijuana by Washington adults.



Furthermore, the Planning Commission was concerned that the Employment District along Bujacich Drive may not be the appropriate permanent location for medical cannabis collective gardens within the city given the intent of the zone to enhance the city's economic base by providing suitable areas to support the employment needs of the community. Medical cannabis collective gardens, by definition, are not businesses.

Legislative and Legal History:

In the 2011 legislative session, the Washington State legislature considered a bill (E2SSB 5073) relating to medical use of cannabis (marijuana). On April 29, 2011, Governor Gregoire vetoed the portions of the bill that would have provided the basis under state law for legalizing and licensing medical cannabis "dispensaries," processing facilities and production facilities. Governor Gregoire approved Section 403 of the bill, now codified at RCW 69.51A.085, which provides that qualifying patients may create and participate in "collective gardens" for the purpose of producing, processing, transporting, and delivering cannabis for medical use subject to the following conditions:

- (1) No more than 10 qualifying patients may participate in a single collective garden at any time;
- (2) A collective garden may contain no more than 15 plants per patient up to a total of 45 plants;
- (3) A collective garden may contain no more than 24 ounces of useable cannabis per patient up to a total of 72 ounces;
- (4) A copy of each qualifying patient's valid documentation, including a copy of the patient's proof of identity, must be available at all times on the premises of the collective garden; and
- (5) No useable cannabis from the collective garden is delivered to anyone other than one of the qualifying patients participating in the collective garden.

Note that a collective garden is not the only means for qualifying patients to acquire medical cannabis under state law. Under Section 401 of the legislation, codified at RCW 69.51A.040, qualifying patients may grow up to 15 plants and: (i) possess no more than 24 ounces of usable cannabis; (ii) possess no more cannabis product than what could reasonably be produced with no more than 24 ounces of usable cannabis; or (iii) a combination of usable cannabis and cannabis product that does not exceed a combined total. Although Governor Gregoire vetoed the definition of "cannabis product," one can reasonably interpret this to include edible products (baked goods), tinctures and lotions.

The federal Controlled Substances Act prohibits possession and distribution of marijuana without an exception for medical marijuana. As such, provisions of Washington State medical cannabis laws which authorize possession and distribution of marijuana conflict with federal law. This conflict creates uncertainty regarding regulation of medical cannabis collective gardens. That uncertainty has been magnified by recent federal law enforcement actions against medical cannabis operations in the state and by a recent decision from the California Court of Appeal that a city cannot permit an activity that violates the federal Controlled Substances Act. (*Pack v. City of Long Beach*, 199 Cal.App.4th 1070 (October 4, 2011), petition for state supreme court review granted, 268 P.3d 1063). More locally, participants in medical cannabis collective gardens have sued the City of Seattle alleging, among other things, that the City's licensing requirement prohibits the plaintiffs from exercising their Fifth Amendment right against self-

incrimination, acknowledging that “*Since collective gardens are engaged in the purchase, transportation, possession, and distribution of marijuana, they are per se illegal under [the Washington Controlled Substances Act].... Medical marijuana remains illegal for any purposes under [the federal Controlled Substances Act].*” Additionally, the cities of Kent and Maple Valley are presently litigating issues relating to medical cannabis. Earlier this year the legislature considered a bill that could have impacted local regulations (SSB 6265), but that bill died February 16, 2012. There are potential impacts should Initiative 502 be approved by Washington voters.

**FISCAL CONSIDERATION:** None.

**BOARD OR COMMITTEE RECOMMENDATION:** On May 17, 2012, the Planning Commission recommended that the interim regulations be extended until after the November 2012 general election when Washington voters will consider Initiative 502.

**RECOMMENDATION/MOTION:** Hold public hearing, consider ordinance on first reading and bring back for adoption at second reading.



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

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LAND USE AND ZONING; EXTENDING INTERIM ZONING CODE AMENDMENTS RELATING TO MEDICAL CANNABIS COLLECTIVE GARDENS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

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WHEREAS, Initiative Measure No. 692, approved by the voters of Washington State on November 30, 1998 and now codified as chapter 69.51A RCW, created an affirmative defense for “qualifying patients” to the charge of possession of marijuana (cannabis); and

WHEREAS, in 2011 the Washington State Legislature considered a bill (E2SSB 5073) that would have authorized the licensing of medical cannabis dispensaries, production facilities, and processing facilities; and

WHEREAS, on April 29, 2011, Governor Gregoire vetoed the portions of E2SSB 5073 that would have provided the basis under state law for legalizing and licensing medical cannabis dispensaries, processing facilities and production facilities, thereby making these activities illegal; and

WHEREAS, in order to provide qualifying patients with access to an adequate, safe, consistent and secure source of medical quality cannabis, E2SSB 5073 also contained a provision, now codified as RCW 69.51A.085, authorizing “collective gardens” which would authorize qualifying patients the ability to produce, grow, process, transport and deliver cannabis for medical use, and that provision was approved by Governor Gregoire, effective on July 22, 2011; and

WHEREAS, E2SSB 5073, as approved and now codified at RCW 69.51A.140 authorized cities to adopt and enforce zoning requirements regarding production and processing of medical cannabis; and

WHEREAS, as authorized under RCW 35A.63.220 and RCW 36.70A.390, the Gig Harbor City Council approved Ordinance No. 1218 on July 11, 2011 adopting interim regulations for Medical Cannabis Collective Gardens that were effective and in full force immediately for a period of nine months, as amended by Ordinance No. 1222 approved after a public hearing on July 25, 2011; and

WHEREAS, the federal Controlled Substances Act and state laws regarding marijuana and cannabis are contradictory and those contradictions are unresolved so there are uncertainties in the area of local regulation of medical cannabis operations; and

WHEREAS, recent federal law enforcement actions against medical cannabis operations in the State of Washington and a recent decision from the California Court of Appeal (*Pack v. City of Long Beach*, 199 Cal.App.4th 1070 (October 4, 2011), petition for state supreme court review granted, 268 P.3d 1063) that a city's ordinance establishing a permit system for medical marijuana is preempted by the federal Controlled Substances Act further illustrate the uncertainty local governments must deal with; and

WHEREAS, as authorized under RCW 35A.63.220 and RCW 36.70A.390, after a public hearing, the Gig Harbor City Council approved Ordinance 1236 on March 26, 2012 extending the interim regulations for a period of six months and adopting findings justifying the same; and

WHEREAS, Ordinance 1236 called for the Planning Commission to review the interim regulations in the summer of 2012, to consider recommendations of the city attorney in response to changes in law, and to make a recommendation on whether the regulations, or some modification thereof, should be permanently adopted. The Commission is required to forward its recommendation to the Gig Harbor City Council by the end of September, 2012; and

WHEREAS, the Planning Commission held work-study sessions on the interim regulations on April 5<sup>th</sup> and May 3<sup>rd</sup> 2012 and considered recommendations from the City Attorney; and

WHEREAS, on May 3<sup>rd</sup>, 2012, the Planning Commission held a public hearing on the interim regulations. Public notice was provided in the city's official newspaper, the Gateway, on the City's webpage and was mailed to those parties which had signed up to receive notice of the Planning Commission's hearing. No persons testified at the hearing; and

WHEREAS, on May 17<sup>th</sup>, 2012, the Planning Commission recommended that the interim regulations be extended until after the November 2012 general election when Washington voters will consider Initiative 502. The initiative would decriminalize the licensed production, processing and possession of marijuana by Washington adults. The State Liquor Control Board would be authorized to administer the licensing program and develop rules and regulations; and

WHEREAS, it is premature to set permanent regulations for medical cannabis collective gardens given the potential changes in the law if Initiative 502 passes; and

WHEREAS, the City is concerned that the Employment District along Bujacich Drive may not be the appropriate permanent location for medical cannabis collective gardens within the city given the intent of the zone to to enhance the city's economic base by providing suitable areas to support the employment needs of the community. Medical cannabis collective gardens, by definition, are not businesses; and

WHEREAS, the City Council deems it to be in the public interest to extend the interim zoning regulations but to not codify permanent regulations due to the uncertainties; and

WHEREAS, RCW 35A.63.220 and RCW 36.70A.390 authorize the City to extend interim regulations for a period of six months after a public hearing and adoption of findings justifying the same; and

WHEREAS, the Gig Harbor City Council held a public hearing on \_\_\_\_\_, 2012, to take public testimony relating to this ordinance; and

WHEREAS, nothing in this Ordinance is intended nor shall be construed to authorize or approve of any violation of federal or state law;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

**Section 1. Purpose.** The purpose of this ordinance is to extend the interim regulations set forth in Ordinance No. 1218 as further amended by Ordinance No. 1222 and extended under Ordinance No. 1236, for a period of six months.

**Section 2. Findings in Support of Extending Interim Regulations.** In addition to the findings previously made as set forth in Ordinance No. 1218, Ordinance No. 1222, and Ordinance No. 1236, the Gig Harbor City Council makes the following additional findings:

1. The City Council adopts the recitals set forth above in support of extending the interim regulations originally adopted under Ordinance No. 1218 and as amended by Ordinance No. 1222 and as extended under Ordinance No. 1236.

2. \_\_\_\_\_  
\_\_\_\_\_.

**Section 3. Extension of Interim Zoning Regulations.** The duration of the interim zoning regulations shall remain in effect for an additional period of six months, and shall automatically expire at that time unless the same are extended as provided in RCW 36.70A.390 and RCW 35A.63.220 prior to that date, or unless the same are repealed or superseded by permanent regulations prior to that date.

**Section 4. Planning Commission Work Plan.** The City of Gig Harbor Planning Commission is hereby directed to conduct another review the interim regulations in the fall of 2012 and winter of 2013, to consider the results of the initiative and any recommendations of the city attorney in response to changes in law, and to make a recommendation on whether the regulations, or some modification thereof, should be permanently adopted. The Gig Harbor Planning Commission is directed to complete its

review, to conduct such public hearings as may be necessary or desirable, and to forward its recommendation to the Gig Harbor City Council by February 21, 2013.

**Section 5. Transmittal to Department.** Pursuant to RCW 36.70A.106, this Ordinance shall be transmitted to the Washington State Department of Commerce.

**Section 6. Severability.** If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

**Section 7. Publication.** This Ordinance shall be published by an approved summary consisting of the title.

**Section 8. Effective Date.** This Ordinance shall be published and shall take effect and be in full force five (5) days after the date of publication.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this \_\_\_ day of \_\_\_\_\_, 2012.

CITY OF GIG HARBOR

\_\_\_\_\_  
Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Molly M. Towslee, City Clerk

APPROVED AS TO FORM:  
Office of the City Attorney

\_\_\_\_\_  
Angela S. Belbeck

FILED WITH THE CITY CLERK:  
PASSED BY THE CITY COUNCIL:  
PUBLISHED:  
EFFECTIVE DATE:  
ORDINANCE NO:



COMMUNITY DEVELOPMENT DEPARTMENT

## **NOTICE OF RECOMMENDATION**

### **CITY OF GIG HARBOR PLANNING COMMISSION PL-ZONE-12-0006**

**TO:** Mayor Hunter and Members of the Council  
**FROM:** Harris Atkins, Chair, Planning Commission  
**RE:** **PL-ZONE-12-0006 Medical Cannabis Collective Gardens**

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#### **Application:**

On July 11, 2011, the City Council passed an interim ordinance regulating medical cannabis collective gardens (ORD 1218). On July 25, 2011, the City Council passed an ordinance adding findings of fact and amending the interim collective garden regulations (ORD 1222). On March 26, 2012, the City Council extended the interim ordinance six months (ORD 1236). The interim ordinance now expires in October 2012. The interim ordinance directed the Planning Commission to review the interim regulations, to consider recommendations of the city attorney in response to changes in law, and to make a recommendation on whether the regulations or some modification thereof should be permanently adopted.

#### **Planning Commission Review:**

The Planning Commission held work-study sessions on April 5<sup>th</sup>, May 3<sup>rd</sup> and May 17<sup>th</sup>, 2012. A public hearing was held on May 3<sup>rd</sup>, 2012. Public notice was provided in the Gateway, on the City's webpage and was mailed to those parties which had signed up to receive notice of the Planning Commission's hearing. No persons testified at the hearing. After much deliberation, at the May 17<sup>th</sup> work-study session, the Planning Commission recommended that the interim regulations be extended until after this fall's initiative vote on cannabis.

#### **Findings of Fact:**

The Planning Commission makes the following findings of fact in relation to their recommendation to extend the interim regulations:

1. In November 2012, Washington voters will consider Initiative 502. The initiative would decriminalize the licensed production, processing and possession of marijuana by Washington adults. The State Liquor Control Board would be authorized to administer the licensing program and develop rules and regulations.
2. The Planning Commission believes it is premature to set permanent regulations for medical cannabis collective gardens given the potential changes in the law if Initiative 502 passes.

3. The Planning Commission is concerned that the Employment District along Bujacich Drive may not be the appropriate permanent location for medical cannabis collective gardens within the city given the intent of the zone to to enhance the city's economic base by providing suitable areas to support the employment needs of the community. Medical cannabis collective gardens, by definition, are not businesses.
4. The Planning Commission believes that extending the interim regulations is the best course of action in that the City will continue to regulate collective gardens, but allows time to see the results of the fall election and allows for continued exploration of the appropriate location for marijuana related establishments in the City.

Harris Atkins, Chair  
Planning Commission

Harris Atkins

Date 6/7/2012

**CURRENT INTERIM REGULATIONS FOR MEDICAL CANNABIS COLLECTIVE GARDENS**  
(From ORD 1218 and as amended by ORD 1222)

Interim Definitions. The definitions set forth in RCW 69.51A.010 are incorporated herein by this reference. In addition, the following definitions shall apply:

A. "Marijuana" or "cannabis" means all parts of the plant *Cannabis*, whether growing or not;

B. "Medical cannabis collective garden" or "collective garden" means any place, area or garden where qualifying patients engage in the production, processing, and delivery of cannabis for medical use as set forth in chapter 69.51A RCW and subject to the limitations therein and in this ordinance.

C. "Usable cannabis" means dried flowers of the *Cannabis* plant having a tetrahydrocannabinol (THC) concentration greater than three-tenths of one percent per weight or volume. Useable cannabis excludes stems, stalks, leaves, seeds and roots. For purposes of this subsection, "dried" means containing less than fifteen percent moisture content by weight.

D. "Youth oriented facility" means facilities owned or operated by non-profit organizations for the purpose of providing recreational and/or educational opportunities for youth including but not limited to Boys & Girls Clubs, YMCAs, YWCAs, little league baseball and other youth sports associations.

In addition to the above definitions and as necessary to interpret or apply this ordinance, the City hereby adopts those definitions set forth in chapter 69.51A RCW, as the same now exist or as it may hereafter be amended. In the event chapter 69.51A RCW is amended to include definitions for any of the terms set forth above, the definitions set forth above shall be deemed automatically amended to conform to such amendments.

Interim Zoning Regulations.

A. Zoning Districts. Medical marijuana or cannabis collective gardens shall be allowed as a conditional use in the following zoning districts and no others: ED.

B. Separation Requirements. No collective garden shall be permitted within 500 feet from any existing collective garden, residential zoning district, public park, community center, elementary or secondary school (public and private), commercial child care business or youth oriented facility. The measurement shall be taken in a straight line from property boundary to property boundary.

C. Additional Requirements. A collective garden must be in a permanent structure designed to comply with the City Building Code and constructed under a building permit from the City regardless of the size or configuration of the structure. Outdoor collective gardens are prohibited. No production, processing or delivery of cannabis may be visible to the public. A collective garden must meet all requirements under E2SSB 5073, including but not limited to limitations on number of members, number of plants, amount of usable cannabis on site, maintenance of each member's valid documentation of qualifying patient status.

D. Applications. In addition to the application requirements for a conditional use set forth in GHMC 17.64.015, an application for a collective garden shall include the following information:

- i. Site plan;
- ii. Floor plan;
- iii. Number of cannabis plants to be grown;
- iv. Electrical and ventilation plans;
- v. Contact person;
- vi. Proof of property ownership or permission from property owner;
- vii. Proof the person signing the application is a qualifying patient;
- viii. Vicinity map showing all collective gardens, public parks, community centers, elementary or secondary schools, commercial child care businesses, youth oriented facilities and boundaries of residential zoning districts within 500feet of the parcel proposed for the collective garden; and
- vix. A survey performed by a surveyor licensed by the State of Washington to show the distance to any and all collective gardens, public parks, community centers, elementary or secondary schools, commercial child care businesses, youth oriented facilities and boundaries of residential zoning districts if the proposed collective garden appears to be within 750 feet of any such use.

**ORDINANCE NO. 1218**

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LAND USE AND ZONING; ADOPTING INTERIM ZONING CODE AMENDMENTS RELATING TO MEDICAL CANNABIS COLLECTIVE GARDENS; AMENDING SECTION 17.14.020 GHMC; SETTING A PUBLIC HEARING FOR JULY 25, 2011, IN ORDER TO TAKE PUBLIC TESTIMONY REGARDING THE INTERIM ZONING CODE AMENDMENTS; ADOPTING A PLANNING COMMISSION WORK PLAN; PROVIDING FOR SEVERABILITY; DECLARING AN EMERGENCY AND ESTABLISHING AN IMMEDIATE EFFECTIVE DATE.**

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WHEREAS, Initiative Measure No. 692, approved by the voters of Washington State on November 30, 1998 and now codified as chapter 69.51A RCW, created an affirmative defense for “qualifying patients” to the charge of possession of marijuana (cannabis); and

WHEREAS, this year the Washington State Legislature considered a bill (E2SSB 5073) that would legalize by authorizing the licensing of medical marijuana or cannabis dispensaries, production facilities, and processing facilities; and

WHEREAS, on April 29, 2011, Governor Gregoire vetoed the portions of E2SSB 5073 that would have provided the legal basis for legalizing and licensing medical marijuana or cannabis dispensaries, processing facilities and production facilities; and

WHEREAS, E2SSB 5073 also contained a provision authorizing “collective gardens” which would authorize qualifying patients the ability to produce, grow, transport and deliver cannabis for medical use, and that provision was approved by Governor Gregoire and becomes effective on July 22, 2011; and

WHEREAS, E2SSB 5073, as approved further authorized cities to adopt and enforce zoning requirements regarding production and processing of medical cannabis; and

WHEREAS, as part of the process for the adoption of zoning regulations, the land use impacts of collective gardens must be identified; and

WHEREAS, because the land use impacts of growing medical marijuana have been experienced in other jurisdictions, the City of Gig Harbor may look to the experiences of other jurisdictions in drafting zoning regulations for collective gardens; and

WHEREAS, many jurisdictions around the country that have approved medical marijuana uses have experienced numerous land use impacts, such as:

- conversion of residential uses into marijuana cultivation and processing facilities, removing valuable housing stock in a community;
- degrading neighborhood aesthetics due to shuttered up homes, offensive odors; increased night-time traffic; parking issues; loitering from potential purchasers looking to buy from a collective member;
- environmental damages from chemicals being discharged into surrounding and off-site soil and storm and sanitary sewer systems;



- serious risk of fire hazard due to overloaded service connections used to operate grow lights and fans;
- improper ventilation leading to high levels of moisture and mold;
- illegal structural modifications; and
- criminal issues such as home invasions, burglaries and cannabis facilities, theft and property damage; and

WHEREAS, unless interim zoning regulations are imposed, collective gardens may be established within the City of Gig Harbor while the City lacks the necessary tools to ensure that the location is appropriate and that the secondary impacts of such facilities are minimized and mitigated; and

WHEREAS, the City Council deems it to be in the public interest to establish interim zoning regulations related to medical cannabis collective gardens until the City can consider all of the land use impacts of collective gardens, draft regulations, hold hearings and adopt new regulations on the subject in light of the new legislation; and

WHEREAS, the City Council may adopt interim zoning regulations effective for up to one year if a work plan is developed for related studies, necessitating such longer period (RCW 35A.63.220, RCW 36.70A.390); and

WHEREAS, nothing in this Ordinance is intended nor shall be construed to authorize or approve of any violation of federal or state law; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Purpose. The purpose of this interim zoning ordinance is to enact minimum zoning regulations relating to collective gardens, which both allow collective gardens as a use (under the limitations herein) and also provides notice to those intending to operate and participate in collective gardens that the City is considering additional and more comprehensive zoning regulations on the subject.

Section 2. Preliminary Findings. The recitals set forth above are hereby adopted as the Gig Harbor City Council's preliminary findings in support of the interim zoning regulations imposed by this ordinance. The Gig Harbor City Council may, in its discretion, adopt additional findings after conclusion of the public hearing referenced in Section 7 below.

Section 3. Definitions. The definitions set forth in RCW 69.51A.010 are incorporated herein by this reference. In addition, the following definitions shall apply:

A. "Marijuana" or "cannabis" means all parts of the plant *Cannabis*, whether growing or not;

B. "Medical marijuana or cannabis collective garden" or "collective garden" means A garden in an enclosed, permanent structure, where qualifying patients engage in the production, processing, and delivery of cannabis for medical use as set forth in chapter 69.51A RCW and subject to the limitations therein and in this ordinance.

C. "Usable cannabis" means dried flowers of the *Cannabis* plant having a tetrahydrocannabinol (THC) concentration greater than three-tenths of one percent per weight or volume. Useable cannabis excludes stems, stalks, leaves, seeds and roots. For purposes of this subsection, "dried" means containing less than fifteen percent moisture content by weight.

D. "Youth oriented facility" means facilities owned or operated by non-profit organizations for the purpose of providing recreational and/or educational opportunities for youth including but not limited to Boys & Girls Clubs, YMCAs, YWCAs, little league baseball and other youth sports associations.

Section 4. Interim Zoning Regulations.

A. Zoning Districts. Medical marijuana or cannabis collective gardens shall be allowed as a conditional use in the following zoning districts and no others: ED.

B. Separation Requirements. No collective garden shall be permitted within 500 feet from any existing collective garden, residential zoning district, public park, community center, elementary or secondary school (public and private), commercial child care business or youth oriented facility. The measurement shall be taken in a straight line from property boundary to property boundary.

C. Additional Requirements. A collective garden must be in a permanent structure designed to comply with the City Building Code and constructed under a building permit from the City regardless of the size or configuration of the structure. Outdoor collective gardens are prohibited. No production, processing or delivery of cannabis may be visible to the public. A collective garden must meet all requirements under E2SSB 5073, including but not limited to limitations on number of members, number of plants, amount of usable cannabis on site, maintenance of each member's valid documentation of qualifying patient status.

D. Applications. In addition to the application requirements for a conditional use set forth in GHMC 17.64.015, an application for a collective garden shall include the following information:

- i. Site plan;
- ii. Floor plan;
- iii. Number of cannabis plants to be grown;
- iv. Electrical and ventilation plans;
- v. Contact person;
- vi. Proof of property ownership or permission from property owner;
- vii. Proof the person signing the application is a qualifying patient;
- viii. Vicinity map showing all collective gardens, public parks, community centers, elementary or secondary schools, commercial child care businesses, youth oriented facilities and boundaries of residential zoning districts within 500feet of the parcel proposed for the collective garden; and
- vix. A survey performed by a surveyor licensed by the State of Washington to show the distance to any and all collective gardens, public parks, community centers, elementary or secondary schools, commercial child care businesses, youth oriented facilities and boundaries of residential zoning districts if the proposed collective garden appears to be within 750 feet of any such use.

Section 5. Amendment to Land Use Matrix. Chapter 17.14.020 of the Gig Harbor Municipal Code shall be amended to include a notation that medical marijuana or cannabis collective gardens may be permitted subject to the interim regulations set forth in this ordinance.

Section 6. Duration of Interim Zoning Regulations. The interim zoning regulations adopted by this Ordinance shall commence on the date of adoption of this ordinance. The interim zoning amendments adopted by this ordinance shall remain in effect for a period of nine months, and shall automatically expire at that time unless the same are extended as provided in RCW 36.70A.390 and RCW 35A.63.220 prior to that date, or unless the same are repealed or superseded by permanent amendments prior to that date.

Section 7. Public Hearing. Pursuant to RCW 36.70A.390 and RCW 35A.63.220, the City Council shall hold a public hearing on this interim zoning ordinance within sixty (60) days of its adoption. The Council shall hold this hearing on July 25, 2011, at 5:30 p.m. or as soon thereafter as the business of the City Council shall permit. The City Council may adopt additional findings justifying the interim zoning regulations after the close of the hearing or during the next City Council meeting immediately following.

Section 8. Planning Commission Work Plan. The City of Gig Harbor Planning Commission is hereby directed to review the interim amendments in the winter of 2012 and to make a recommendation on whether said amendments, or some modification thereof, should be permanently adopted. The Gig Harbor Planning Commission is directed to complete its review, to conduct such public hearings as may be necessary or desirable, and to forward its recommendation to the Gig Harbor City Council by the end of February, 2012.

Section 9. Transmittal to Department. Pursuant to RCW 36.70A.106, this ordinance shall be transmitted to the Washington State Department of Commerce as required by law.

Section 10. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

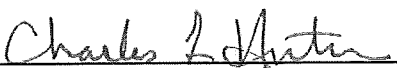
Section 11. Declaration of Emergency. The City Council hereby declares that an emergency exists necessitating that this ordinance take effect immediately upon passage by a majority vote plus one of the whole membership of the Council. Without immediate adoption of interim regulations for medical cannabis collective gardens, collective gardens could locate and operate in the City without restriction, eventually leading to the establishment or operation of such use in locations or conditions that might later be restricted or prohibited in the zoning regulations eventually adopted by the City. The interim zoning regulations must be imposed as an emergency measure to protect the public health, safety and welfare.

Section 12. Publication. This ordinance shall be published by an approved summary consisting of the title.


Section 13. Effective Date. This ordinance shall take effect and be in full force immediately upon passage by a majority vote plus one of the whole membership of the Council.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this 11th day of July, 2011.


CITY OF GIG HARBOR

  
\_\_\_\_\_  
Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

  
\_\_\_\_\_  
Molly M. Towslee, City Clerk

APPROVED AS TO FORM:  
Office of the City Attorney

  
\_\_\_\_\_  
Angela S. Belbeck

FILED WITH THE CITY CLERK: 07/11/11  
PASSED BY THE CITY COUNCIL: 07/11/11  
PUBLISHED: 07/20/11  
EFFECTIVE DATE: 07/11/11  
ORDINANCE NO: 1218

ORDINANCE NO. 1222

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LAND USE AND ZONING; MAKING ADDITIONAL FINDINGS IN SUPPORT OF THE ADOPTION OF INTERIM ZONING REGULATIONS RELATING TO MEDICAL CANNABIS COLLECTIVE GARDENS UNDER ORDINANCE NO. 1218; AMENDING SECTION 3(B) OF ORDINANCE NO. 1218 TO EXPAND THE DEFINITION OF COLLECTIVE GARDEN; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE**

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WHEREAS, on July 11, 2011, the City Council adopted Ordinance No. 1218, establishing immediate interim regulations relating to medical cannabis collective gardens; and

WHEREAS, pursuant to RCW 36.70A.390 and RCW 35A.63.220, a city may adopt interim zoning regulations as long as the city council holds a public hearing on the interim zoning regulations within 60 days of its adoption; and

WHEREAS, the City Council held the public hearing on the interim zoning regulations adopted under Ordinance No. 1218 on July 25, 2011; and

WHEREAS, after considering input from City staff and the public testimony received at the public hearing, the City Council has determined that the interim regulations should be modified; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Additional Findings. In support of the interim zoning regulations established by Ordinance No. 1218, and in addition to the findings previously made as set forth in Ordinance No. 1218, the Gig Harbor City Council makes the following additional findings:

1. The City Council has considered the studies and data on file in the City Clerk's office relating to the land use and other secondary impacts associated with medical marijuana and further takes notice of and specifically relies upon the data and studies.

2. The City Council has determined that revising the definition of "medical marijuana or cannabis collective garden" and "collective garden" will encompass all forms of collective gardens that may be authorized under chapter 69.51A RCW.

3. Other: \_\_\_\_\_

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Section 2. Amendment of Ordinance No. 1218

1. Section 3(B) of Ordinance No. 1218 is hereby amended to read as follows:

B. "Medical cannabis collective garden" or "collective garden" means any place, area or garden where qualifying patients engage in the production, processing, and delivery of cannabis for medical use as set forth in chapter 69.51A RCW and subject to the limitations therein and in this ordinance.

2. A new paragraph is added to Section 3 of Ordinance No. 1218 to read as follows:

In addition to the above definitions and as necessary to interpret or apply this ordinance, the City hereby adopts those definitions set forth in chapter 69.51A RCW, as the same now exist or as it may hereafter be amended. In the event chapter 69.51A RCW is amended to include definitions for any of the terms set forth above, the definitions set forth above shall be deemed automatically amended to conform to such amendments.

Section 3. Transmittal to Department. Pursuant to RCW 36.70A.106, this ordinance shall be transmitted to the Washington State Department of Commerce.

Section 4. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

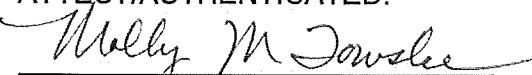
Section 5. Effective Date. This ordinance shall take effect and be in full force and effect five days after passage and publication of an approved summary consisting of the title.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this 25th day of July, 2011.

CITY OF GIG HARBOR

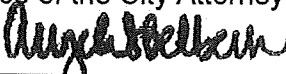
  
\_\_\_\_\_  
Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

  
\_\_\_\_\_  
Molly M. Towslee, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney

  
\_\_\_\_\_  
Angela S. Belbeck

FILED WITH THE CITY CLERK: 07/21/11  
PASSED BY THE CITY COUNCIL: 07/25/11  
PUBLISHED: 08/03/11  
EFFECTIVE DATE: 08/08/11  
ORDINANCE NO: 1222



**Business of the City Council**  
**City of Gig Harbor, WA**

**Subject:** Public Hearing and Resolution authorizing a 'Development Agreement for Street Improvement Monetary Contributions' for a traffic signal at the intersection of Wollochet Drive and Wagner Way.

**Proposed Council Action:** Adopt the Resolution authorizing the Mayor to execute the Development Agreement with Rush-Talmo LLC.

**Dept. Origin:** Engineering Department

**Prepared by:** Willy Hendrickson  
 Engineering Technician

**For Agenda of:** September 10, 2012

**Exhibits:** Resolution, Development Agreement with Exhibits (SEPA 05-1013), Pro-rata share collection list.

Initial & Date

**Concurred by Mayor:**

CLH 9/5/12

**Approved by City Administrator:**

2-9/5/12

**Approved as to form by City Atty:**

via email

**Approved by Finance Director:**

SR 9/12

**Approved by Department Head:**

\_\_\_\_\_

Expenditure	Amount	Appropriation
Required	Budgeted	Required
0	0	0

**INFORMATION/BACKGROUND**

The proposed development agreement is to allow Rush-Talmo LLC (the Developer) to make a pro-rata share contribution for intersection improvements and installation of a traffic signal at Wollochet Drive and Wagner Way related to the 72<sup>nd</sup> Street Plat Development. This pro-rata share was determined by the Mitigated Determination of Nonsignificance (MDNS), Environmental Review Application No. SEPA 05-1013, dated August 24, 2006

**FISCAL CONSIDERATION**

The 72<sup>nd</sup> Street Plat Development pro-rata share contribution is \$37,641.51 for intersection improvements and installation of a traffic signal at Wollochet Drive and Wagner Way. The total signal cost estimate is \$266,000 of which 75% (\$199,500) is developer costs and 25% (\$66,500) is City cost. The City portion to be allocated is being requested as part of the 2013 budget deliberation process. See 'Pro-rata Share Collection List' exhibit for cost breakdowns by other developers.

**BOARD OR COMMITTEE RECOMMENDATION**

The Mitigated Determination of Nonsignificance (MDNS), Environmental Review Application No. SEPA 05-1013, dated August 24, 2006, provided the attached recommendation on this development agreement and is holding the developers approval of the underlying permits in abeyance until action is taken by City Council on the development agreement per GHMC19.08.040B.

**RECOMMENDATION / MOTION**

**Move to:** Adopt the Resolution authorizing the Mayor to execute the Development Agreement with Rush-Talmo LLC.

**RESOLUTION NO. 912**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT WITH RUSH-TALMO, LLC.**

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WHEREAS, RCW 36.70B.170 authorizes the execution of a development agreement between a local government and a person having ownership or control of real property within its jurisdiction; and

WHEREAS, a development agreement must set forth the development standards and other provisions that shall apply to, govern and vest the development, use and mitigation of the development of the real property for the duration specified in the agreement; and

WHEREAS, for the purposes of this development agreement, "development standards" includes, but is not limited to, all of the standards listed in RCW 36.70B.170(3); and

WHEREAS, a development agreement must be consistent with the applicable development regulations adopted by a local government planning under chapter 36.70A RCW (RCW 36.70B.170(1)); and

WHEREAS, the Developer has a fee simple or other substantial beneficial interest in the real property located at the intersection of 72<sup>nd</sup> Street NW and 46<sup>th</sup> Avenue NW (parcel numbers 0221074082 and 0221074083), Gig Harbor, Washington, which is legally described in Exhibit A of the Development Agreement, attached hereto and incorporated herein by this reference; and

WHEREAS, the Mitigated Determination of Nonsignificance (MDNS) dated



8/24/06 described in Exhibit B of the Development Agreement requires a  
“Development Agreement for Street Improvement Monetary Contributions” for  
payment of a pro-rata share of the cost for a traffic signal at the intersection of  
Wollochet Drive and Wagner Way; and

WHEREAS, on September 10, 2012, the City Council held its public hearing  
on the development agreement during a regular public meeting; Now, Therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON,  
HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council hereby authorizes the Mayor to execute the  
Development Agreement attached hereto as Exhibit A, with Rush-Talmo LLC.

Section 2. The City Council hereby directs the City Clerk to record the  
Development Agreement against the Property legally described in Exhibit A to the  
Development Agreement, pursuant to RCW 36.70B.190.

PASSED by the City Council this 10<sup>th</sup> day of September, 2012.

APPROVED:

\_\_\_\_\_  
MAYOR, CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
CITY CLERK, MOLLY M. TOWSLEE

APPROVED AS TO FORM;  
OFFICE OF THE CITY ATTORNEY:

BY: \_\_\_\_\_  
ANGELA S. BELBECK

FILED WITH THE CITY CLERK: 09/4/12  
PASSED BY THE CITY COUNCIL: 09/10/12  
RESOLUTION NO. 912

Return Address:  
City Clerk  
City of Gig Harbor  
3510 Grandview Street  
Gig Harbor, WA 98335

Please print legibly or type information.

Document Title(s) (Or transaction contained therein):

1. DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF GIG HARBOR AND RUSH-TALMO, LLC, FOR STREET IMPROVEMENT MONETARY CONTRIBUTIONS

Grantor(s) (Last name first, then first name and initials):

1. Rush-Talmo, LLC

Grantee(s) (Last name first, then first name and initials):

1. City of Gig Harbor

Legal Description (Abbreviated: i.e. lot, block, plat; or section, township, range):

1. See Attachment Exhibit A

Section 07, Township 21, Range 02, Quarter 42

Property Tax Parcel No.: #0221074082, #0221074083

Reference Number(s) (Of documents assigned or released):

The Auditor/Recorded will rely on the information provided on this cover sheet. The staff will not read the Document to verify accuracy or completeness of the indexing information provided herein.

**DEVELOPMENT AGREEMENT  
BY AND BETWEEN THE CITY OF GIG HARBOR  
AND RUSH-TALMO, LLC, FOR  
STREET IMPROVEMENT MONETARY CONTRIBUTIONS**

THIS DEVELOPMENT AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2012, by and between the City of Gig Harbor, a noncharter, optional code Washington municipal corporation, hereinafter the "City," and \_\_\_\_\_, Rush-Talmo, LLC, a limited liability corporation, organized under the laws of the State of Washington, hereinafter the "Developer."

**RECITALS**

WHEREAS, the Washington State Legislature has authorized the execution of a development agreement between a local government and a person having ownership or control of real property within its jurisdiction (RCW 36.70B.170(1)); and

WHEREAS, the Developer has received a permit or approval from the City, and as a condition of such permit/approval, is required to either construct or make monetary contributions toward construction of an identified transportation improvement; and

WHEREAS, the City agrees to accept such monetary contribution; and

WHEREAS, on \_\_\_\_\_, 2012, the City Council held a public hearing on this Development Agreement, and authorized the Mayor to sign this Development Agreement with the Developer; now, therefore, the parties hereto agree as follows:

**General Provisions**

**Section 1. *The Project.*** The Project is the development and use of the Property, consisting of 18.71 acres, located at 4510 – 72<sup>nd</sup> Street NW, in the City of Gig Harbor. The mitigation of adverse impacts is a requirement the Modified Mitigated Determination of Nonsignificance (MDNS), SEPA 05-1013, dated August 24, 2006.

**Section 2. *The Subject Property.*** The Project site is legally described in Exhibit A, attached hereto and incorporated herein by this reference.

**Section 3. *The Street Improvements.*** The Developer has been required to make a pro-rata share contribution toward the cost for intersection improvements and signal installation of traffic signal at the intersection of Wollochet Dr. and Wagner Way, as a condition of SEPA approval, Exhibit B, attached hereto and incorporated herein by this reference.

**Section 4. Developer's Monetary Contribution to Public Improvement Financing.**

a) The Developer has agreed to satisfy the condition in the permit/approval described above by paying the Developer's pro-rata share of the cost of the construction of the improvements required by #1 Traffic Mitigation of the MDNS (attached as Exhibit B) to the City. The amount of the pro rata share is Thirty-seven thousand, six hundred forty one and 51/100 Dollars (\$ 37,641.51). The City agrees to accept such payment towards the construction of the transportation improvements in accordance with this Agreement.

b) The City shall hold the Developer's payment in a reserve account. The payment may only be expended by the City to fund the transportation improvements shown in Exhibit B, attached hereto, or a transportation project which includes the transportation improvements shown in Exhibit B.

c) The City agrees that if the payment is not expended as set forth above within five years after the Effective Date of the Adopting Resolution, any payment not so expended shall be refunded by the City with interest to the Developer. The interest shall be calculated at the rate applied to judgments to the property owners of record at the time of the refund; PROVIDED, HOWEVER, that if the payment is not expended by the City within five years due to delay attributable to the Developer, the payment shall be refunded without interest.

**Section 5. Effective Date and Termination.** This Agreement shall commence upon the date it is executed by both parties, and shall continue in force for a period of five years or until the street improvement identified in Exhibit B, page 6 of 7 is actually constructed (and a maintenance bond has been signed by the Developer), whichever comes first. Following the expiration of the term or extension thereof, or if sooner terminated, this Agreement shall have no force and effect.

Termination shall not affect any of the Developer's obligations to comply with the terms and conditions of this Agreement, or any applicable zoning code(s) or subdivision map or other land use permits or approvals granted with respect to the Subject Property, any other conditions of the Project, which are specified as continuing after the termination of this Agreement, nor shall it affect the Developer's (or Landowner's) obligations to pay assessments, liens, fees or taxes.

**Section 6. Assignment and Assumption.** The Developer shall have the right to sell, assign or transfer this Agreement with all their rights, title and interests therein to any person, firm or corporation at any time during the term of this Agreement.

**Section 7. Amendment to Agreement; Effect of Agreement on Future Actions.** This Agreement may be amended by mutual consent of all of the parties, provided that any such amendment shall follow the process established by law for the adoption of a development agreement (*see*, RCW 36.70B.200).

**Section 8. Notices.** Notices, demands, correspondence to the City and Developer shall be sufficiently given if dispatched by pre-paid first-class mail to the addresses of the parties as set forth below. Notice to the City shall be to the attention of both the Community Development Director and the City Attorney. Notices to the Developer or any subsequent purchasers of the property described in Exhibit A shall be required to be given by the City only for those purchasers who have given the City written notice of their address for such notice. The parties hereto may, from time to time, advise the other of new addresses for such notices, demands, correspondence or refunds.

**Section 9. Applicable Law and Attorneys' Fees.** This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. If litigation is initiated to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party. Venue for any action shall lie in Pierce County Superior Court or the U.S. District Court for Western Washington.

**Section 10. Severability.** If any phrase, provision or section of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any statute of the State of Washington which became effective after the effective date of the ordinance adopting this Development Agreement, and either party in good faith determines that such provision or provisions are material to its entering into this Agreement, that party may elect to terminate this Agreement as to all of its obligations remaining unperformed.

[Remainder of page intentionally left blank.]



STATE OF WASHINGTON          )  
  ) ss.  
COUNTY OF PIERCE             )

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the Mayor of Gig Harbor to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

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

\_\_\_\_\_

\_\_\_\_\_  
(print or type name)  
NOTARY PUBLIC in and for the  
State of Washington, residing at:

\_\_\_\_\_  
My Commission expires:\_\_\_\_\_

**Exhibit A**  
**Property Legal Description**

**PARCEL A:**

SECTION 07 TOWNSHIP 21 RANGE 02 QUARTER 42 PARCEL A DBLR 2001-03-16-5001 DESC AS FOLL COM AT NE COR OF NW OF SE TH S 02 DEG 24 MIN 41 SEC W 30.08 FT TO POB TH CONT S 02 DEG 24 MIN 41 SEC W 632.39 FT TO S LI OF N 1/2 SD NW OF SE TH S 88 DEG 14 MIN 04 SEC W 207 FT TH N 02 DEG 24 MIN 41 SEC E 278.03 FT TH N 87 DEG 35 MIN 19 SEC W 25 FT TH N 02 DEG 24 MIN 41 SEC E 352.52 FT TH N 88 DEG 13 MIN 52 SEC E 232.07 FT TO POB OUT OF 4-000 SEG 2005-1464BL 04-18-05BL

**PARCEL B:**

SECTION 07 TOWNSHIP 21 RANGE 02 QUARTER 42 PARCEL B DBLR 2001-03-16-5001 DESC AS FOLL COM AT NE COR OF NW OF SE TH S 02 DEG 24 MIN 41 SEC W 662.47 FT TO S LI OF N 1/2 SD NW OF SE TH S 88 DEG 14 MIN 04 SEC W 207 FT TO POB TH CONT S 88 DEG 14 MIN 04 SEC W 1086.09 FT TO E MARG 46TH AVE NW TH N 02 DEG 37 MIN 08 SEC E 632.49 FT TO PT 30 FT S MEAS AT R/A FROM N LI SD SE TH N 88 DEG 13 MIN 52 SEC E PAR/W SD N LI 1058.73 FT TH S 02 DEG 24 MIN 41 SEC W 352.52 FT TH S 87 DEG 35 MIN 19 SEC E 25 FT TH S 02 DEG 24 MIN 41 SEC W 278.03 FT TO POB OUT OF 4-000 & 4-016 SEG 2005-1464BL 04-18-05BL



**Exhibit B**

Modified Mitigated Determination of Nonsignificance (MDNS)  
SEPA 05-1013



COMMUNITY DEVELOPMENT DEPARTMENT

**Mitigated Determination of Nonsignificance (MDNS)  
W.A.C. 197-11-355**

**Environmental Review Application No.:** SEPA 05-1013

**Parcel Number:** 0221074082

**Action:** Preliminary Plat Application

**Proposal:** The applicant proposes to subdivide 18.7 acres into 62 single-family residence lots. The proposal includes an average lot area of 7,652 square feet, wetland area of 140,296 square feet, public and private road area of 240,253 square feet, and a private storm pond area of 43,600 square feet. Wetland buffer averaging is proposed.

**Location:** 4510 72<sup>nd</sup> Street NW, Gig Harbor (0221074082)

**Proponent:** Rush-Talmo LLC, Attn: Thair Jorgensen, 2727 Hollycroft St. Ste. 410, Gig Harbor, WA 98335

**Lead Agency:** City of Gig Harbor

The lead agency has determined that the requirements for environmental analysis, protection, and mitigation measures pertaining to the proposed development have been adequately addressed in the development regulations and comprehensive plan adopted under chapter 36.70A RW and in other applicable local, state, or federal laws or rules pertaining to the proposed development. Our agency will not require any additional mitigation measures under SEPA except those stated herein.

**ANALYSIS:**

**Traffic and Transportation:** The applicant is required to demonstrate that the significant adverse environmental impacts associated with their application can be reasonably mitigated, (RCW 43.21.C.060). In addition, the applicant must demonstrate that if the proposed development resulting from approval of the application will cause the level of service on a transportation facility identified in the City's Comprehensive Plan to decline below the standards adopted in the transportation element of the Comprehensive Plan, that the applicant plans to install transportation improvements or strategies acceptable to the City to accommodate the impacts of the development, which shall be made concurrent

with the development, (RCW 36.70A.070(6)). The referenced traffic impact analysis by Health and Associates, Inc. and the referenced letter from Jeff Langhelm, Associate Engineer, to Eric Mendenhall, Assistant Planner, identifies traffic impacts related to the proposed development and identifies the following required mitigation and associated analysis to maintain adopted levels

**Critical Areas:** The proposed construction will take place adjacent to a Category II wetland as defined by GHMC 18.04.040(A)(2). A 50 foot buffer is required for category II wetlands.

Buffer averaging is proposed with a net gain of wetland buffer. The wetland delineation report specifies that there will not be any adverse impacts to the wetland due to the buffer averaging. Potential adverse impacts caused by construction debris entering the wetland buffer during the construction phases of the site could occur without adequate mitigation. Additionally, due to previous agricultural activities has allowed invasive species to dominate the buffer area. Mitigation is necessary to reduce the negative impacts of the invasive species.

## **MITIGATION OF ADVERSE IMPACTS**

In addition to compliance with adopted development standards, required mitigation will include the following:

1. **Traffic and Transportation.** The proposal will increase traffic onto surrounding streets and through Wollochet/Wagner Way intersection which could cause significant adverse impacts if not adequately mitigated.

**Mitigation:** The applicant shall be required to pay a pro-rata share of the cost for a traffic signal at the intersection of Wollochet Drive and Wagner Way. This share shall be calculated in a manner approved by the City Engineer and paid to the City of Gig Harbor prior to final City civil review and plan approval. The estimated cost for the signal installation is \$266,000. A "Development Agreement for Street Improvement Monetary Contributions" provided on City forms shall be executed by the applicant prior to payment of the pro-rata share. Payment shall be received prior to the City signing the mylar drawings for construction purposes.

2. **Critical Areas:** The proposal involves the subdivision and development of property which contains a category II wetland. The wetland delineation report specifies that there will not be any adverse impacts to the wetland due to the buffer averaging. Potential adverse impacts caused by construction debris entering the wetland buffer during the construction phases of the site could occur without adequate mitigation. Additionally, due to previous agricultural activities has allowed invasive species to dominate the buffer area. Mitigation is necessary to reduce the negative impacts of the invasive species.

**Mitigation:** The applicant shall be required to install silt fencing around wetland buffer during construction. The applicant shall be required to install fencing on the wetland buffer boundary with wetland boundary signs to be located on each proposed property.

**THRESHOLD DETERMINATION:**

The City of Gig Harbor SEPA Responsible Official has determined that all environmental impacts associated with this proposal can be mitigated under existing City development standards and under the additional mitigation measures outlined herein. An environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(c). This decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public upon request.

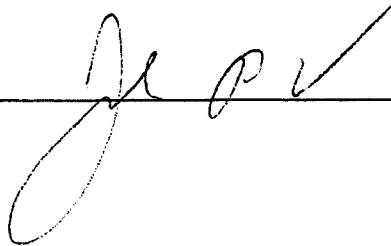
[x] This MDNS is issued under WAC 197-11-355. The lead agency will not act on this proposal for at least 14 days from the date below, or by the date comments are due, which ever is longer. Comments must be submitted by September 13, 2006.

Any interested person may appeal the adequacy of this final threshold determination to the City of Gig Harbor Hearing Examiner pursuant to the procedures set forth under Title 19.06 of the Gig Harbor Municipal Code if a written request for appeal is received by **September 27, 2006**. The written appeal must be submitted with a filing fee of one hundred dollars (\$150).

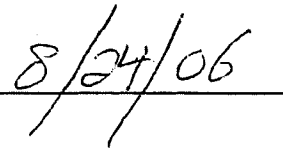
SEPA Responsible Official: John Vodopich  
Position Title: Community Development Director Phone: 851-6170

Address: City of Gig Harbor  
3510 Grandview Street  
Gig Harbor, WA. 98335

Signature



Date:



Wagner Way/Wollochet Drive Intersection Signalization  
Pro-Rata Share Collection List

Total Estimated Cost = \$266,000.00  
 City Cost (25% of total) = \$66,500.00  
 Developer Costs (75% of total) = \$199,500.00

Development	# of left turns at i/s (PM Peak Hr)	% of left turns at intersection	% of Developer Cost (2006 Dollars)	% of total Cost	Amt Paid	Date Paid	Account No.
Bask Development (ML Lot 9)*	15	28.3	\$56,462.26	21.2	\$1,362.85	1/9/2007	
72nd St Plat	10	18.9	\$37,641.51	14.2	\$0.00	n/a	
Mallards Landing (ML Lots 2/3/7)	15	28.3	\$56,462.26	21.2	\$56,462.25	9/10/2007	101-000-345-84-00 TRNIMP
GH Sr Estates (ML Lots 6/8)	13	24.5	\$48,933.96	18.4	\$57,742.07	3/14/2008	101-000-345-84-00 TRNIMP
Total =	53	100.0	\$199,500.00	75.0	\$115,567.17		

\*Pro-rata shares for SEPA determination accepted prior to calculation of pro-rata share based on left turn movements.



COASTAL  
HERITAGE  
ALLIANCE

P.O. BOX 313  
ST. MICHAELS, MD 21663  
253-820-7292  
[www.coastalheritage.org](http://www.coastalheritage.org)

Mayor Chuck Hunter  
City of Gig Harbor  
3510 Grandview Street  
Gig Harbor, WA. 98335

RECEIVED  
SEP - 4 2012  
CITY OF GIG HARBOR

Dear Chuck,

It is approaching the end of CHA's first three months as the tenant of the Skansie Brother's Net Shed; I thought that it would be good if I provided you and Council with an update on our activities. Although we have a long way to go, I am very pleased with the positive public response which we have received to date. During the annual Gig Fest alone, CHA logged well over 500 hours of programming participation which included our work in the shed, in the park and on our historic vessel Commencement. Since then we have also provided services to 70 young folks from the Boys & Girls Club at the shed site. All of this is very encouraging to us at CHA, and I certainly hope that it is equally encouraging to you and the City.

Although we have already well exceeded our required programming hours for the year, it is our intent to continue our public service work at the shed to the extent we can afford. During the coming month of September we will provide several Saturday open house events hosting demonstrations of fishing net construction and other related fishing heritage skills and stories.

Come October CHA will be offering boat trips out to West Pass to view the local fishing fleet harvest chum salmon. It is our hope that you and other City officials will accept our invitation to join us on some of these promotional/educational charters. I will be calling you prior to provide you with more details.

Please see CHA's 1 dollar lease payment enclosed as required by our lease agreement.

Thank you so much Chuck,

*Mike V.*