

City Council Meeting

**March 9, 2015
5:30 p.m.**



AGENDA
GIG HARBOR CITY COUNCIL
March 9, 2015 – Council Chambers

CALL TO ORDER / ROLL CALL:

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes February 23, 2015.
2. Correspondence / Proclamations: a) Pierce County Reads.
3. Liquor License Action: a) Special Occasion – Gig Harbor Cooperative Preschool; b) Application in lieu of Current – Galaxy Uptown; c) Special Occasion: Harbor History Museum; d) Gas Station & Convenience Store;
4. Receive and File: a) Parks Commission Minutes: Dec. 3, 2014;
5. 2015 Natural Yard Care Workshops – Interagency Agreement with Tacoma-Pierce County Health Department.
6. Approval of Payment of Bills Mar. 9, 2015: Checks #77712 through #77825 in the amount of \$1,145,950.33.
7. Approval of Payroll for the month of February, 2015: Checks #7469 through #7482 and direct deposits in the amount of \$377,029.06.

PRESENTATIONS:

1. Pierce County Reads – Joy Kim.

OLD BUSINESS: None scheduled.

NEW BUSINESS:

1. Community Solar Demonstration Project – Harbor History Museum and Peninsula Light.
2. Point Fosdick Sidewalk Project –Contract Amendment No. 1 - HDR Engineers.
3. Grandview Forest Park Tree Removal / Replanting Project – Small Public Works Contract.
4. Nomination for Pierce Transit Board of Commissioners.

CITY ADMINISTRATOR / STAFF REPORT:

1. Legislative Update – Ron Williams

PUBLIC COMMENT:

MAYOR'S REPORT / COUNCIL COMMENTS:

ANNOUNCEMENT OF OTHER MEETINGS:

1. Boards and Candidate Review Committee – Mon. Mar 16th at 4:00 p.m.
2. Finance / Safety Committee – Mon. Mar. 16th CANCELLED.
3. City Council/Planning Commission Joint Worksession – Mon. Mar 16th at 5:00 p.m.
4. Intergovernmental Affairs Committee – Mon. Mar 23rd at 4:00 p.m.

ADJOURN:





















**DRAFT MINUTES
GIG HARBOR CITY COUNCIL
Feb. 23, 2015 – Council Chambers**

CALL TO ORDER / ROLL CALL: Mayor Pro Tem Payne called the meeting to order.

Mayor - Jill Guernsey: Absent
Council Member - Timothy Payne: Present
Council Member - Steven Ekberg: Present
Council Member - Casey Arbenz: Present
Council Member - Rahna Lovrovich: Present
Council Member - Ken Malich: Present
Council Member - Michael Perrow: Present
Council Member - Paul Kadzik: Absent

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes February 9, 2015.  
2. Correspondence / Proclamations: a) Law Day.  
3. Liquor License Action: a) Special Occasion – Peninsula High School Parent Volunteer Org;
  b) Renewals: Costco, Eagles, Gig Harbor Chevron, Gig Harbor 76, Il Lucano, and Tides Tavern.  
4. Receive and File: a) Arts Commission Minutes Jan. 20, 2015;   b) Boards and Commissions Candidate Review Minutes Feb. 17, 2015.  
5. Appointments to Civil Service Commission.  
6. Resolution No. 986 - Designation of Official Newspaper.  
7. KLM Veterans Memorial Park Basketball Court Surfacing – Public Works Contract.  
8. Tourism Promotions Activity Contract – Tacoma Narrows Airport.  
9. Approval of Payment of Bills Feb. 23, 2015: Checks #77608 through #77711 in the amount of \$726,806.74.

MOTION: Move to adopt the Consent Agenda as presented.
Ekberg / Lovrovich - unanimously approved.



Mayor Pro Tem Payne introduced Bill Cassio, newly appointed to the Gig Harbor Civil Service Commission.

PRESENTATIONS:

1. Swearing in Ceremony for Sergeant Gary Dahm. Chief Busey introduced Sergeant Dahm and his family, and presented a history of his service to the Gig Harbor Police Department. Mayor Pro Tem Payne performed the ceremony, and Mrs. Dahm pinned on Sgt. Dahm's badge.
2. Proclamation – Law Day. Court Administrator Stacy Colberg spoke briefly on the upcoming events to recognize the second annual Law Day. Magna Carta is this year's theme. Mayor Pro Tem Payne read the proclamation and then presented the signed copy to Ms. Colberg.



OLD BUSINESS: None scheduled.

NEW BUSINESS:

1. [Public Hearing - Resolution No. 987 for Six Year TIP Amendment – Adding Harborview Drive adjacent to Donkey Creek.](#)   Senior Engineer Emily Appleton presented the background for the addition of Harborview Drive to the city's Transportation Improvement Project list.

[The public hearing on this resolution opened at 6:41 p.m.](#) No one came forward to speak and so it closed.

MOTION: Adopt Resolution No. 987 amending the adopted Six-Year Transportation Improvement Program 2015-2020.
Malich / Arbenz – unanimously approved.

2. [Public Hearing and First Reading of Ordinance–Waterfront Millville Restaurants 2 & 3.](#)   Mayor Pro Tem Payne introduced this agenda item by outlining the process for the public hearing. He explained that after the public hearing closes, Council would then deliberate. He stressed that there would be no vote this evening. He recognized the hard work of the Planning Commission and asked the audience to be respectful.

[Planning Director Jennifer Kester](#) presented an overview of the information. Using a PowerPoint presentation, she provided a comparison of what is currently allowed in that zone and a detailed explanation of what could occur under the proposed amendments. Ms. Kester included a history of the Millville District commercial activities, the Planning Commission process on this text amendment, and responses to frequently asked questions. She ended with the next steps available to Council.

[Councilmembers asked questions and commented on the proposed amendments.](#)

[Mayor Pro Tem Payne opened the public hearing at 6:30 p.m.](#)

[Carol Davis – 4202 57th St. Ct. NW](#) – Ms. Davis voiced opposition to the amendments that she said would allow a more intense commercial activity that would benefit only the property owner who requested the change, would decrease property values, and would not generate revenue for the city.

[Margaret LeRoy – 7021 81st Ave Ct. NW.](#) Ms. Leroy voiced concern with the Conditional Use Permit process saying that the issues of a restaurant in a residential area need to be covered before the permit is given.

Mayor Pro Tem Payne asked staff to reinforce that these issues are all addressed *before* a permit is issued. Ms. Kester responded yes.

[Melissa Moller – 8805 No. Harborview Drive.](#) Ms. Moller spoke in support of land owners who create spaces for retail and restaurants rather than building more professional offices which will kill the downtown.

[James Rieck – 12219 50th Ave. Ct. NW.](#) Mr. Rieck voiced support for the Brix 25 restaurant move to the maritime supply building.

[Mary Jackson – 8212 Dorotich Street.](#) Ms. Jackson said she lives right across from Arabella's, spoke against the amendments. She talked about how someone could ask for a code amendment without the neighbors permission. She submitted a petition against the amendments to the city clerk.

[Jeni Woock - 3412 Lewis Street.](#) Ms. Woock spoke against the amendments and said the Citizens for the Protection of Gig Harbor supports the Waterfront Millville residents request in asking council to deny this unfair zoning amendment. She referred to a map showing areas of voting results that were submitted in the petition.

[Dave Morris – 2809 Harborview Drive](#). Mr. Morris voiced support of the comments made by Melissa Moller and Mr. Riek in support of this amendment. He talked about how his fears about living next to a city park turned out to be unfounded. He then said he would rather live next to a regulated restaurant than a city park.

[John Minter – 2809 86th St. Ct. NW](#). Mr. Minter said he thoroughly endorses the comments of the first speaker.

[Jim O'Donnell – 4220 35th Ave. NW](#). Mr. O'Donnell spoke against the amendments. He said that we have a beautiful city; people won't want to bring friends back if we start chipping away at what made it that way.

[Jackie Olivier – 3316 Harborview](#). Ms. Olivier, who lives across from the proposed Brix, spoke against the amendments. She said the residents implore council to leave Millville alone and have it continue to be the beautiful, historical, peaceful place it has been for 100 years.

[Debra Ross – 8820 Franklin Avenue](#). Ms. Ross, who owns the Stanich Building that houses Suzanne's Deli, spoke in support of the proposed code amendments. She stressed that contrary to what the opposition has been telling her tenants, she will not be selling, or tearing down the building.

[Thad Lyman - 3507 15th Ave. NW](#). Mr. Lyman, owner of Brix 25 and Netshed No. 9, encouraged council to approve the proposed amendment. He shared his perspective as the owner of the operator of a restaurant that hopes to take advantage of the amendments.

[Steve Kay - 4110 136th St. Ct. NW](#). Mr. Kay spoke in support of the amendments. He said that Council has demonstrated time and again an ability to balance the needs of the community as a whole, and he is confident that through zoning and conditional permitting a compromise can be made to allow restaurant activity within the Waterfront Millville area while protecting the quality of life in the adjacent neighborhood. He urged council to approve the ordinance.

[John Moist - 3323 Harborview Drive](#). Mr. Moist first thanked the Planning Commission for the difficult work on this project. He then addressed several comments from the opposition. He explained that Mr. Stearns investment is in the community; to develop a maritime center where transient boaters can come to enjoy full service amenities. The restaurant is in line with the comprehensive plan visioning statement and will enhance the economic viability of the area.

[Irene Stanich - 8206 Dorotich Street](#). Ms. Stanich presented family and town history. The waterfront area was made commercial because of the commercial fishing; her family wouldn't want to see Harborview Drive made into restaurant row. She asked council to consider what they are doing for the whole future of the community; you are driving the regular citizen out of Gig Harbor. She mentioned there are no sidewalks on two blocks of Dorotich up to Rosedale for the kids to walk. She asked council to think about the ordinary people.

[David Lovrovich 3319 Ross Avenue](#). Mr. Lovrovich also gave a brief family history. He voiced concern with the possible noise and alcohol. He said he appreciates the sentiments from both sides, but said the majority wants the quiet. He ended by talking about the children playing and cars speeding on Ross now, and adding alcohol to the mix could be disastrous.

[Janet Lee – 3403 Ross Avenue](#). Ms. Lee, who has lived downtown for ten years, said we need more restaurants, but not just clustered. She voiced concern with all the professional buildings springing up, agreeing that retail and restaurants is what draws people in. She talked about the problematic site distance problem trying to turn onto Harborview from Dorotich. She said she supports the comments made by Mr. Kays about compromise, and asked council to take all these things into consideration.

[Greg Hoeksema 9105 Peacock Avenue](#). Mr. Hoeksema spoke against significant amendments to the code in Waterfront Millville. He voiced concern that a decision will be made without adequate study, education, or wisdom. He asked for any studies to support the argument that this amendment will result in an increased vitality for the city. He asked council to have the courage to protect Waterfront Millville.

[Mayor Pro Tem Payne reminded the audience and speakers to be respectful.](#)

[Gary Arnison – 1716 42nd St. Ct. NW](#). Mr. Arnison moved here from Huntington Beach, and used it as an example of how a town can change drastically through small, incremental changes. He asked Council to be careful what they ask for.

[Conner Boyd – 1317 14th Avenue](#). Mr. Boyd said he is impressed with the professionalism of how this has been presented, which gives him confidence with the decisions that will be made. He commented that he takes yoga at Arabella's Landing, and that the moorage facilities, the Ship to Shore facility, and water feature is of the highest quality. If this is a taste of future develop by Mr. Stearns, the city should encourage it.

[Kay Paterson – 7311 Stinson Ave](#). Ms. Paterson, who served for 20 years on the Planning Commission, stressed that if there is anything the citizens of Gig Harbor care about, it is the waterfront and historic area. We spent a lot of time on what to allow in this area and said she isn't convinced that this amendment fits the intent of the vision statement of the comprehensive plan.

[Josh Coronado – 5215 Huckleberry Lane](#). Mr. Coronado said we are in danger of losing the small town charm and quaint melding of uses by not allowing the downtown model to evolve. He said that there are solutions to the concerns being voiced without excluding the ability to grow. He stressed that the economy improves best with local businesses, citing statistics from a Salt Lake City study of how much money is pumped back into the local economy by local restaurants and retail as opposed to the big box and chain stores.

[Adian Schauer - 7737 92nd St. NW](#). Mr. Schauer works at Netshed No. 9 and said that their employees are contributing members of the community. He addressed the concern with drunken behavior by saying nobody is out on the streets on the weeknights and any concerns on the weekend will be addressed by the police. We need to remember this amendment will allow better jobs, better businesses, and growth for our lovely town.

[Leah Philpot – 2215 95th St. Ct. NW](#). Ms. Philpot shared the story of her husband who was the previous owner of the Netshed, formerly Poseidon's Fuel Dock, and how he had to declare bankruptcy due to actions taken by Mr. Stearns against him and the city. She asked council to think about the damage to the surrounding community before approving this amendment.

[Peter Stanley – PO Box 208, Vaughn, WA](#). Mr. Stanley said he is generally in support of this amendment subject to all the city regulations. He talked about the changes in Gig Harbor over the past 40 years, saying that the decisions that have been made have been good. He praised the current Mayor, Council, Administration and Staff, adding that although a win-win vote is a noble goal, it's not always achievable.

[Cyrus Jackson – 8212 Dorotich Street](#). Mr. Jackson talked about traffic collisions at the corner of Harborview Drive and Dorotich, the level of service F there, and that any traffic analysis conducted there might not be beneficial. The recent one for Ship to Shore didn't address visibility and delays at this intersection. He asked council to think of this in their decision.

[Charlotte Gerloff – 7712 73rd St. Ct.](#) Ms. Gerloff voiced opposition to the amendments and concern with setting precedent in the Millville area as no one can predict the future. She said she is concerned with the area being vacated by Brix which is located in an area in need of development. She read a

letter from Robert Frisbie citing several reasons for opposing the amendments in Waterfront Millville which he states wouldn't be compatible with the residential area.

[Pat Glenn – 6702 111th St. Ct. NW.](#) Ms. Glenn said we need change, which is hard, but we have to keep moving forward. Small businesses make the difference. We need more and we need to support them.

[Mayor Pro Tem Payne closed PH at 7:50 p.m.](#)

[City Council Malich asked](#) questions of staff.

[Councilmember Ekberg voiced appreciation](#) for the public hearing process and the comments shared.

[Mayor Pro Tem Payne announced](#) a five minute break at 6:55 p.m. [Council returned](#) to regular session at 7:03 p.m.

[Councilmembers continued to deliberate and ask questions of staff.](#)

Staff was directed to schedule a joint workstudy session with the Planning Commission and the applicant in order to review the concerns brought up by Councilmembers regarding deep fat fryers, limiting the bar area, hours of operation, deliveries, and possibility of separation of restaurants.

CITY ADMINISTRATOR / STAFF REPORT:

[City Administrator Ron Williams presented](#) information on receiving the 2014 Excellence on Main Award for the Pierce Transit Trolley.

PUBLIC COMMENT: No one came forward to speak.

MAYOR'S REPORT / COUNCIL COMMENTS:

[Councilmember Malich asked](#) for clarification on the applicant being able to participate in a workstudy session. City Attorney Angela Summerfield explained that because it is their application they are able to participate in the discussion and procedure.

[Councilmember Lovrovich asked](#) if there was any progress on finding someone to run the Skansie Netshed. City Administrator Ron Williams responded that there has been discussion regarding a Request for Proposals, but a decision on how to proceed has not yet been decided.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Planning/Building Committee – Mon. Mar 2nd at 5:30 p.m.
2. Parks Commission – Wed. Mar 4th at 5:30 p.m.
3. Public Works Committee – Mon. March 9th at 4:00 p.m.

ADJOURN: The meeting adjourned at 7:17 p.m.

Mayor Pro Tem Tim Payne

City Clerk Molly Towslee

PROCLAMATION OF THE MAYOR OF THE CITY OF GIG HARBOR

WHEREAS, Pierce County READS seeks to engage, involve, and connect people throughout Pierce County; and

WHEREAS, Pierce county READS is the largest community reading event in the county, when people read an award-winning book, participate in free events, join with groups to discuss the book, and attend a free event to meet the nationally known, best-selling author on April 24th, 2015, at 7 p.m.; and

WHEREAS, the Pierce County Library is offering this community-wide program in collaboration with numerous community partners; and

NOW, THEREFORE, I, Timothy Payne, Mayor Pro Tem of the City of Gig Harbor, do proclaim March 1st through April 24th as

Pierce County READS

in recognition of Pierce County Library System and The News Tribune's Pierce County READS, sponsored by KeyBank Foundation, The McGavick Conference Center at Clover Park Technical College, and Pierce County Library Foundation. The Mayor and City Council invite all citizens of Gig Harbor to join us in this special observance.

Mayor Pro Tem Payne, City of Gig Harbor

Date

WASHINGTON STATE LIQUOR CONTROL BOARD - License Services
3000 Pacific Ave SE - P O Box 43075
Olympia WA 98504-3075

TO: MAYOR OF GIG HARBOR

February 17, 2015

SPECIAL OCCASION #: 093549

GIG HARBOR COOPERATIVE PRESCHOOL
3025 96TH ST NW
GIG HARBOR WA 98332

DATE: MARCH 21, 2015

TIME: 6 PM TO 10 PM

PLACE: THE INN AT GIG HARBOR - 3211 56TH ST NW, GIG HARBOR

CONTACT: STEPHANIE SOMERS 253-858-1593

SPECIAL OCCASION LICENSES

- * Licenses to sell beer on a specified date for consumption at a specific place.
- * License to sell wine on a specific date for consumption at a specific place.
- * Beer/Wine/Spirits in unopened bottle or package in limited quantity for **off** premise consumption.
- * Spirituous liquor by the individual glass for consumption at a specific place.

If return of this notice is not received in this office within 20 days from the above date, we will assume you have no objections to the issuance of the license. If additional time is required please advise.

- | | | |
|--|-----------|----------|
| 1. Do you approve of applicant? | YES _____ | NO _____ |
| 2. Do you approve of location? | YES _____ | NO _____ |
| 3. If you disapprove and the Board contemplates issuing a license, do you want a hearing before final action is taken? | YES _____ | NO _____ |

<u>OPTIONAL CHECK LIST</u>	<u>EXPLANATION</u>	YES _____	NO _____
LAW ENFORCEMENT	_____	YES _____	NO _____
HEALTH & SANITATION	_____	YES _____	NO _____
FIRE, BUILDING, ZONING	_____	YES _____	NO _____
OTHER:	_____	YES _____	NO _____

If you have indicated disapproval of the applicant, location or both, please submit a statement of all facts upon which such objections are based.

DATE SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE



NOTICE OF LIQUOR LICENSE APPLICATION

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: 2/25/15

TO: MOLLY TOWSLEE, CITY CLERK

RE: APPLICATION IN LIEU OF CURRENT PRIVILEGE

UBI: 601-989-007-001-0003
License: 402683 - 1U County: 27
Tradename: GALAXY UPTOWN
Loc Addr: 4649 POINT FOSDICK DR NW
GIG HARBOR WA 98335-1707
Mail Addr: 15060 VENTURA BLVD STE 350
SHERMAN OAKS CA 91403-2484
Phone No.: 415-237-6395 DAN KRAMER

APPLICANTS:

GALAXY THEATRES, LLC
RIMKUS, FRANK J
1945-03-15
COHEN, RAPHAEL
1947-04-12
COHEN, SUSAN BETH
(Spouse) 1951-01-27

Privileges Upon Approval:
SPIRITS/BEER/WINE THEATER

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

WASHINGTON STATE LIQOUR CONTROL BOARD - License Services
3000 Pacific Ave SE - P O Box 43075
Olympia WA 98504-3075

TO: MAYOR OF GIG HARBOR

February 24, 2015

SPECIAL OCCASION #: 092365

GIG HARBOR PENINSULA HISTORICAL SOCIETY
4121 HARBORVIEW DR
GIG HARBOR, WA 98335

DATE: MARCH 19, 2015

TIME: 6:30 PM TO 9 PM

PLACE: HARBOR HISTORY MUSEUM - 4121 HARBORVIEW DR, GIG HARBOR

CONTACT: MICHELLE PAULUS, 253-858-6722 X 7

SPECIAL OCCASION LICENSES

- * Licenses to sell beer on a specified date for consumption at a specific place.
- * License to sell wine on a specific date for consumption at a specific place.
- * Beer/Wine/Spirits in unopened bottle or package in limited quantity for **off** premise consumption.
- * Spirituous liquor by the individual glass for consumption at a specific place.

If return of this notice is not received in this office within 20 days from the above date, we will assume you have no objections to the issuance of the license. If additional time is required please advise.

- | | | |
|--|-----------|----------|
| 1. Do you approve of applicant? | YES _____ | NO _____ |
| 2. Do you approve of location? | YES _____ | NO _____ |
| 3. If you disapprove and the Board contemplates issuing a license, do you want a hearing before final action is taken? | YES _____ | NO _____ |

<u>OPTIONAL CHECK LIST</u>	<u>EXPLANATION</u>	YES _____	NO _____
LAW ENFORCEMENT	_____	YES _____	NO _____
HEALTH & SANITATION	_____	YES _____	NO _____
FIRE, BUILDING, ZONING	_____	YES _____	NO _____
OTHER:	_____	YES _____	NO _____

If you have indicated disapproval of the applicant, location or both, please submit a statement of all facts upon which such objections are based.

DATE SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMIONERS OR DESIGNEE

NOTICE OF LIQUOR LICENSE APPLICATION



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

TO: MOLLY TOWSLEE, CITY CLERK
RE: NEW APPLICATION

DATE: 2/27/15

UBI: 603-423-125-001-0002

License: 419225 - 1U County: 27
Tradename: GAS STATION & CONVENIENCE STORE
Loc Addr: 4831 POINT FOSDICK DR NW STE B
GIG HARBOR WA 98335-1732

APPLICANTS:
EMMANUEL GOLDEN GIVEN INC

Mail Addr: 7201 GOLDEN GIVEN RD E
TACOMA WA 98404-1710

HANNA, SHERIF W
1978-07-01

Phone No.: 206-267-8583 SHERIF W HANNA

Privileges Applied For:
GROCERY STORE - 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.

- | | YES | NO |
|---|--------------------------|--------------------------|
| 1. Do you approve of applicant ? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Do you approve of location ? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. If you disapprove and the Board contemplates issuing a license, do you wish to request an adjudicative hearing before final action is taken? | <input type="checkbox"/> | <input type="checkbox"/> |
| (See WAC 314-09-010 for information about this process) | | |
| 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 _____

MINUTES
GIG HARBOR PARKS COMMISSION
Wednesday, December 3, 2014 – 5:30 p.m.
Community Rooms A/B

CALL TO ORDER / ROLL CALL:

[Parks Commissioner - Nick Tarabochia: Present](#)
[Parks Commissioner - John Skansi: Present](#)
[Parks Commissioner - Doug Pfeffer: Present](#)
[Parks Commissioner - Christine Hewitson: Absent](#)
[Parks Commissioner - Sara McDaniel: Present](#)
[Parks Commissioner - Nicole Hicks: Present](#)
[Parks Commissioner - Gregg Vermillion: Present](#)
[Staff - Terri Reed: Present](#)
[Staff - Jeff Langhelm: Present](#)
[Staff - Dennis Troy: Present](#)
[Staff - Greg Foote: Absent](#)

APPROVAL OF MINUTES:  

[Approval of October 1, 2014 Minutes](#)

[Parks Commissioner - John Skansi: Motion](#)
[Parks Commissioner - Sara McDaniel: 2nd](#)
[Parks Commissioner - Nick Tarabochia: Approve](#)
[Parks Commissioner - John Skansi: Approve](#)
[Parks Commissioner - Doug Pfeffer: Absent](#)
[Parks Commissioner - Christine Hewitson: Approve](#)
[Parks Commissioner - Sara McDaniel: Approve](#)
[Parks Commissioner - Nicole Hicks: Approve](#)
[Parks Commissioner - Gregg Vermillion: Approve](#)

OLD BUSINESS:

1. [Harbor Hill Park Visioning – Associate Planner Dennis Troy](#)

Associate Planner Dennis Troy gave an overview of the visioning process to date and explained the outcome of the Stakeholders meeting held on November 5th and the public Open House held on November 19th.

Dan Lean, 6115 Cromwell Dr. NW, Gig Harbor, representing Gig Harbor Little League, spoke about wanting to participate and enhance the park property with multi-use turf fields along with their facility and be a part of the process for making that happen.

Josh Hannan, 844 Jewil Dr., Fox Island, representing Gig Harbor Lacrosse Association, spoke about the need for more fields and their desire to expand the

Lacrosse program. He said that GHLA was left out of the initial stakeholder meetings. He would like to see additional safe, lighted turf fields in the area.

Kevin Boldt, 5415 46th Ave. Ct. NW, Gig Harbor, spoke about the desperate need for turf fields that are lighted.

Bizhan Nasseh, 4819 Bering St., Gig Harbor, representing Harbor Soccer Club, spoke about the importance of providing the more opportunities for kids to participate in sports.

Commission Chair Tarabochia emphasized the importance of following through with the process as it moves forward to City Council.

Parks Commissioner McDaniel asked how to move forward with putting some interim trails on the property. Public Works Director Langhelm reminded the Commission that City Council has already given support for the trails with the understanding that the project would need to be coordinated by the Parks Commission with the work completed by community volunteers. This could possibly be a 2015 Parks Appreciation Day project.

Associate Planner Troy explained that the next steps would be for the Parks Commission to make a recommendation on the preferred uses of the park property. This recommendation will be forwarded to the Public Works Committee for consideration to forward to full City Council.

NEW BUSINESS:

1. [Anticipated 2015-2016 City Budget](#)

Public Works Director Langhelm listed the park-related items in the anticipated 2015-2016 City budget.

PARK UPDATES:

1. [Eddon Boat Park](#)
2. [Arts Commission Guidance from PW Committee](#)

PUBLIC COMMENT:

Commission Chair Tarabochia asked about adding a Public Safety item to the Parks Commission work plan. Public Works Director Langhelm explained that the process to change the work plan would be to submit the recommended task to the Public Works Committee for consideration and if approved then the request would go to full City Council.

Motion: Move to add Public Safety item to Parks Commission work plan.

[Parks Commissioner - Nick Tarabochia: Motion](#)
[Parks Commissioner - Doug Pfeffer: 2nd](#)

Motion amended: Move to amend the motion to add more definitive wording.

[Parks Commissioner - Nick Tarabochia: Motion](#)
[Parks Commissioner - Doug Pfeffer: 2nd](#)
[Parks Commissioner - Nick Tarabochia: Approve](#)
[Parks Commissioner - John Skansi: Approve](#)
[Parks Commissioner - Doug Pfeffer: Approve](#)
[Parks Commissioner - Christine Hewitson: Absent](#)
[Parks Commissioner - Sara McDaniel: Approve](#)
[Parks Commissioner - Nicole Hicks: Approve](#)
[Parks Commissioner - Gregg Vermillion: Approve](#)

ADJOURN: 7:08 p.m.



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

Subject: 2015 Natural Yard Care Workshops – Interagency Agreement with Tacoma-Pierce County Health Department.

Proposed Council Action: Authorize the Mayor to execute an Interagency Agreement with TPCHD for an amount not to exceed \$5,300.00.

Dept. Origin: Public Works/Engineering

Prepared by: Wayne Matthews *WMM*
Engineering Technician

For Agenda of: March 9, 2015

Exhibits: Tacoma-Pierce County Health Department Interagency Agreement

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Public Works Director:

Approved by City Engineer:

Initial & Date

RW 3/4/15
Via E-mail

AD 3/4/15

Expenditure Required	\$5,300.00	Amount Budgeted	See Fiscal Consideration below	Appropriation Required	\$5,300
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INFORMATION/BACKGROUND

One of the requirements under the City’s current NPDES permit is for the City to provide an active public education and outreach component. The City has offered Natural Yard Care Workshops to the public over the past five years. The workshops have been well attended, reaching up to over 60 people at each workshop. The attached Interagency Agreement with Tacoma-Pierce County Health Department (TPCHD) proposes to continue these workshops.

The Gig Harbor workshops promote environmental stewardship and sustainable maintenance practices for yards and landscapes, resulting in minimizing potential impacts upon surface water resources. The workshops promote the five steps to natural yard care directly to Gig Harbor homeowners. The Natural Yard Care Workshops have specialist guest speakers with power point presentations and hands-on activities.

FISCAL CONSIDERATIONS

Sufficient funds are available for the Natural Yard Care Workshops in the 2015–2016 Budget for the NPDES Phase 2 Municipal Stormwater Permit.

2015 Budget for NPDES Phase 2 Municipal Stormwater Permit	\$ 15,000
Anticipated 2015 Expenses:	
2015 Natural Yard Care Workshops (reimbursable)	\$ (5,300)
Remaining 2015 Budget =	\$ 9,700

BOARD OR COMMITTEE RECOMMENDATION

The Interagency Agreement Tacoma-Pierce County Health Department – Natural Yard Care - 2011 was reviewed at the Operations and Public Projects Committee Meeting in February of 2011.

RECOMMENDATION/MOTION

Move to: Authorize the Mayor to execute an Interagency Agreement with TPCHD for an amount not to exceed \$5,300.00.

Interagency Agreement Tacoma-Pierce County Health Department - City of Gig Harbor *Natural Yard Care – 2015*

The City of Gig Harbor seeks to reduce pollutants in and the impact of storm water to local surface water bodies through public education as directed by its National Pollution Discharge Elimination System (NPDES) permit. The goal of this project is to increase adoption of natural yard care practices in Gig Harbor through education and outreach efforts in 2015. This approach will complement other existing and planned efforts and will result in the adoption of natural yard care practices by targeted residential. Results will be accessed via a project-end report.

The Tacoma-Pierce County Health Department (Health Department) shares an interest in reducing pollutant discharges to the environment, minimizing potential impacts upon surface water resources, and seeks to safeguard and enhance the health of communities in Pierce County.

The City of Gig Harbor and the Health Department have determined that it is mutually beneficial that the Health Department provide to the City certain services in 2015, as described in this agreement.

The Health Department will partner with the City of Gig Harbor to produce homeowner-targeted workshops promoting environmental stewardship and sustainable maintenance practices for yards and landscapes. The Health Department will promote the “Five Steps to Natural Yard Care” approach: *Build healthy soil, Plant right for your site, Practice smart watering, Think twice before using pesticides, and Practice natural lawn care*, as described below:

- Build healthy soil** - Covers the basic components of soil and benefits of adding organic matter. Talk will include instruction about backyard composting emphasizing troubleshooting and the benefits of recycling nutrients on-site.
- Plant right for your site** - Practical landscape design for matching plants with the proper environmental conditions to encourage healthy plants and reduce reliance on pesticide use.
- Practice smart watering** - Covers water conservation by encouraging irrigation efficiency through a variety of techniques, grouping plants with like water needs together, and encouraging deep, infrequent watering for plant health.
- Think twice before using pesticides** - Emphasizes proper plant placement and plant health as the first step in avoiding pest incidence; cover cultural, mechanical, and biological control techniques before using less-toxic pesticides as a last resort; the importance of and how to read a pesticide label and emphasizing proper usage and disposal of pesticide products.
- Natural lawn care** - Covers differences among grass species common to the area, ‘grass-cycling’ for organic waste diversion and nutrient cycling, proper irrigation and fertilization practices, and emphasizing techniques to reduce weed incidence and pesticide usage.

The workshop program brings these messages directly to City of Gig Harbor homeowners via a series of three lectures and hands-on demonstrations. Follow-up surveys will be conducted to assess changes in participant behaviors and practices occurring as a result of the program.

GOALS

Increase participants' adoption of natural yard care practices, including:

- reduced inappropriate use of pesticides and fertilizers to reduce potential impacts to surface/storm water
- reduced generation of organic waste/increased backyard composting
- increased use of slow-release fertilizers
- reduced water use

ACTIVITIES

The Health Department proposes a program of one Natural Yard Care Workshop series to be scheduled in coordination with the City of Gig Harbor and conducted in March and April 2015, comprised of the following specific elements:

- Three community evening meetings covering the five steps listed above, as well as information pertinent to preserving stormwater and surface water quality in Gig Harbor. Responsible party: **Health Department**
- Email and telephone follow-up to remind pre-registered residents of the upcoming meetings. Responsible party: **Health Department**
- Distribution of printed materials to each attendee covering the topics in the five steps to Natural Yard Care and conduct pre-workshop/baseline yard care practices survey. Responsible party: **Health Department**

OUTPUTS

- At least 60 Gig Harbor residents are trained in natural yard care practices via the Natural Yard Care workshop series.
- Report summarizing participation, the survey instrument and resulting data, an assessment of the knowledge gained from the workshops, and conclusions regarding the effectiveness of this approach.

OUTCOMES

Workshop participants will show increased knowledge of natural yard care practices and resulting progress toward the task goals, as listed above. Outcomes will be assessed via a survey of workshop participants before and following each workshop.

PROPOSED SCHEDULE AND DELIVERABLES

- Feb. Apr. 2015- Workshop advertising including City of Gig Harbor newsletter; direct mail invitations to utility customers; inclusion in City of Gig Harbor website and other city-sponsored advertising means.
- March 31st, April 7th and April 15, 2015 -- Conduct NYC workshops series at City of Gig Harbor City Civic Center.
- Conduct a post workshop surveys to measure knowledge gained by attending the classes.

- December, 2015 - Summary report detailing advertising methods, attendance records, topics discussed at workshops, qualitative workshop feedback from attendees, workshop survey analyses. Provide City of Gig Harbor with copies of primary workshop materials and workshop surveys, and associated outreach/education materials.

PROJECT COST & BILLING

In consideration for the services described herein the City of Gig Harbor shall pay the Health Department a total of **\$5,300**. The Health Department shall bill not more frequently than monthly or less frequently than quarterly unless otherwise agreed to by the City and the Health Department. Payment shall be made within 30 days of receipt of an invoice from the Health Department. Invoices from the Health Department shall be accompanied by progress reports describing activities and results for that billing period.

The City of Gig Harbor will be invoiced prior to June 30th, 2015.

PROJECT CONTACTS

City of Gig Harbor
Wayne Matthews
3510 Grandview St.
Gig Harbor, WA 98335
Phone: 253-853-2646
Fax: 253-853-7597
matthewsw@cityofgigharbor.net

Tacoma-Pierce County Health Department
Walt Burdsall/John Sherman
3629 South D St., MS: 1049
Tacoma, WA 98418
Phone: 253-798-4708/253-798-6523
Fax: 253-798-6498
wburdsall@tpchd.org/jsherman@tpchd.org

Date of Signature

Date of Signature

Authorized Signature

Authorized **Department** Signature

Printed Name

Printed Name

City of Gig Harbor
3510 Grandview Drive
Gig Harbor, WA 98335

Tacoma-Pierce County Health
Department
3629 South D Street
Tacoma, WA 98418-6813

Contractor Address

Department Address

\$5,300
Dollar Amount for this **Agreement**

Business of the City Council
City of Gig Harbor, WA

Subject: Community Solar Demonstration Project – Harbor History Museum and Peninsula Light.

Dept. Origin: Planning Department

Prepared by: Lindsey Sehmel - AICP
Senior Planner

LS

Proposed Council Action: Hear presentation from the Harbor History Museum and Peninsula Light on the proposal for a Community Solar Demonstration project.

For Agenda of: March 9, 2015

Exhibits: N/A

Initial & Date

Potential Motion: Move to direct staff to prepare an interim ordinance for public hearing to support a community solar demonstration project in the C-1 zoning district along the waterfront and exempting solar panels from design review and height requirements.

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

RW 3/4/15
via email 3/4
N/A
JK 3/4/15

Expenditure	Amount	Appropriation
Required	Budgeted	Required
0	0	0

INFORMATION / BACKGROUND

The Planning Department has been approached by the Harbor History Museum and Peninsula Light Company regarding the siting of a community demonstration project for solar. The request would require a six-month interim ordinance to allow one demonstration project in the C-1 zoning district along the waterfront and exempting solar panels from design review and height requirements.

BOARD OR COMMITTEE RECOMMENDATION

The Planning and Building Committee was presented with the request at their March 2nd meeting and made a recommendation to have a full presentation with the interested parties in front of council on March 9th.

RECOMMENDATION / MOTION

Hear presentation on the proposal request for a community solar demonstration project. If council is interested in moving forward with the request a potential motion has been drafted.

Potential Motion: Move to direct staff to prepare an interim ordinance for public hearing to support a community solar demonstration project in the C-1 zoning district along the waterfront and exempting solar panels from design review and height requirements.



Business of the City Council City of Gig Harbor, WA

Subject: Point Fosdick Sidewalk Improvements – Consultant Services Contract Amendment No. 2 - HDR Engineering

Proposed Council Action: Authorize the Mayor to execute Amendment No. 2 to the Contract with HDR Engineering in an amount not to exceed \$6,316.90.

Dept. Origin: Public Works

Prepared by: Marcos McGraw *man*
Project Engineer

For Agenda of: March 9, 2015

Exhibits: Contract Amendment No. 2 to Consultant Services Contract with Exhibits

Initial & Date

Concurred by Mayor:

Approved by City Administrator: *KW 3/3/15*

Approved as to form by City Atty: *As per email dated 3/3/2015*

Approved by Finance Director: *[Signature] 3/2/15*

Approved by Public Works Dir.: *[Signature]*

Approved by City Engineer: *[Signature] 3/2/15*

Expenditure Required	\$6,316.90	Amount Budgeted	\$390,000.00	Appropriation Required	\$0
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INFORMATION/BACKGROUND

In 2014, Council Authorized a Consultant Services Contract with HDR Engineering, Inc., in the amount of \$119,944.64 to complete the design of the Point Fosdick Sidewalk Improvements project. Subsequently, the Council authorized Contract Amendment No. 1 in the amount of \$12,985.70 for engineering support and construction staking during construction.

The Consultant incurred unanticipated additional costs during the design phase of the Point Fosdick Sidewalk Improvement project related to work that was directed by City staff. This work was necessary to successfully coordinate approval of the project design with the WA State Department of Ecology (DOE) and to incorporate additional project scope into the design of the project. The additional design was necessary to adequately restore the adjacent roadway shoulder, reducing future maintenance and operations costs.

FISCAL CONSIDERATION

This project is included in the City of Gig Harbor 2014 Annual Budget with a budgeted amount of \$390,000 from the Street Capital Fund to construct a sidewalk along Point Fosdick Drive. The final paid amounts are shown in the table below. All amounts include applicable WSST.

While the project incurred expenses exceeded the originally allocated 2014 budget of \$390,000.00 by \$104,910.73 this overage is offset by the DOE procured grant amount of \$120,000.00. In discussion with City Finance Director this contract amendment will be funded from the 2014 Street Capital funds, and sufficient funds exist to fund this expenditure.

Project Funding:	
Department of Ecology Stormwater Capacity Grant – design only	\$ 120,000.00
2014 Budget amount for Construction – Street Capital, Objective 8	\$ 390,000.00
Design and Construction Expenses:	
Project Design & Const. Support – HDR Engineering (total invoiced)	\$ 139,247.24
Construction Contract – Macnak Construction	\$ 338,439.73
Material Testing – Professional Services Ind.	\$ 1,099.50
Other Design & Construction Expenses (costs for public outreach, bidding and advertising)	\$ 7,931.09
Unused Project Funds	\$ 23,282.44

BOARD OR COMMITTEE RECOMMENDATION

At the July 14, 2014 Public Works Committee staff apprised the committee members that the anticipated costs were going to exceed the allocated budget of \$390,000.00 and that the City had procured a DOE grant reimbursement amount for the design engineering services.

RECOMMENDATION/MOTION

Authorize the Mayor to execute Amendment No. 2 to the Contract with HDR Engineering in an amount not to exceed \$6,316.90.

**SECOND AMENDMENT
TO
CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
HDR ENGINEERING, Inc.**

THIS FIRST AMENDMENT is made to that certain Consultant Services Contract dated February 11, 2014, (the "Agreement"), by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and HDR Engineering, Inc., a limited liability company organized under the laws of the State of Washington (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently finalizing contracts for the Point Fosdick Drive Sidewalk Project and desires to revise consultation services in connection with the project; and

WHEREAS, Section 17 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 add the work as shown in **Exhibit A – Scope of Work**, 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 Six Thousand Three Hundred Sixteen Dollars and Ninety Cents (\$6,316.90), as shown in **Exhibit A**, 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 March 1, 2016.

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

IN WITNESS WHEREOF, the parties have executed this Amendment on this
_____ day of _____, 2015.

CONSULTANT

CITY OF GIG HARBOR

By: B. Morsem
Its Principal Business Group
Manager

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT A



City of Gig Harbor
Point Fosdick Drive NW Sidewalk Project

TO: Stephen Misiurak, PE
City of Gig Harbor
3510 Grandview St
Gig Harbor, WA 98335-1214

FROM: Gus Garcia
Project Manager
HDR Engineering, Inc.
4717 97th Street NW
Gig Harbor, WA 98332

cc: file

HDR PROJECT NUMBER: 226960

TELEPHONE: 253-858-6896
E-mail: Gus.Garcia@hdrinc.com

DATE: February 11, 2015

SCOPE/BUDGET/SCHEDULE/ISSUES

There are additional engineering design and coordination costs related to additional work performed on the project. As part of the review and approval process for the project the Department of Ecology required changes to the contract plans and specifications. In support of the proposed changes HDR provided the following services as requested by the City:

- Review of the Dept. of Ecology requirement(s) correspondence
- Preparation and attendance for a project meeting on 8/1/2014 at the Dept. of Ecology
- Revision to the project drainage sheets and specification to amend the project bio-infiltration swales to filtration swales for water quality treatment only.

During the process of design the City requested the addition of pavement restoration limits and locations for the existing shoulder areas in the plans. This task was not identified in the project scope and budget. HDR performed the following tasks in support of the request:

- Site visit and walk through with City inspection staff to define areas of restoration.
- Development of preliminary drawings with pavement restoration limits shown and type and depth of removal including proposed cross sections.
- Development of final plans and specifications for the pavement restoration areas.

Fee Schedule

Additional Work-

<u>Dept. of Ecology Coordination</u>	HRS	RATE	COST
T. Johnson, Engineer	3.00	150.83	\$452.49
C. French, Design Engineer	7.00	94.62	\$662.34
G. Garcia, Project Manager	3.00	149.71	\$449.13
	<u>13.00</u>		<u>\$1,563.96</u>

<u>Ecology Required Revisions</u>	HRS	RATE	COST
T. Johnson, Engineer	4.00	150.83	\$603.32
C. French, Design Engineer	16.00	94.62	\$1,513.92
G. Garcia, Project Manager	1.65	149.71	\$247.02
B. Shea, Sr. Project Engineer	1.00	170.85	\$170.85
	<u>22.65</u>		<u>\$2,532.48</u>

<u>Should Paving Restoration Limits</u>	HRS	RATE	COST
T. Johnson, Engineer	1.00	150.83	\$150.83
C. French, Design Engineer	16.00	94.62	\$1,513.92
G. Garcia, Project Manager	2.00	149.71	\$299.42
B. Shea, Sr. Project Engineer	1.50	170.85	\$256.28
	<u>20.50</u>		<u>\$2,220.45</u>

Total Extra Work Cost

\$2,220.45

\$5,316.89



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

Subject: Grandview Forest Park Tree Removal and Replanting Project

Dept. Origin: Public Works/Engineering

Proposed Council Action:

Prepared by: Marcos McGraw *MM*
Project Engineer

1. Approve and authorize the Mayor to execute a Small Public Works Contract with Evergreen Forestry Resources in the amount of \$35,197.13 for tree removal and restoration at the park.
2. Authorize the Public Works Superintendent to approve additional expenditures up to \$4,000 to cover any cost increases that may result from contract change orders due to the nature of this project.

For Agenda of: March 9, 2015

Exhibits: Small Public Works Contract

Initial & Date

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Public Works Director:

Approved by City Engineer:

RW 3/4/15
via email
DR 3/4/15
DR 3/3/15

Expenditure Required	\$39,197.13	Amount Budgeted	<i>See Fiscal Consideration Below</i>	Appropriation Required	\$0
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INFORMATION/BACKGROUND

Last year the City conferred with a pathologist at Washington State Department of Natural Resources (DNR) regarding the health of the trees in the Grandview Forest Park. DNR's pathologist verified signs of laminated root rot in several Douglas fir trees within the Park. Subsequently the City hired a consultant to perform a detailed evaluation of the trees in the Park. The consultant's report identified several trees as being damaged or diseased to the point of causing risk to property, life and limb. This proposed tree removal and replanting project will remove the identified danger trees and replant native trees that are not susceptible to laminated root rot.

BID RESULTS

In accordance with the City's Small Works Roster Process (Resolution No. 884), staff solicited quotes from logging and forestry contractors on the Small Works Roster and obtained the following quotes to complete the scope of work. The Engineer's Opinion of Probable Cost \$24,393.39. Five (5) bid proposals were received by the City of Gig Harbor on February 11, 2015. Bid results from each bidder are summarized below showing the total bid amounts including Washington State sales tax (WSST).

No.	BIDDER	TOTAL BID AMOUNT
1	Evergreen Forestry Resources	\$ 35,197.13
2	Woodland Industries	\$ 64,221.15
3	Cannon Construction	\$ 81,296.38
4	Ron's Stump Removal & Tree Service	\$ 82,633.60
5	Northwest Tree Experts	\$ 122,442.25

FISCAL CONSIDERATION

This project was unbudgeted for the 2015-2016 biennial budget. However, due to the priority of the project, Public Works Staff recommends proceeding with the work as proposed in the small public works contract. Sufficient funds existing in the ending fund balance for Parks Development will fund this work.

Budgeted Local Funds	\$ 0
Anticipated Construction Expenses:	
Base Bid Schedule – Grandview Forest Park Tree Removal	\$ 35,197.13
Change Order Authority for Public Works Contract	\$ 4,000.00
<p style="text-align: right;">Total Anticipated Expenses:</p>	\$ 39,197.13

BOARD OR COMMITTEE RECOMMENDATION

This project was discussed by the Parks Commission during their meetings held on August 6, 2014 and October 1, 2014. This project and the arborist's report was presented to the Public Works Committee that was held on October 13, 2014.

RECOMMENDATION/MOTION

1. Approve and authorize the Mayor to execute a Small Public Works Contract with Evergreen Forestry Resources in the amount of \$35,197.13 for tree removal and restoration at the park.
2. Authorize the Public Works Superintendent to approve additional expenditures up to \$4,000 to cover any cost increases that may result from contract change orders due to the nature of this project.

**CITY OF GIG HARBOR
SMALL PUBLIC WORKS CONTRACT**

THIS CONTRACT is made and entered into this _____ day of _____, 2015, by and between the City of Gig Harbor, Washington (the "City"), and Evergreen Forestry Resources, Inc., a Washington corporation (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 performed under this Contract shall be completed no later than April 10, 2015.

3. Payments.

The Contractor agrees to perform all work called for in the Contract at the rate set forth in the Bid Proposal attached hereto as Exhibit B, for a total corrected price of Thirty-five Thousand One Hundred Ninety-seven and 13/100's Dollars (\$35,197.13)." Said sum shall constitute full compensation for all labor, materials, tools, appliances, etc. required to perform the required services.

4. Retainage.

Pursuant to RCW 60.28.011, five percent (5%) of all monies earned by the Contractor shall be retained by the City for the purposes mentioned in said statute. The Contractor elects to have these monies (check one):

X Retained in a fund by the City until sixty (60) days following the final acceptance of said improvement or work as completed;

_____ Deposited by the City in an interest bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final

acceptance of said improvement or work as completed, or until agreed to by both parties: Provided, that interest on such account shall be paid to the Contractor; or

_____ Placed in escrow with a bank or trust company by the City until sixty (60) days following the final acceptance of said improvement or work as completed. When the monies reserved are to be placed in escrow, the City shall issue a check representing the sum of the monies reserved payable to the bank or trust company and the Contractor jointly. Such check shall be converted into bonds and securities chosen by the Contractor and approved by the City and such bonds and securities shall be held in escrow. Interest on such bonds and securities shall be paid to the Contractor as the said interest accrues.

5. Performance and Payment Bond - 50% Letter.

A. The Contractor shall execute and deliver to the City a bond, on forms supplied or approved by the City, with an approved surety company as surety, in the sum of the full amount of the Contract plus the applicable Washington State Sales Tax, in compliance with RCW 39.08.010 through 39.08.060 and any amendments thereto. The surety on any such bond shall be a surety company duly authorized to transact surety business under the laws of the State of Washington. In lieu of such a bond, the Contractor may provide a letter of credit in the same sum and subject to the same conditions, in a form approved by the City Attorney.

B. If the amount of this Contract is Thirty-five Thousand Dollars (\$35,000) or less, the Contractor may, at its option, in lieu of the bond specified in subparagraph A, have the City retain fifty percent (50%) of the contract amount for a period of thirty (30) days after the date of completion of services, or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later.

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 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 JILL GUERNSEY
Date: _____

Evergreen Forestry Resource, Inc.

By: *Ron J. Godwin*
Title: *President*
Date: *March 3, 2015*

ATTEST/AUTHENTICATED:

MOLLY TOWSLEE, CITY CLERK

APPROVED AS TO FORM:
Office of the City Attorney

EXHIBIT A – DESCRIPTION OF WORK

Summary

Grandview Forest Park is an 8.6 acre park located adjacent to the City of Gig Harbor civic center at 3510 Grandview Street. The park amenities include walking trails surfaced by bark mulch and asphalt with various benches. There is a public restroom located in the northeast corner of the park. Well No. 4 including two water storage tanks are located on the east side of the park adjacent to Grandview Street.

After the trees are felled and stumps plus boles removed as directed, new trees shall be planted. The replacement ratio of new trees to felled trees shall be 2 to 1. Each new tree shall be of a species that is not susceptible to laminated root rot.

Any damage to park trails, utilities, infrastructure or structures shall be repaired by the contractor at no additional cost to the City.

Specifications

Falling and hauling Equipment:

Vehicular access to the site is off Grandview Street, at the intersection with McDonald Avenue. The grass strip at the east side of the park (west side of Stanich Lane) may be used as a staging area. All equipment and tools shall be in good working order. Personnel with experience described in the invitation to Bidders shall be on site every day work is performed. All appurtenant falling tools and equipment are to be considered incidental to the associated work, available to the project as needed, and delivered to the site as a function of job mobilization.

Site Preparation

1. Temporarily close all public access points into the park. This closure shall be in place prior to mobilization throughout the work processes until demobilization and cleanup is complete; and
2. Place all temporary erosion control BMP's prior to commencing work; and
3. Install temporary security fencing as needed; and
4. Install temporary driving surfaces and working surfaces where deemed necessary by the Contractor.

Site Clearing and Development

Clearing of the site is limited to the trees and stumps identified in this contract and using the following methods in the order shown:

1. Site mobilization:
 - a. The contractor shall submit a traffic control plan showing devices proposed for park closure and vehicular traffic on adjacent streets as needed; and
 - b. Site access is limited to existing access points for vehicle.

2. Pre-development inspection:
 - a. The Contractor shall conduct a pre-redevelopment of the park to identify each tree included in the contract; and
 - b. The Contractor shall note the condition of all trails, structures and amenities throughout the park.
3. Tree removal:
 - a. The Contractor shall comply with all national and local safety regulations related to the work described; and
 - b. The Contractor shall fall each tree toward the inside of the park, in a direction away from streets, parking lots and all structures; and
 - c. Each stump to remain shall be eight (8) feet to ten (10) feet tall if it is feasible to fall the tree at that height; and
4. Removal of debris:
 - a. All wood debris designated as to be removed shall be disposed offsite; and
 - b. All branches from the felled trees shall be removed from the site; and
5. Replacement trees:
 - a. The felled trees shall be replaced at a ratio of 2:1; and
 - b. The species of new trees shall be Western Red Cedar, Western White Pine and Red Alder; and
 - c. The Western Red Cedar and Western White Pine trees shall be seedlings; and
 - d. Each Red Alder shall be no less than three (3) feet tall; and
 - e. The hole left by removed stumps shall be filled to grade with 3-way topsoil from a commercial source; and
 - f. Mulch 3-inches deep shall be placed over the topsoil; and
 - g. The mulch shall consist of fine or medium bark from a commercial source; and
6. Restoration of native understory:
 - a. The native understory shall be restored at every location the native plants are destroyed by the contractor's means and methods; and
 - b. Native plants shall be placed as in-fill where stumps were removed; and
 - c. Native plants shall be planted at a ratio of 3 plants per square foot; and
 - d. The native plants to be used are salal, western sword fern and evergreen huckleberry.
7. Post-redevelopment inspection:
 - a. The Contractor shall conduct a post-redevelopment inspection of the park; and
 - b. The Contractor shall remove all tools, equipment and debris associated with the work.

Site Cleanup and Restoration

1. Remove temporary security fencing.
2. Restore the site to the original condition with repairing gravel driving surfaces, removing temporary surfaces, and repairing grass landscaping surfaces.
3. Coordinate with the City for final acceptance inspection.

***** END OF EXHIBIT A *****

C. Measurement and Payment

1. "Mobilization and Demobilization" This lump sum item includes all labor, equipment, and materials to mobilization and demobilization to and from the work site. It shall include all fees incidental to the described work not otherwise captured by the remaining bid items below. It shall include all costs associated with furnishing and operating all equipment and tools necessary to perform the work described in this contract. Plus, site preparation, gaining access to the park, setup and removal of all equipment and restoration of the site including restoration of the native understory disturbed by the Contractor's means and methods will be considered incidental to this item.

The Contractor shall be responsible for proper maintenance of the site and periodic removal of all wastes. On completion, the Contractor shall remove all equipment, extra materials, and wastes, and restore the site to its original condition as directed by the City.

The Contractor will be paid 70% of this item when equipment set up is completed and 30% when work at the site (including cleanup and restoration) is complete.

2. "Felling Trees" This per each item includes all costs for furnishing of equipment, labor, tools, and miscellaneous material necessary to cut each tree to be felled. This item includes hauling all trees and associated debris as described in Exhibit 'B'.
3. "General Force Account" This item includes payment as allowed and authorized by the City for additional work. No additional work shall proceed without prior approval from the City. The Contractor shall submit a "Project Labor List" (List). The List will be used to calculate force account labor payment. It shall include regular time and overtime rates for all work classifications of employees on site or expected to participate in force account work. The rates shall include the basic wage and fringe benefits. The City will reimburse invoice cost for Contractor-supplied materials. The City will reimburse the Contractor for the cost of equipment utilized in the force account work. The amount of payment for equipment that is utilized shall be determined according to a "Project Equipment List" submitted by the Contractor. This list shall include sufficient description to easily identify the equipment and the associated Blue Book rental value hourly rate. This rate shall be full compensation for all fuel, oil, lubrication, ordinary repairs, maintenance, and all other costs incidental to furnishing and operating the equipment except labor for operation. In addition to compensation for direct costs defined above, the City will pay markup of 29% of labor, 21% of equipment and 21% of materials. These markup amounts will cover project overhead, general company overhead, profit, bonding, insurance, Business & Occupation tax, and any other costs incurred.

The City has estimated and included in the Proposal, a dollar amount only to provide a common proposal for Bidders. All such dollar amounts are to become a part of Contractor's total bid. However, the City does not warrant expressly or by implication that the actual amount of work will correspond with those estimates. Payment will be made on the basis of the amount of work actually authorized by the City.

4. "Stump Removal" This per each item includes all costs for furnishing of equipment, labor, tools, and miscellaneous material necessary to remove the stumps identified as to

be removed from the park. This item includes hauling stumps and associated debris plus restoration of the native understory disturbed by stump removal described in Exhibit 'B'.

- 5. "Western Red Cedar" This per each item includes furnishing of all plant materials, equipment, labor, tools and miscellaneous materials necessary to install the new western red cedar trees (Thuja Pllicata) as described in Exhibit 'B'.

- 6. "Western White Pine" This per each item includes furnishing of all plant materials, equipment, labor, tools and miscellaneous materials necessary to install the new western white pine trees (Pinus Monticola) as described in Exhibit 'B'.

- 7. "Red Alder" This per each item includes furnishing of all plant materials, equipment, labor, tools and miscellaneous materials necessary to install the new red alder trees (Alnus Rubra) as described in Exhibit 'B'.

D. Bid Proposal Signature:

Bidder Signature: Ron F. Godwin

Printed Bidder Name: Ron F. Godwin

Company Name: Evergreen F

Mailing Address: _____

Phone: _____

Fax: _____

Email: _____

*** END OF EXHIBIT B ***



Business of the City Council
City of Gig Harbor, WA

Subject: Pierce Transit Board of Commissioners

Proposed Council Action:

Submit the nomination of Nancy Henderson.

Dept. Origin: Administration

Prepared by: Molly Towslee, City Clerk

For Agenda of: **March 9, 2015**

Exhibits: Letter and Ballot

Initial & Date

Concurred by Mayor: JG 3-3-15

Approved by City Administrator: RW 3/3/15

Approved as to form by City Atty: NA

Approved by Finance Director: NA

Approved by Department Head: _____

Expenditure	Amount	Appropriation
Required \$0	Budgeted \$0	Required \$0

INFORMATION / BACKGROUND

Last year, Council voted to elect Nancy Henderson, Councilmember for the Town of Steilacoom, to fill the unexpired position on the Board of Commissioners that represent the six cities and towns of Auburn, Gig Harbor, Fircrest, Pacific, Ruston, and Steilacoom. One nomination was received fir Nancy Henderson, Town of Steilacoom.

Ms. Henderson has expressed interest in continuing to service as our representative. Pierce Transit is requesting that Council formally consider the nominee and to return the ballot by March 18th.

FISCAL CONSIDERATION

N/A

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Cast a Vote for Nancy Henderson, Town of Steilacoom.

February 27, 2015

Attn: City or Town Clerk
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA, 98335

Dear Clerk:

The position on the Board of Commissioners for Pierce Transit, elected by the six cities and towns of Auburn, Gig Harbor, Fircrest, Pacific, Ruston and Steilacoom within the Pierce Transit boundary, will become open for new appointment beginning May 1, 2015. This position is currently served by Nancy Henderson, Councilmember for the Town of Steilacoom, who filled an unexpired term since March of 2014.

Ms. Henderson has expressed interest that she would like to continue to serve as your agency's transit representative on the Pierce Transit Board; however, pursuant to Pierce Transit Bylaw Section 2.04.030, Pierce Transit is required to seek additional nominees from the cities and towns that are represented by this position. If you would like for Ms. Henderson to continue to be your representative, you may nominate her using the nomination form. Ms. Henderson's bio is included for consideration. If Pierce Transit receives additional nominees after the March 28, 2015 deadline, bios of those nominees will be distributed to your agency for consideration.

As information, the Pierce Transit Board meets the second Monday of each month at 4:00 PM at the Pierce Transit Training Facility, Rainier Conference Room, located at 3720 96th Street SW, Lakewood. In addition to Special Board meetings that may occur from time to time, Board Members may also have committee responsibilities that require additional meeting commitments. All nominees must be elected officials, and the current term limit is three years, or until the commissioner is no longer serving as an elected official. Please note that the term limits are currently under review and are subject to change.

1. If your council wishes to submit a nomination, the enclosed nomination form must be submitted to Deanne Jacobson, Pierce Transit Clerk of the Board, **no later than 5:00 PM on March 18, 2015.**
2. By March 23, 2015, a ballot listing the prospective nominees will be mailed to the six cities and towns city councils. Your council will have until **5:00 PM on April 17, 2015**, to return your ballot to the Pierce Transit Clerk of the Board.
3. A certified copy of the council resolution or motion must accompany all ballots. The Clerk of the Board shall count the ballots and announce the results of the balloting to the Board of Commissioners. A plurality of ballots cast will determine the successful candidate.



4. In the event of a tie, the city and town councils will have an additional thirty days to reconsider. The ballot procedure will be repeated until a candidate is selected by a plurality of vote.

On behalf of Pierce Transit's Board of Commissioners, I wish to express my appreciation for your cooperation.

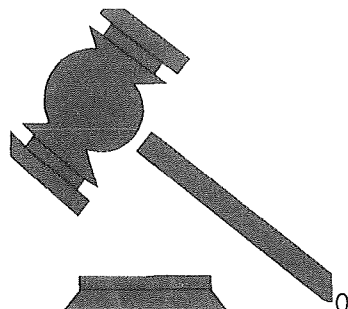
Sincerely,

A handwritten signature in blue ink that reads "Deanne Jacobson".

Deanne Jacobson
Clerk of the Board

Enclosure: Nomination form

cc: Pierce Transit Board of Commissioners
James Walton, Interim Chief Executive Officer



NOMINATION FORM

The city/town of *(insert name of your municipality)* _____
wishes to nominate Councilmember/Mayor *(insert nominee's name from your jurisdiction)*
_____ of the City of
(insert your municipality name here) _____ to serve as
a member of the Board of Commissioners for Pierce Transit who will represent the Cities
and towns of Auburn, Gig harbor, Fircrest, Pacific, Ruston and Steilacoom and and will fill a
three-year term beginning May 11, 2015. (*Note. Term limits are under review and are
subject to change.) After all nominations are received, a final ballot listing all nominees will
be distributed to the six cities and towns for final vote.

Date: _____

By: _____

Title: _____

**Please return Nomination Form to Pierce Transit no later than
5:00 PM on March 18, 2015.
Djacobson@piercetransit.org**



Nancy E. Henderson
1204 Chambers St.
Steilacoom, WA 98388
253-584-7284

Elected Experience

Councilmember, Town of Steilacoom, Jan 2012 to present
Commissioner, Pierce Transit, representing Auburn, Fircrest, Gig Harbor, Pacific, Ruston, and Steilacoom, Mar 2014 to present

Other Professional Experience

US Army 30+ years (retired); physical therapist since 1974.

Education:

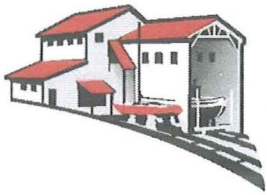
PhD in Rehabilitation, Texas Woman's University; Master of Physical Therapy, US Army-Baylor University; Bachelor of Science, Washington State University; graduate, US Army War College

Community Service:

President, Steilacoom Kiwanis; Town of Steilacoom Parks and Trails Advisory Task Force since 2008; Steilacoom Historical Museum Association; Chair, South Sound Chapter, Greater Puget Sound AFS Intercultural Programs; Volunteer, Steilacoom Historical School District #1. 16 year Steilacoom resident.

Statement:

The mission of Pierce Transit is to connect "communities with safe, reliable, customer-friendly transit options." Over the past year, I have studied issues carefully, been attentive to input from citizens and jurisdictions I represent, and have worked collaboratively to promote public transportation in our communities. It has been a privilege to assist in guiding staff in achieving operational excellence and financial stability, focusing on building ridership while supporting innovative community services such as the Gig Harbor trolley. I would be honored to continue to serve the towns and cities of Auburn, Fircrest, Gig Harbor, Pacific, Ruston, and Steilacoom as your representative on the Board.



Gig Harbor BoatShop

Preserving the Working Waterfront

March 9, 2015

To: Gig Harbor City Council Members
City of Gig Harbor
3510 Grandview Street
Gig Harbor WA 98335

I'm here tonight on behalf of the Gig Harbor BoatShop. Our board, staff, and members are very concerned about a plan being promoted that places a second organization at the Eddon Boatyard site. The Eddon Boatyard site cannot support two robust organizations. A second organization will negatively impact BoatShop programming and the public's use of the site due to its physical constraints. Those constraints include serious traffic and parking issues and water access due to the small size of the ramp and float.

We found out about the second-organization-at-the-Eddon Boatyard plan from hearsay, after which we contacted the city administration to voice our concerns. This insular process has diverted significant BoatShop board and staff time away from important community programming projects, and has put our future programming at risk, and we're unclear as to how and why this has happened.

In 2007 at the end of a long public process the Gig Harbor BoatShop and City Council agreed to a 20-year lease for the Eddon Boatyard buildings. On page 3 of that lease there is language that states a desire by the Gig Harbor BoatShop to lease the other integral parts of the boatyard, including the dock, marine railways, and house.

In 2010 the BoatShop and Council agreed to a boatyard dock, ramp, and float lease. Today a portion of the marine railways was finished, a project that BoatShop supporters have poured near \$160,000 into, and soon we'll be asking Council to craft a lease for the railways. In early 2014 Council Members and the Mayor were supportive of a BoatShop proposal to lease the house. This evolving site plan is consistent in its acknowledgement of site constraints, it provides broad public access to the site that includes use of the house, and is in keeping with maintaining the historic connection between the boatyard building, dock, ways and house.

The good faith intent of the lease language is clear; the language is repetitive in its one-organization use and general-public-access recipe. There is good reasoning behind the language; adding another organization will devastate the BoatShop's ability to deliver the programming that we are obligated to provide. Gig Harbor BoatShop on-the-water programming is designed for anyone and everyone to access. The BoatShop will not be able to deliver the on-the-water opportunities if a second organization is shoehorned onto the undersized float. In fact, we have a significant donation for our new livery program on hold until the donor sees how this issue is resolved.

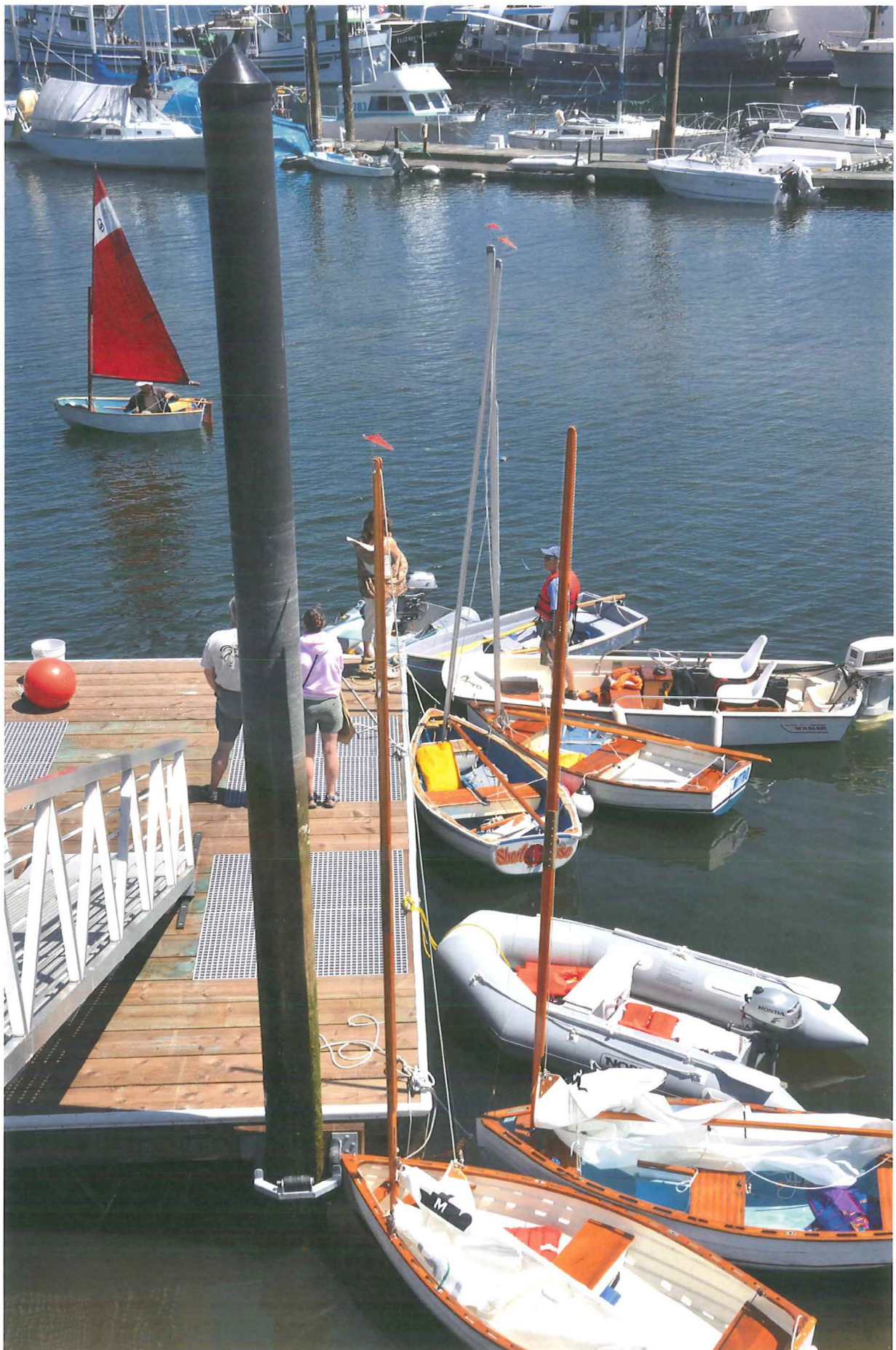
Squeezing another organization onto the Boatyard site will remove the public's access to the dock, ramp and float for large swaths of time. It removes public use to the main floor of the house indefinitely, and will negatively impact community use of Eddon Boat Park due to traffic and parking issues.

We are here to ask Council Members to acknowledge the intent of lease language written by the City and the BoatShop, and to study the very real constraints of the Boatyard site - and finally we ask you to acknowledge that the Eddon Boatyard is a one-organization site.

Sincerely,

Guy Hoppen
Board President, Gig Harbor BoatShop

Gig Harbor BoatShop Activities at Eddon Boat





Tidal Site Constraints | Eddon Boat Float & Ramp



2005 General Obligation Bond

City of Gig Harbor



Special Election - Proposition No. 1
Submitted by the City of Gig Harbor
LAND ACQUISITION AND DEVELOPMENT
GENERAL OBLIGATION BONDS - \$3,500,000

Ballot Title: The City Council of the City of Gig Harbor adopted Ordinance No. 970 concerning a Proposition for bonds. This proposition authorized the City to acquire waterfront space and land and initiate restoration of the Eddon boatyard for historical, cultural, educational and recreational purposes, to issue \$3,500,000 of general obligation bonds maturing within a maximum term of 20 years to finance such acquisitions, and to levy property taxes annually in excess of regular property tax levies to repay such bonds, all as provided in Ordinance No. 970. Should this proposition be approved or rejected?

Explanatory Statement: Passage of Proposition No. 1 would allow the issuance of \$3,500,000 of general obligation bonds by the City of Gig Harbor (the "City") to finance acquisition of waterfront open space and land, commonly known as Eddon boatworks, which is the historic boatyard building and adjacent properties located at the foot of Stinson Avenue on Harborview Drive. This proposition will also authorize the City of Gig Harbor to undertake initial restoration of the Eddon boatyard and dock for historical, cultural, educational and recreational purposes. The bonds would be repaid out of annual property tax levies over a maximum period of 20 years. The exact amount of such annual levies for these bonds would depend on the amount of principal paid each year and on the interest rates available at the time the bonds are sold.

Statement For:

Gig Harbor is at a major crossroads: "Shall we Invest in our future and preserve our disappearing waterfront access or let it go?"

A **Yes** vote creates open space for a waterfront park and boardwalk. A **Yes** vote secures a location for community, cultural and educational activities for all ages, including shipwright and wooden boat programs. A **Yes** vote preserves the last remaining historically pristine, commercial structure on Gig Harbor Bay and maintains over 300 feet of walking view corridor along Harborview Drive and "water-access" for every household. The property is "For Sale". This bond will cost \$90 on a \$300,000 home Annually (less than 25¢/day).

Endorsements to preserve the site include Gig Harbor Peninsula Historical Society, Peninsula Art League, Fisherman's Club, the Waterfront Merchants and others. A State Certified Historic Preservation's report says "Eddon Boat meets National Register of Historic Places criterion for exceptional significance.

Committee Members Include: John English, Chuck Hunter, and Jack Bujacich, Jr.

Statement Against:

No statement was submitted against this issue.

This space is available each election for citizens and/or committees opposing measures to publish a Statement Against. For information, contact the Pierce County Auditor's Office at (253) 798-7430.

THE ABOVE STATEMENTS WERE



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

Subject: Gig Harbor BoatShop Lease agreement at the Eddon Boatyard Building on Harborview Drive.

Proposed Council Action:

Authorize the Mayor to sign a 20-year lease Agreement with Gig Harbor Boatshop at the Eddon boatyard building on Harborview Drive.

Dept. Origin: Administration

Prepared by: Rob Karlinsey

For Agenda of: August 13, 2007

Exhibits: Lease Initial & Date

Concurred by Mayor: CKH 8/7/07

Approved by City Administrator: RJK 8/7/07

Approved as to form by City Atty: AM 8/7/07

Approved by Finance Director: DR 8/7/07

Approved by Department Head: _____

Expenditure Required:	\$1 million	Amount Budgeted:	\$1 million Heritage Grant	Appropriation Required:	\$0
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INFORMATION / BACKGROUND

When the City acquired the Eddon Boat park property in 2004, the site included a building that has been historically used for the construction of boats. This building still exists on the property, is vacant, and is need of repair.

In 2006 the City sent out a request for proposals for potential uses for the building. Of the proposals that came in, the City Council selected Gig Harbor BoatShop's (GHB) proposal. GHB proposes to use the building as a place for historical boat building and maritime education for the public's benefit. GHB shall commit to a minimum of 450 hours of programming in the first year (after restoration is complete) and in subsequent years 900 hours per year for the following activities:

1. Boat building, repair, and restoration workshops and apprenticeship programs, (e.g. building small crafts, oars, and models, or participation in on-going large-vessel restoration or building projects). Such activities are to be limited to the confines of the building described in this lease.
2. Maritime skills programs (e.g. navigation, power vessel handling, marine photography)
3. Public presentations (e.g. skills demonstrations)
4. Craft-on-the-water skills and field trip programs
5. Vessel documentation projects
6. School outreach programs (e.g. tours, apprentice-for-a-day)

In addition, GHB proposes to provide the following for public access and benefit:

1. Year round interpretive signs and displays
2. Observation area(s) where the public can view boat building and educational activities from the interior of the building, such as a mezzanine or raised viewing platform. Such observation areas shall be open to the public when boat building and educational activities are occurring
3. Retail sales of items related to maritime heritage activities

In return for GHB's services for public access and enjoyment as well as restoring and maintaining the site's maritime heritage, the attached lease would allow GHB to occupy the building for 20 years at one dollar per year. A summary of the terms of the lease is as follows:

Term

20 years, ending June 30, 2027

Premises Included in the Lease

The leased portion includes what is commonly known as the Eddon Boat Building. The lease also includes the non-exclusive right to use the parking areas and driveway. When/if they become available, the restrooms in the adjacent house will be available for use by GHB and its program participants. Until these restrooms become available, the City will provide portable restroom facilities.

Consideration

GHB will provide the public services listed above (Section 5 of the lease) and pay \$1 per year plus all utilities and taxes.

Maintenance

GHB will be responsible for incidental maintenance. HVAC/Heating maintenance, fire sprinkler system maintenance, plumbing, electrical, pest control, roof maintenance, exterior painting, foundation, furnace maintenance and any general maintenance repairs the sum for which exceeds \$1,000 annually will be paid by the City.

Building Renovation and Restoration

The City will use the proceeds of the \$1 million heritage grant to renovate the building. The City will also construct a "secondary impervious containment barrier" by the end of October to separate renovation activities from the environmental cleanup.

Future Negotiation for Additional Portions of the Property

Once the environmental cleanup is complete, GHB may want to request that other portions of the Eddon Boat property, such as the dock and marine railways, be added to the lease. The lease does not commit the City or GHB to add additional portions, but the lease does say that if the City and GHB fail to agree to the terms of leasing additional portions of the property, then GHB may terminate the lease.

FISCAL CONSIDERATION

This year the City received a state heritage grant of \$1 million to renovate the building. The lease does not commit the City to spend additional funds beyond the grant for renovation. The assumption here is that the City will work within the \$1 million budget; therefore, the most necessary improvements will take place first (code compliance, fire sprinklers, etc.), and any additional improvements that bring the cost over the \$1 million budget would not get done.

The City will also be responsible for major system maintenance (HVAC, roof, etc.), plus any other repairs over \$1,000, and the City needs to budget accordingly. However, much of these costs would have been incurred regardless of whether GHB occupied the building.

As stated previously, GHB will be responsible for incidental building maintenance plus utilities and taxes.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to sign a 20-year lease agreement with Gig Harbor Boatshop at the Eddon boatyard building on Harborview Drive.

July 15, 2007

RECEIVED
AUG 1 - 2007

**LEASE AGREEMENT
BETWEEN THE CITY OF GIG HARBOR
AND GIG HARBOR BOATSHOP**

THIS LEASE AGREEMENT, entered into by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter referred to as "Lessor" or the "City") and the Gig Harbor BoatShop, a State of Washington 501(C)(3) non-profit corporation (hereinafter referred to as "Lessee" or the "GHB").

WITNESSETH:

WHEREAS, the City owns the property located at 3805 Harborview Drive, Gig Harbor, WA (hereinafter referred to as the "Property") which includes the building commonly known as the Eddon Boat Building; and

WHEREAS, the Eddon Boat Building was used in the past for boatbuilding; and

WHEREAS, GHB has proposed that it lease the Eddon Boat Building to perpetuate the historic function of the boatyard; and

WHEREAS, GHB also proposes to use the Eddon Boat Building as a gathering place where maritime history comes alive through direct experience and where the historical and contemporary working waterfront is enjoyed, preserved and passed along to future generations; and

WHEREAS, GHB proposes to use the Eddon Boat Building to provide opportunities for the public to experience artisan and vocationally-based maritime educational programming; and

WHEREAS, the City reserves the right to use the facility at no cost for special events in coordination and consideration of GHB's schedule of events and programming; and

WHEREAS, the benefits derived by the public from GHB's activities (as specifically detailed in Section 5 herein) are sufficient that the City is willing to lease the Premises to the GHB for one dollar per year; and

July 15, 2007

WHEREAS, there is an ongoing environmental remediation action proceeding on the remainder of the Eddon Boat Property not included in the portion of the Property to be leased by GHB, and such remediation must continue unhindered by GHB or any third party; and

WHEREAS, a floor or "impervious secondary containment barrier" must be constructed in the Eddon Boat Building prior to the possession of the premises by GHB so that the activities of GHB do not interfere with the environmental remediation of the entire Property or result in the release of any hazardous substance into the environment;
and

WHEREAS, the City has obtained funding from the Washington State Heritage Resource Center for the restoration of the Eddon Boat Building, in an amount not to exceed one million dollars; and

WHEREAS, the City intends to hire consultants to assist in the authentic restoration of the Building, and GHB plans to apply to the City to serve as a consultant for this purpose; and

WHEREAS, given the limitations on the use of the premises as generally described above and more specifically described in the Terms Section of this Lease, the parties hereto agree as follows:

T E R M S

1. Purpose and Identification of the Premises. The purpose of this Agreement is to lease the portion of the Eddon Boat property outlined on the map marked Exhibit A, which is attached hereto and incorporated herein by this reference. The tax/legal description of the Property is:

Section 05 Township 21 Range 02 Quarter 33 : COM AT MC AT NW COR
LOT 7 TH S 41 DEG 03 MIN E 75.21 FT ALG ML TH S 26 DEG 03 MIN E
200 FT TO TRUE POB TH CONT S 26 DEG 03 MIN E 125.5 FT TH S 19
DEG 49 MIN W 79 FT TH S 50 DEG 55 MIN W 162.65 FT TO HWY TH NLY
ALG ELY LI HWY TO PT S 54 DEG 48 MIN W FROM POB TH N 54 DEG
48 MIN E 145 FT TO POB TOG/W TDLDS ABUTT

The leased portion includes what is commonly known as the Eddon Boat Building. In addition to the Eddon Boat Building, this Lease shall include the non-exclusive right to use the parking areas and driveway shown on Exhibit A, along with reasonable entry and egress to the Eddon Boat Building. The area shown in the

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outline in Exhibit A is defined to be the "Premises." The leased area does not include the tidelands adjacent to the Premises.

2. Conditions Precedent to Possession. In the event of the City's inability to deliver possession of the Premises as described herein, neither Lessor nor any of its officers, employees or agents shall be liable for any damage caused thereby.

A. Secondary Impervious Containment Barrier. The City will cause to be constructed the secondary impervious containment barrier in the Eddon Boat Building ("Building") at the City's cost. The full scope, materials, and extent of the barrier will be at the City's sole discretion. The parties acknowledge that the Lessee cannot occupy the Premises, and that Lessee is not entitled to possession of the Premises under this Lease until the City notifies GHB that construction of the barrier has been completed. In the event the secondary impervious containment barrier has not been fully constructed by October 31, 2007, GHB, at its sole option and in its sole discretion, may terminate this Lease Agreement. If GHB chooses to terminate the Lease under this section, this Lease shall be null and void, and neither party shall have any obligation to perform.

Subsequent to the completion of the construction of the barrier, GHB has the right to non-exclusive possession of the Premises, which will begin with the site set-up for its programs. The set-up process may occur simultaneously with the restoration of the Building.

B. Restoration of the Building. The City will be committing to the expenditure of one million dollars (\$1,000,000.00) from the Heritage Grant Fund for the restoration of the Eddon Boat Building. GHB acknowledges that the City has not budgeted, and has no plans to commit any additional funds toward the restoration of the Eddon Boat Building, and that the programs and activities described in Section 5 of this Lease can be accomplished by GHB regardless of additional funding. GHB acknowledges that the City shall be in charge of the restoration, and that during the restoration period, the City's contractors, employees and other authorized personnel shall occupy the Premises. GHB agrees that such restoration activities do not interfere with the purpose of this Lease.

3. Addendum or Addenda to Lease. GHB desires to lease the remainder other portion(s) of the Eddon Boat Property not included in this Lease. However, at this point in time, the City does not know when the environmental remediation of the remainder of the Property will be complete. Nothing in this Lease obligates the City to complete the remediation, or to accomplish it by any particular date, or agree to lease any additional portion of the Eddon Boat Property. However, once the remediation is complete, GHB will request that the City Council negotiate an addendum to this Lease to include other portion(s) of the Eddon Boat Property, such as the dock, float, and marine railways, and/or house, under such terms as

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the parties may agree upon. If the parties are unable to agree on the terms of an addendum to include other portions of the Eddon Boat Property, then GHB may terminate this existing Lease, after providing the City with 60 days' written notice. GHB shall have no recourse against the City, its officials, officers or employees for the City's failure to enter into a lease of any additional portions of the Eddon Boat Property.

4. Inspection. Other than set forth to the contrary herein, the City makes no representation regarding the condition of the Premises, improvements located on the Premises, the suitability of the Premises for Lessee's permitted use, or the existence of hazardous substances on the Premises. Lessee has inspected the Premises as it exists at the time of the signing of this document and accepts it "as is", provided that the parties hereto recognize that the City will construct the "impervious secondary containment barrier" and that the condition of the Premises will change as a result of the restoration of the building.

5. USE.

A. When the restoration of the building is complete, GHB shall commit to a minimum of 450 hours of programming in the first full calendar (January 1 through December 31) year after the restoration and 900 hours of programming (one hour equals one hour of programming for one participant) per calendar year thereafter. The purpose of the programming is to pursue for the public's benefit the interpretation of the historic and contemporary working waterfront/maritime heritage activities that shall include, but not be limited to, any combination of three or more of the following maritime heritage programs (free or for a fee), unless the City otherwise approves other activities.

1. Boat building, repair, and restoration workshops and apprenticeship programs, (e.g. building small crafts, oars, and models, or participation in on-going large-vessel restoration or building projects). Such activities are to be limited to the confines of the building described in this lease.–
2. Maritime skills programs (e.g. navigation, power vessel handling, marine photography)
3. Public presentations (e.g. skills demonstrations)
4. Craft-on-the-water skills and field trip programs
5. Vessel documentation projects
6. School outreach programs (e.g. tours, apprentice-for-a-day)

B. GHB will also provide the following for public access and benefit:

1. Year round interpretive signs and displays
2. Observation area(s) where the public can view boat building and educational activities from the interior of the building, such as a mezzanine or raised viewing platform constructed by the City during the restoration,

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assuming sufficient grant funds are available for the City's construction of a mezzanine or raised viewing platform. Such observation areas shall be open to the public when boat building and educational activities are occurring, and the lessee shall indicate with exterior signage, clearly visible to the public, that the building is open.

3. ~~Public presentations (e.g. boat building skills demonstrations) at least one per year~~ (repeat of 3 in subsection A above)
4. Retail sales of items related to maritime heritage activities.

C. Record keeping. GHB promises to provide the City with a written report and supporting documentation of the activities performed by GHB during the prior year by March 31 of each year. GHB shall review and reevaluate with the City, at 5-year increments, the GHB's performance of the activities described in Subsection A. In the event that GHB does not perform as required by this section, the City may institute the procedures set forth in Section 25 to demand remedy of the default and terminate the Lease.

6. Rent and Consideration for Lease. GHB's Lease is specifically conditioned on its performance of the activities described in Section 5, "Use", as the consideration for the rent of the Premises, and GHB's failure to timely perform those activities may result in termination of the Lease. The parties acknowledge that the activities described in Section 5 will not be able to begin until the complete restoration of the Building has been accomplished, under the budget established by the City in Section 2(B).

The City agrees to lease the Premises to GHB for one dollar per year, in exchange for GHB's agreement to perform the activities specifically described in Section 5 "Use" above, on the deadlines set forth therein, as well as all other terms of this lease.

7. Term.

A. The term of this Lease shall commence on the date this Lease Agreement is executed by both of the duly authorized representatives of the parties. This Lease shall terminate on June 30, 2027, unless terminated sooner pursuant to the terms and conditions of this Lease. Nothing herein shall obligate the City to enter into any additional Lease Agreements or addenda with the Lessee in the future.

B. Hold Over. If the Lessee remains in possession of the Premises after the Termination Date, the occupancy shall not be an extension or renewal of the Term. The occupancy shall be a month-to-month tenancy, on terms identical to the terms of this Lease, which hold-over occupancy may be terminated by either party on thirty (30) days' notice.

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8. Restrictions on Use. Lessee agrees that the following activities may occur on the Premises and no others and that these activities shall be conducted in compliance with all applicable regulations. In the event Lessee desires to conduct an activity that is not identified below, Lessee shall make written application to be able to conduct such activity to the City. The City's decision shall be final.

1. Boat Building
2. Boat Repair
3. Boat Restoration Activities
4. Maritime Heritage/Working Waterfront Workshops and Programs, including:
 - a) woodworking
 - b) working with modern materials including, but not limited to epoxys, resins, structural cloth, glues and solvents
 - c) metalworking
 - d) joinery
 - e) sanding
 - f) rigging
 - g) wiring
 - h) coating and painting
 - i) use of power and hand tools
 - j) boatbuilding-related retail sales

The prohibitions in this Section against damage to natural resources, filling, deposition of any unapproved materials, and waste, shall also apply to protect any City, private, or state-owned aquatic lands adjacent to the Premises from any of Lessee's activities related to Lessee's occupation of the Premises. All obligations imposed by this Section on Lessee to cure any violation of the prohibited activities in this Section shall also extend to City, private, or state-owned aquatic lands adjacent to the Premises when the violation arose from the Lessee's activities related to Lessee's occupation of the Premises.

Lessee shall use the Premises only for the purposes and activities identified herein. Lessee acknowledges that the City has agreed to execute this Lease with GHB under the terms and conditions set forth, with the understanding that GHB is a non-profit organization, and shall retain that status throughout the term of this Lease. The use of the Premises by the Lessee shall not be of a religious or partisan political nature. Such use shall be made in a responsible and prudent manner continuously during the terms of the Lease. Lessee shall neither permit on the Premises any act or storage that may be prohibited under standard forms of fire insurance policies, nor use the Premises for any such purpose.

Lessee shall not intentionally cause or permit any damage to the Premises or any other portion of the Property. Lessee shall also not cause or permit any

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release of a hazardous substance or any filling activity to occur on the Property. This prohibition includes any deposit or spill of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other hazardous substances or pollutants, or other matter in or on the Property, except as approved in writing by the City.

Lessee shall not permit any waste, damage or injury to the Premises, use the Premises for anything that will increase the rate of insurance, maintain anything on the Premises that may be hazardous to life or limb, permit any objectionable odor, permit anything to be done on the Premises or use the Premises in any way that tends to create a public or private nuisance not in keeping with the waterfront commercial zoning, or use or permit the Premises to be used for lodging or sleeping purposes. ^{↑ historical waterfront commercial boatbuilding activities and applicable state and local laws,}

9. Conformance with Laws. The Lessee shall, at all times, keep current and comply with all conditions and terms of any permits, licenses, certificates, regulations, ordinances, statutes and other government rules and regulations regarding its use or occupancy of the Premises. Lessee acknowledges that certain uses relating to boatbuilding may require separate permits from state, local or federal agencies. At the time this Lease was drafted, the definition of "boatbuilding" which would trigger a permit from the Department of Ecology is:

"A boatyard is a commercial business engaged in the construction, repair and maintenance of small vessels, 85% of which are 65 feet or less in length, or revenues from which constitute more than 85% of gross receipts. Services typically provided include, but are not limited to: pressure washing hulls, painting and coating, engine and propulsion system repair and replacement, hull repair, joinery, bilge cleaning, fuel and lubrication system repair and replacement, welding and grinding of hull, buffing and waxing, marine sanitation device (MSD) repair and replacement, and other activities necessary to maintain a vessel. This includes mobile facilities. Activities that require DOE permitting include operating a boatyard with a discharge of pressure wash water to a sanitary sewer or discharge of stormwater to surface waters"

Lessee agrees that it will not perform any activity on the Premises without obtaining the necessary permits from the agency(ies) with jurisdiction. Lessee agrees that the performance of such activities without the required permits may cause a breach of this Lease and render the Lessee liable in any resulting enforcement action, which may include penalties, costs or attorney's fees. The City makes no warranties concerning permit requirements. Lessee is solely responsible for determining permit requirements and conformance with such permits.

10. Environmental Liability/Risk Allocation.

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A. Definition. "Hazardous Substance" means any substance which now or in the future becomes regulated or defined under any federal, state or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection, contamination or cleanup, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601 et seq. and Washington's Model Toxics Control Act ("MTCA"), RCW 70.105D.010 et seq.

B. Use of Hazardous Substances. Lessee covenants and agrees that Hazardous Substances will not be used, stored, generated, processed, transported, handled, released or disposed of in, on, under or above the Premises, except in accordance with applicable laws.

C. Current Conditions, Duty of Utmost Care and Duty to Investigate. The City makes no representation about the condition of the Property or Premises. The City will provide a copy of Anchor Environmental's Revised Technical Memo No. 2 (February, 2007) to the Lessee. Hazardous Substances may exist in, on, under or above the Premises. With regard to any Hazardous Substances that may exist in, on, under or above the Property, the City disclaims any and all responsibility to perform investigations, or to review any City records, documents or files, or to obtain or supply any information to the Lessee.

The Lessee shall use the utmost care with respect to both Hazardous Substances in, on under or above the Premises, and any Hazardous Substances that are discovered to be located in, on, under or above the Premises during the term of this Lease, along with the foreseeable acts or omissions of third parties affecting those Hazardous Substances, and the foreseeable consequences of those acts and omissions. The obligation to exercise utmost care under this Subsection includes, but is not limited to:

- 1) Lessee shall not undertake any activities that will cause, contribute to or exacerbate contamination on the Property;
- 2) Lessee shall not undertake any activities that damage or interfere with the operation of remedial or restoration activities on the Property under the current Washington State Department of Ecology supervised remedial action or undertake activities that result in human or environmental exposure to contaminated sediments on the Property;
- 3) Lessee shall not undertake any activities that result in the mechanical or chemical disturbance of on-site habitat mitigation;
- 4) If requested, the Lessee shall allow reasonable access to the Premises by employees and authorized agents of the Environmental Protection Agency, the Washington State Department of Ecology, or other similar environmental agencies; and
- 5) If requested, the Lessee shall allow reasonable access to potentially

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liable or responsible parties to perform cleanup or investigation activities which require access to the Property and Premises.

It shall be the Lessee's obligation to gather sufficient information concerning the Property and the existence, scope and location of Hazardous Substances on the Property, or adjoining Property, that allows the Lessee to effectively meet its obligations under this Lease. Such obligation shall be met when the Lessee obtains the Anchor Environmental's Revised Technical Memo No. 2 (February, 2007) and the Washington State Department of Ecology final report following completion of remedial actions at the Eddon Boatyard site (as defined by the Department of Ecology).

D. Notification and Reporting. The Lessee shall immediately notify the City if the Lessee becomes aware of any of the following:

- 1) A release or threatened release of Hazardous Substances in, on, under or above the Property, any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Premises;
- 2) Any problem or liability related to, or derived from, the presence of any Hazardous Substance in, on, under or above the Property, any adjoining property subject to use by the Lessee in conjunction with its use of the Property;
- 3) Any actual or alleged violation of any federal, state or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Premises, or Property, any adjoining property or any other property subject to use by the Lessee in conjunction with its use of the Premises;
- 4) Any lien or action with respect to any of the foregoing; or
- 5) Any notification from the U.S. Environmental Protection Agency (EPA) or the Washington State Department of Ecology (DOE) that remediation or removal of Hazardous Substances is or may be required at the Property or concerning alleged permit violations.

Upon request, the Lessee shall provide the City with copies of any and all reports, studies, or audits which pertain to environmental issues or concerns associated with the Property, and which were prepared for the Lessee and submitted to any federal, state or local authorities pursuant to any federal, state or local permit, license or law. These permits include, but are not limited to, any National Pollution Discharge and Elimination System Permit, any Army Corps of Engineers permit, any State Hydraulics permit, any State Water Quality certification, or any Substantial Development Permit.

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E. Indemnification – Hazardous Substances.

1. The Lessee shall fully indemnify, defend and hold the City harmless from and against any and all claims, demands, damages, natural resource damages, response costs, remedial costs, clean-up costs, losses, liens, liabilities, penalties, fines, lawsuits, other proceedings, costs and expenses (including attorney's fees and disbursements), that arise out of or are in any way related to:

(i) The use, storage, generation, processing, transportation, handling or disposal of any Hazardous Substance by the Lessee, its contractors, agents, employees, guests, invitees or affiliates in, on, under or above the Premises or any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Premises, during the Term of this Lease or during any time when the Lessee occupies or occupied the Premises;

(ii) The release or threatened release of any Hazardous Substance, or the exacerbation of any Hazardous Substance contamination, in, on, under or above the Premises or any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Premises, which release, threatened release, or exacerbation occurs or occurred during the Term of this Lease or during any time when the Lessee occupies or occupied the Premises or the Property.

2. In addition to the indemnifications provided in this Section, the Lessee shall fully indemnify the City for any and all damages, liabilities, costs or expenses (including attorney's fees and disbursements) that arise out of or are in any way related to the Lessee's breach of the obligations of this Section and Sections 8 and 9 herein. This obligation is not intended to duplicate the indemnity provided within this Section and applies only to damages, liabilities, costs or expenses that are associated with a breach of such Sections and which are not characterized as a release, threatened release or exacerbation of Hazardous Substances. The Lessee and City acknowledge that this indemnification section is not intended to indemnify the City for any pre-existing conditions or for any discharges related to the City's storm water drainage system or any other third party releases. The City and Lessee anticipate that a final report will be prepared for submittal to the Washington State Department of Ecology following completion of remedial actions at the Eddon Boatyard Site (as defined by Ecology). The content of this final report, along with other available environmental data from environmental investigations performed to date, will be considered, but will not be determinative, in defining pre-existing conditions for purposes of this paragraph. This Indemnification Section 10 shall survive termination or expiration of this Lease Agreement.

F. Cleanup. If a release of Hazardous Substances occurs in, on, under

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or above the Premises or any other City-owned property arising out of any action or inaction of Lessee, the Lessee shall, at its sole expense, promptly take all actions necessary or advisable to clean up the Hazardous Substances. Cleanup actions shall include, without limitation, removal, containment and remedial actions and shall be performed in accordance with all applicable laws, rules, ordinances, and permits. The Lessee shall also be solely responsible for all cleanup, administrative and enforcement costs of governmental agencies, including natural resource damage claims, arising out of any action, inaction, or event described herein.

G. Sampling by City, Reimbursement and Split Samples. The City may conduct sampling, tests, audits, surveys or investigations ("Tests") of the Premises or the Property at any time to determine the existence, scope or effects of Hazardous Substances on the Premises, the Property, or any adjoining property in conjunction with its use of the Premises, or any natural resources. If such tests, along with any other information, demonstrate the existence, release, or threatened release of Hazardous Substances arising out of any action or inaction of Lessee, the Lessee shall promptly reimburse the City for all costs associated with such tests.

11. Assumption of Risk. The placement and storage of personal property on the Premises by Lessee shall be the responsibility, and at the sole risk, of Lessee.

12. Restroom Facilities. The parties acknowledge that the Premises has minimal restroom facilities and they are not ADA compliant and that the Premises restroom facilities cannot be expanded as part of the building-restoration process. Expansion of the existing restroom facilities would detract from the historic nature of the Premises. The parties acknowledge that suitable restrooms will likely be constructed in the house on the Property that will be available for use by GHB and the program participants, but the construction date is not certain. Until such time as suitable restrooms are constructed in the house that are ADA compliant, the City will procure, fund and maintain suitable portable restroom facilities sited on the Property for use by GHB and its program participants.

13. Utilities. Lessee hereby covenants and agrees to pay all charges for heat, electricity, water, sewer, phone, refuse, natural gas, cable and all other public utilities, which shall be used in or charged against the Premises during the term of this Lease.

14. Leasehold Taxes. Lessee shall pay promptly, and before they become delinquent, the leasehold excise tax and all other taxes on merchandise and personal property, whether existing on the Premises at the time of the execution of this Lease or at any time during the term of this Lease.

15. Liens. Lessee shall keep the Premises free from any liens arising out of

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any work performed, materials furnished or obligations incurred by Lessee. Lessee shall not suffer or permit any lien to be filed against the Premises or any part thereof or the Lessee's leasehold interest, by reason of work, labor, services or materials performed or supplied to Lessee or anyone holding the Premises or any part thereof under the Lessee. If any such lien is filed against the Premises, Lessee shall hold the Lessor harmless from any loss by reason of the lien and shall cause the same to be discharged of record within thirty (30) days after the date of filing of same.

16. Indemnification and Waiver. In addition to the indemnification obligations in Section 10 herein, Lessee agrees to defend, indemnify, and hold harmless the Lessor, its officers, elected officials, employees and volunteers harmless from any and all claims, injuries, penalties, damages, losses or suits, including costs and attorney's fees, arising out of or in connection with the performance of this Lease or Lessee's enjoyment of the Premises, except for injuries or damages caused solely by the negligence of the Lessor, its officers, officials, employees and volunteers. In the event of liability for injuries or damages which are the result of the concurrent negligence of the Lessee and Lessor, each party shall be responsible only to the extent of its own negligence.

In addition to the above, Lessee shall provide a waiver of right of subrogation releasing and relieving the Lessor from responsibility and waiving the entire claim or right of recovery for any loss or damages to the Premises, any of Lessee's improvements placed on the Premises, any personal property located anywhere on the Premises, or any other loss sustained by the Lessee, including earlier termination of this Lease by destruction of the Premises through natural causes or any other reason, and whether any such loss is insured or not and irrespective of the cause of such loss.

Lessee hereby agrees and acknowledges that any loss of Lessee's property, including personal property or any improvements made to the Premises by the Lessee, is the responsibility of the Lessee. If, for any reason, the Lessee's personal property/improvements or the leased improvements on the Premises are destroyed or otherwise become uninhabitable, Lessor shall not be obligated to make any payments to Lessee related to such loss.

It is further specifically and expressly understood that the indemnification provided herein and in Section 10 constitute Lessee's waiver of immunity under RCW Title 51, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this Section and Section 10 survive the expiration or termination of this Lease.

17. Insurance Purchased by Lessee. At its own expense, the Lessee shall procure and maintain during the Term of this Lease, the insurance coverages and limits

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described in this Section. This insurance shall be issued by an insurance company or companies admitted and licensed by the Insurance Commissioner to do business in the State of Washington. Insurers must have a rating of B+ or better by "Best's Insurance Reports," or a comparable rating by another rating company acceptable to the City. If non-admitted or non-rated carriers are used, the policies must comply with chapter 48.15 RCW.

A. Types of Required Insurance.

(1) Commercial General Liability Insurance. The Lessee shall procure and maintain Commercial General Liability Insurance covering claims for bodily injury, personal injury, or property damage arising on the Property and/or arising out of the Lessee's operations. If necessary, commercial umbrella insurance covering claims for these risks shall be procured and maintained. Insurance must include liability coverage with limits not less than those specified below:

<i>Description</i>	
Each Occurrence	\$1,000,000
General Aggregate Limit	\$2,000,000

The City may impose changes in the limits of liability:

- (i) Upon a material change in the condition of the Premises or any improvements;
- (ii) Upon any breach of the Sections in this Lease relating to Hazardous Substances;
- (iii) Upon a change in the Permitted Use.

New or modified insurance coverage shall be in place within thirty (30) days after changes in the limits of liability are required by the City.

B. Terms of Insurance. The policies required under Subsection A shall name the City of Gig Harbor as an additional insured. Furthermore, all policies of insurance described in this Section shall meet the following requirements:

- 1) Policies shall be written as primary policies not contributing with and not in excess of coverage that the City may carry;
- 2) Policies shall expressly provide that such insurance may not be canceled or non-renewed with respect to the City except upon forty-five (45) days prior written notice from the insurance company to the City;
- 3) To the extent of the City's insurable interest, property coverage shall expressly provide that all proceeds shall be paid jointly to the City and

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the Lessee;

- 4) All liability policies must provide coverage on an occurrence basis; and
- 5) Liability policies shall not include exclusions for cross liability.

- A. **Proof of Insurance.** The Lessee shall furnish evidence of insurance in the form of a Certificate of Insurance satisfactory to the City accompanied by a checklist of coverages provided by the City, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements described in this Section, and, if requested, copies of policies to the City. The Certificate of Insurance shall reference the City of Gig Harbor and this Lease. Receipt of such certificates or policies by the City constitute approval by the City of the terms of such policies. The Lessee acknowledges that the coverage requirements set forth herein are the minimum limits of insurance the Lessee must purchase to enter into this Lease Agreement.

These limits may not be sufficient to cover all liability losses and related claim settlement expenses. Purchase of these limits of coverage does not relieve the Lessee from liability for losses and settlement expenses greater than these amounts.

1. **Care of Premises.** At the completion of the restoration of the Premises, GHB and the City shall conduct a walk-through of the Premises to memorialize its condition. Both parties are encouraged to photograph and video-record the walk-through. The condition of the Premises at the time of the walk-through shall constitute the baseline by which GHB must maintain the Premises, normal wear and tear excepted. GHB shall not be responsible for any defects in the Premises or non-conformance with any applicable code, statute, ordinance or regulation that preexisted the completion of the restoration of the Premises. Lessee shall at all times during the term of the Lease, maintain the Premises to substantially comply with any applicable code, statute, ordinance or regulation governing its maintenance or operation, and make all repairs and arrangements necessary to put and keep the Premises in good condition, except as noted in the following paragraph. Lessee shall undertake these responsibilities at its own cost and expense, and the Lessor shall not be called upon to pay for any repairs, alterations, additions or improvements to the Premises, other than as stated in this Lease Agreement and in the next paragraph. Lessee shall not permit any waste, damage or injury to the Premises; use the Premises for anything that will increase the rate of fire insurance; maintain anything on the Premises that may be hazardous to life or limb; overload the floors; permit any objectionable noise or odor, if not in keeping with the historical

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waterfront commercial boat building activities and applicable state and local laws, to escape or to be emitted from the Premises; permit anything to be done on the Premises that may in any way tend to create a nuisance, or use or permit the Premises to be used for lodging or sleeping purposes.

HVAC/Heating maintenance, fire sprinkler system maintenance, plumbing, electrical, pest control, roof maintenance, exterior painting, foundation, furnace maintenance and any general maintenance repairs the sum for which exceeds \$1,000 annually will be paid by the City. The City shall have the discretion to determine which activities shall be done, when they shall be done and the extent of such repair and/or maintenance.

19. Contractor's Bonds. At the City's option, Lessee shall require each contractor used by Lessee to perform any demolition or construction work in connection with any improvement, alteration, or addition made to the Premises solely by GHB, to secure and maintain, at no cost to the City, a contract or performance bond, payable to Lessee and the City, in the full amount of the contract, conditioned that all the provisions of the contract shall be faithfully performed by the contractor, or the surety if so required, and indemnifying the Lessee and the City against any direct or indirect damages that shall be suffered or claimed for injuries to persons or property during the carrying out of the work of the contract, and conditioned as required by law for the payment of all laborers, mechanics, subcontractors and material-men, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

20. Alterations. Prior to the Lessee's construction, alteration, replacement, removal or major repair of any improvements on the Premises, the Lessee shall submit to the City plans and specifications which describe the proposed activity. Construction shall not commence until the City has approved those plans and specifications in writing. The plans and specifications shall be deemed approved and the requirement for the City's written consent shall be treated as waived, unless the City notifies the Lessee otherwise within sixty (60) days. At the time the Lessee submits the proposed plans and specifications, the Lessee will declare if the Lessee intends for the improvements to remain at the Premises at the conclusion of the Lease. If the Lessee makes such declaration, the City shall declare that the Lessee must remove the improvements upon the termination of the Lease at the Lessee's expense or that the improvements shall remain at the Premises at no removal-expense to Lessee. Upon completion of construction, the Lessee shall promptly provide the City with as-built plans and specifications. Lessee agrees to comply with all laws, ordinances, rules and regulations of any proper public authority in the construction of any improvements or repair, and to save the Lessor harmless from damage, loss or expense. After notice of termination of this Lease, and upon Lessor's request or Lessor's approval, the Lessee shall remove such

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improvements and restore the Premises to its original condition not later than the termination date, at Lessee's sole cost and expense. If the Lessee-Owned improvements remain on the Premises or Property after the termination date without the City's consent, they will become the property of the City, but the City may remove them and the Lessee shall pay the cost of removal and disposal upon the City's demand.

21. Access. Lessee shall allow Lessor, its officials, employees and agents free access at all reasonable times to the Premises in addition to the access required for environmental matters in Section 10. Nothing herein shall prevent the City's access or free use of the remainder of the Eddon Boat Property. Areas of public access are shown in Exhibit B, attached hereto and incorporated herein by this reference.

22. Condemnation. In the event of the taking of the Premises by condemnation or otherwise by any governmental, state or local authority, this Lease shall be deemed terminated as of the date the condemning authority elects to take possession. Lessee shall have no claim to, nor shall it be entitled to, any portion of any condemnation award for damages to the Premises or relocation costs.

23. Fire and Other Casualty. In the event that the Premises are destroyed or damaged by fire, earthquake or other casualty not the fault of the Lessor, and any damage is to such an extent as to render the Premises untenable by the Lessee in whole or substantial part, Lessor shall have the option to terminate this Lease immediately without any further liability or obligation to Lessee. The decision whether the Premises are untenable shall be made by the Lessor, after discussion with Lessee on the feasibility of repair.

24. Signs. All signs or symbols placed on the Premises by Lessee shall be in coordination with the Lessor and shall be subject to the prior approval of Lessor. Lessor reserves the right to co-locate its signs and/or logos on the interior and exterior of the building. In the event Lessee shall place signs or symbols on the Premises not acceptable to Lessor, Lessor may demand immediate removal of such signs or symbols and Lessee shall remove such signs or symbol within 24 hours of notice from Lessor. Any signs placed on the Premises shall be removed on termination of this Lease and any resulting damage to the Premises caused by such sign or symbol shall be repaired by Lessee.

25. Default and termination. In the event Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed or performed by Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from Lessor, or such shorter period as may be reasonable under the circumstances; or if Lessee shall abandon, desert, vacate or otherwise leave the Premises; then, in such event, Lessor, at its option, may

July 15, 2007

terminate this Lease together with all of the estate, right, title and interest thereby granted to or vested in Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and Lessor may re-enter the Premises using such force as may be required.

Lessor shall not be in breach of any obligation to perform under this Lease unless Lessor fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after written notice by the Lessee to Lessor specifying the particular obligation that Lessor has failed to perform; Provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for performance, then Lessor shall not be in breach if Lessor commences performance within the 30 day period, and thereafter diligently prosecutes the same to completion.

26. No Relationship. In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of Lessee or any party associated with Lessee in the conduct of Lessee's business or otherwise. This Lease does not make Lessee the agent or legal representative of the City for any purpose whatsoever.

27. Surrender of Premises. Upon expiration or termination of this Lease, including any extensions thereof, Lessee shall quit and surrender the Premises without notice, and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee.

28. Modification, Waiver. No waiver, alteration or modification of any of the provisions of this Lease shall be binding unless in writing and signed by a duly authorized representative of the parties.

29. Entire Agreement. The written provisions of this Lease shall supersede all prior verbal statements of any officer or representative of the Lessor, and such statements shall not be effective or be construed as entering into, forming a part of, or altering in any manner whatsoever, this Lease. The entire agreement between the parties with respect to the subject matter of this Lease is contained herein.

30. Non-Waiver of Breach. The failure of either party to insist upon strict performance of any of the covenants and agreements contained in this Lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such covenant, agreement or option, or any other covenant, agreement or option.

July 15, 2007

31. Assignment and Subletting. The Lessee shall not, under any circumstances whatsoever, assign this Lease or sublet Premises.

32. Disputes, Governing Law. Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Lease which cannot be resolved between the parties within a reasonable period of time, 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.

33. Time is of the Essence. Time is of the essence as to each and every provision of this Lease.

34. Attorney's Fees. The prevailing party in any action or proceeding brought to enforce this Lease shall be entitled to recover its reasonable attorney's fees, costs and expenses in connection with such action or proceeding from the other party. In addition, the Lessee agrees to pay all of the Lessor's attorneys' fees and costs necessitated by the Lessee's failure to comply with any of the provisions of this Agreement, including but not limited to notices, legal fees and costs arising from third party actions against the Lessor arising from acts or omissions of the Lessee related to this Agreement. The rights and remedies of the City under this Lease are cumulative and in addition to all other rights and remedies afforded to the City by law or equity or otherwise.

35. Notices. Notices required to be in writing under this Lease shall be sent by registered or certified mail as follows:

Gig Harbor BoatShop
8402 Goodman Drive NW
Gig Harbor, WA 98332
Attn: Guy Hoppen,
GHB President

City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335
Attn: City Administrator

36. Severability. If any section or provision of this Lease shall be held by a court of competent jurisdiction to be unenforceable, this Lease shall be construed as though such section or provision had not been included in it, and the remainder of the Lease shall be enforced as the expression of the parties' intentions. If any section or provision of this Lease is found to be subject to two constructions, one of which would render such section or provision invalid and one of which would render such section or provision valid, then the latter construction shall prevail.

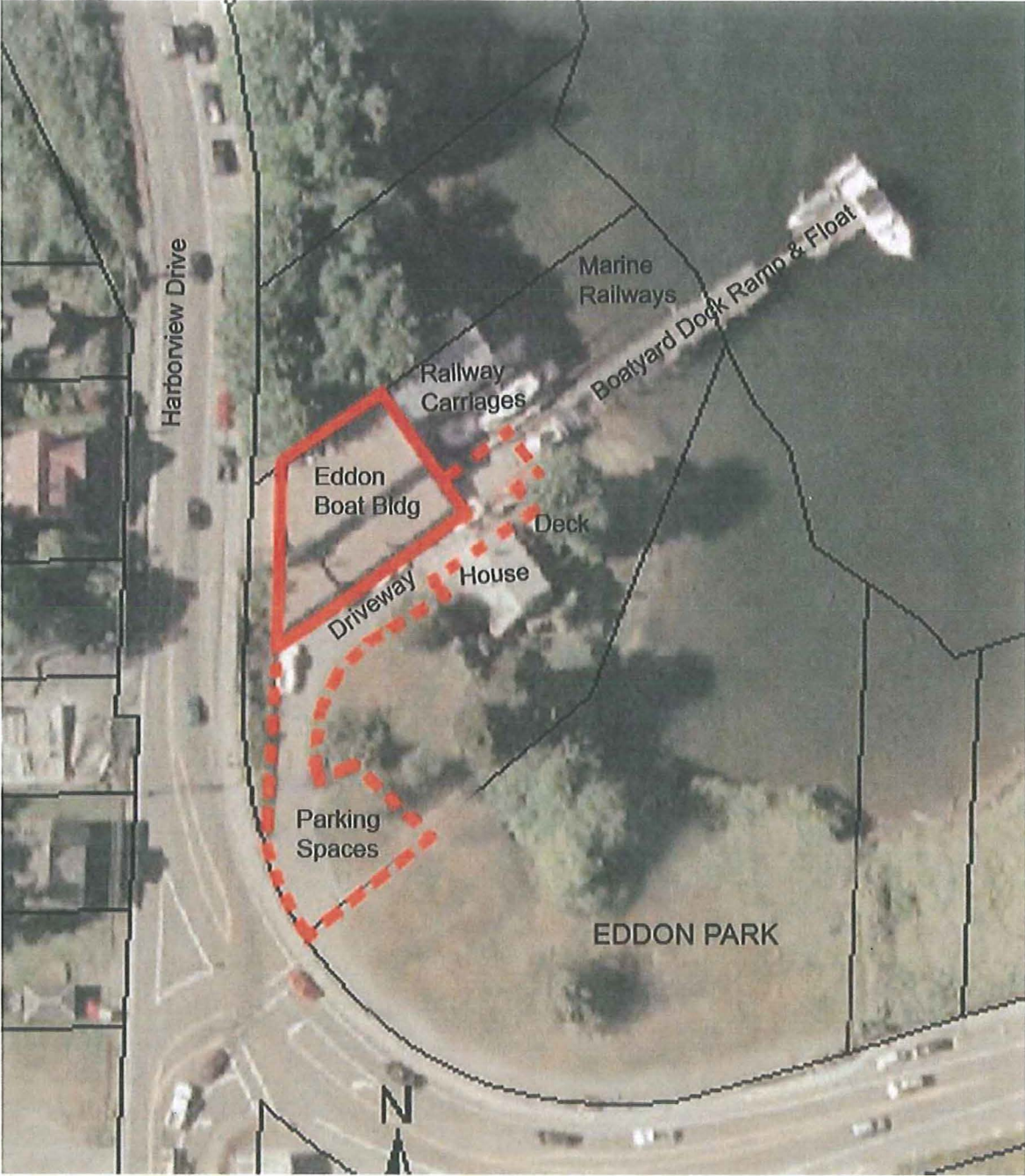
IN WITNESS WHEREOF, the parties have executed this instrument this 26th
day of July, 2007.

July 15, 2007



at: HAINES, ALASKA
My Commission expires: END OF TERM

EXHIBIT A



Map of Eddon Boat Building and Driveway located at 3805 Harborview Drive, Gig Harbor

EXHIBIT B

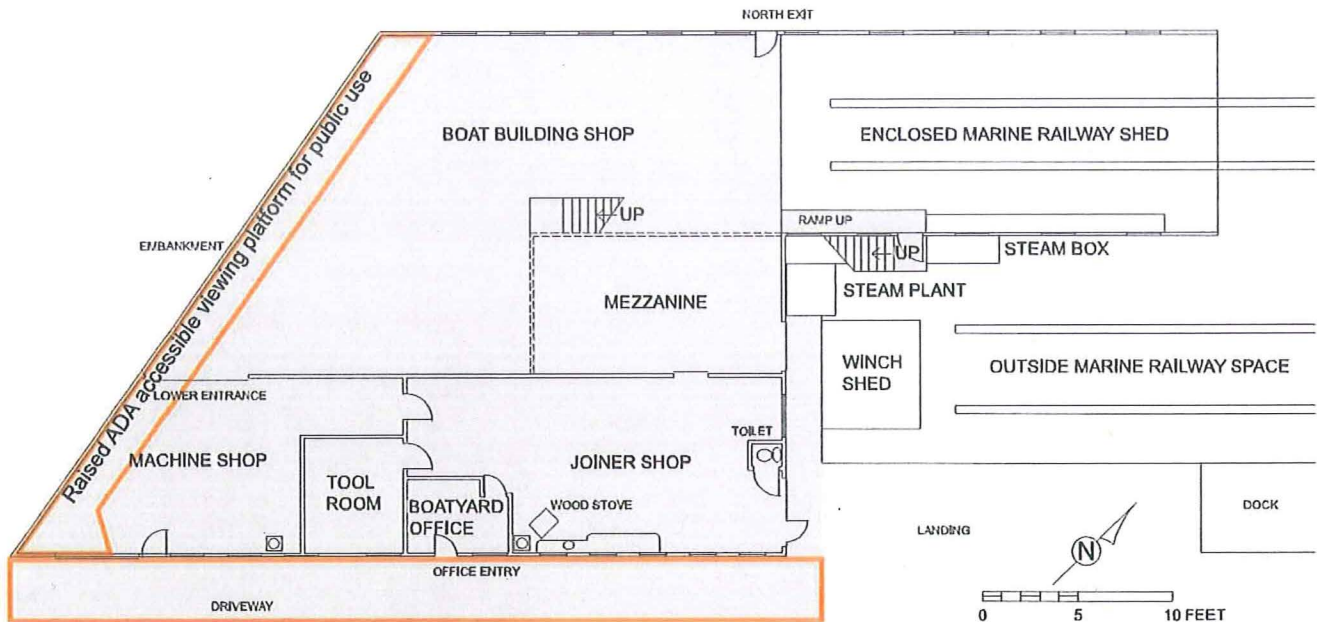


DIAGRAM A: BOAT BUILDING - LOWER FLOOR

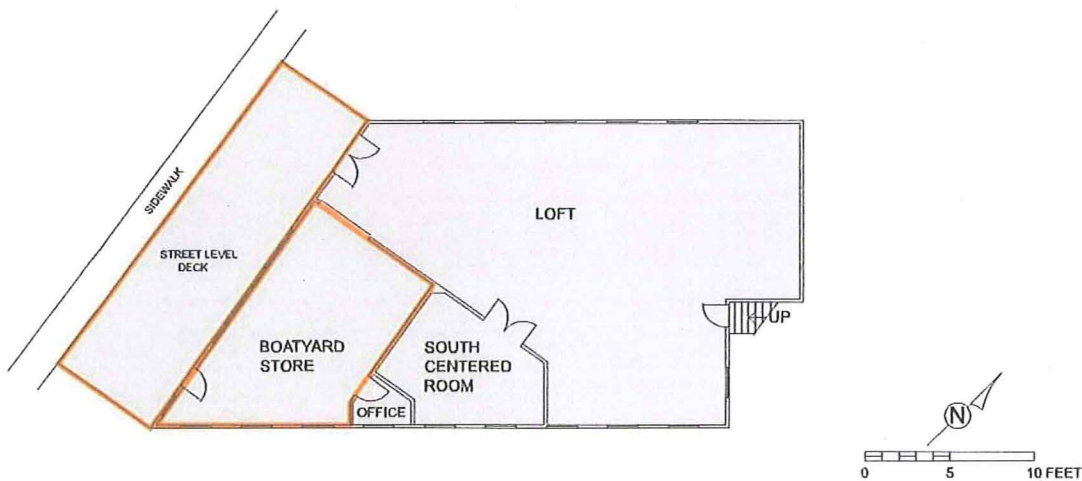


DIAGRAM B: BOAT BUILDING - UPPER FLOOR

Leased space.

Access to GHB staff & certified GHB program participants as follows:

Lower floor: Boat building shop, joiner shop, machine shop: Boat building, repair & restoration activities, classes

Mezzanine: Storage

Boatyard Office: Programming staff activities/management

Tool room: Tool storage

Upper floor: Loft & South Centered Room: Lofting, boat building, repair & restoration activities, classes

Office: Boatyard Store office activities

Boatyard Store: Retail sales activities

Limited public access

**FIRST AMENDMENT
TO
LEASE AGREEMENT BETWEEN
THE CITY OF GIG HARBOR AND
GIG HARBOR BOATSHOP**

THIS FIRST AMENDMENT to the Lease Agreement between the City of Gig Harbor and the Gig Harbor BoatShop entered on August 21, 2007 (the "Agreement"), is made and entered into as of this 1st day of December, 2010, by and between the CITY OF GIG HARBOR, a Washington municipal corporation (the "City"), and the GIG HARBOR BOATSHOP, a Washington non-profit corporation ("GHB"), collectively referred to as the "parties."

RECITALS

WHEREAS, the City currently leases to GHB the property located at 3805 Harborview Drive, Gig Harbor, WA, which includes the building commonly known as the Eddon Boat Building; and

WHEREAS, the City is constructing a pier, ramp and float at the same location, to be completed in 2010; and

WHEREAS, GHB proposes that the Agreement be amended to include use of the pier, ramp and float for Gig Harbor BoatShop program and event-related activities as defined in the Agreement; and

WHEREAS, the City desires to reserve the right to use the pier, ramp and float or any portion thereof at no cost for special events and other City needs in coordination and consideration of GHB's schedule of events and programming; and

WHEREAS, the benefits derived by the public from GHB's activities (as specifically detailed in Section 5 of the Agreement) are sufficient to allow the use of the pier, ramp and float;

NOW, THEREFORE, in consideration of the mutual promises below, the parties hereby amend the Agreement as follows:

AMENDMENTS

Section 1. Purpose and Identification of the Premises. Section 1 of the Agreement is amended to read as follows:

The purpose of this Agreement is to lease the portion of the Eddon Boat property outlined on the maps marked Exhibit A and Exhibit C, which are

attached hereto and incorporated by reference. The legal description of the Property is:

Section 5, Township 21, Range 2, Quarter 33: COM AT MC AT NW COR LOT 7 TH S 41 DEG 03 MIN E 75.21 FT ALG ML TH S 26 DEG 03 MIN E 200 FT TO TRUE POB TH CONT S 26 DEG 03 MIN E 125.5 FT TH S 19 DEG 49 MIN W 79 FT TH S 50 DEG 55 MIN W 162.65 FT TO HWY TH NLY ALG ELY LI HWY TO PT S 54 DEG 48 MIN W FROM POB TH N 54 DEG 48 MIN E 145 FT TO POB TOG/W TDLDS ABUTT.

The leased portion includes what is commonly known as the Eddon Boat Building and the pier, ramp, and float located on the property. In addition to the Eddon Boat Building and the pier, ramp, and float, this Lease shall include the non-exclusive right to use the parking areas and driveway shown on Exhibit A, along with reasonable egress and entry from the Eddon Boat Building and the pier, ramp, and float. The area shown in the outline on Exhibit A and C is defined to be the "Premises." The leased area does not include the tidelands adjacent to the Premises.

Section 4. Inspection. GHB represents that it has inspected the pier, ramp, and float portion of the Premises and accepts them "as is." All other terms of Section 4 shall apply to the pier, ramp, and float.

Section 17. Insurance. All insurance requirements listed in the original lease remain the same and shall apply to the lessee's use of the pier, ramp and float portion of the premises as outlined in this addendum.

Section 18. Care of Premises. The second paragraph of Section 18 is amended to read as follows:

HVAC/heating maintenance, fire sprinkler system maintenance, plumbing, electrical, pest control, roof maintenance, exterior painting, foundation, furnace maintenance and any general maintenance repairs the sum for which exceeds \$1,000 annually will be paid by the City. The City shall have the discretion to determine which activities shall be done, when they shall be done and the extent of such repair and/or maintenance. In addition, the City shall perform and pay for all maintenance required for the pier, ramp, and float portion of the Premises. The City will notify the Lessee prior to conducting such maintenance and will attempt to schedule the construction or work so as not to unduly interfere with the Lessee's activities. The City retains the authority to conduct the maintenance or repair work at its discretion if scheduling cannot be mutually arranged. Lessee shall be responsible for all repairs required as a result of damage caused by the Lessee, its employees, volunteers, permittees and invitees.

Section 21. Access. Section 21 of the Agreement is amended to read as follows:

Lessee shall allow Lessor, its officials, employees, and agents free access at all reasonable times to the Premises in addition to the access required for environmental matters in Section 10. Nothing herein shall prevent the City's access or free use of the remainder of the Eddon Boat Property. Areas of public access are shown in Exhibit B, attached hereto and incorporated herein by this reference. In addition, the Lessee acknowledges that the Lessor reserves the right to use the pier, ramp and float portion of the Leased Premises at no cost for special events and other public needs in coordination with the City and consideration of GHB's schedule of events and programming.

Section 24. Signs. In accordance with Section 24 of the Agreement, the Lessor agrees to placement of the following signs:

- (1) Two signs, one each posted at the southernmost and northernmost side of the float, to read: "3-Hour Transient Moorage - Dinghies/Kayaks/Canoes, Bow Tied Only."
- (2) One sign, posted on the easternmost side of the float, to read: "Reserved for GHB"

The signs will be placed and paid for by the Lessor. In addition, Lessee may post temporary signage or cones for special events and programs at the northernmost side of the float.

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 Amendment effective as of the date first written above.

CITY OF GIG HARBOR

By: Charles L. Hunter
Mayor Charles L. Hunter

GIG HARBOR BOATSHOP

By: [Signature]
Its: President

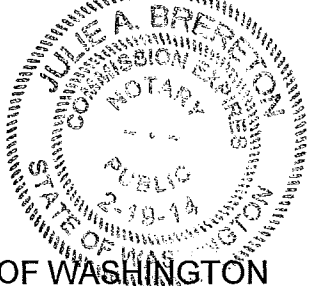
APPROVED AS TO FORM:

Angela S. Belbeck
Angela S. Belbeck, City Attorney
STATE OF WASHINGTON)

COUNTY OF PIERCE) ss.
)

I certify that I know or have satisfactory evidence that Guy E Hoppen 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 President of GIG HARBOR BOATSHOP, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 12-14-10

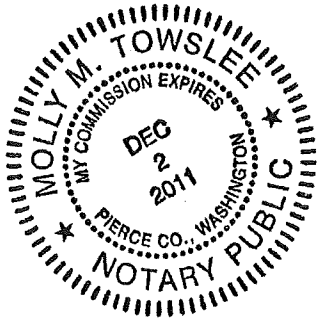


Julie A Brereton
Printed: Julie A Brereton
NOTARY PUBLIC in and for Washington
Residing at: Gig Harbor
My appointment expires: 2-19-14

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

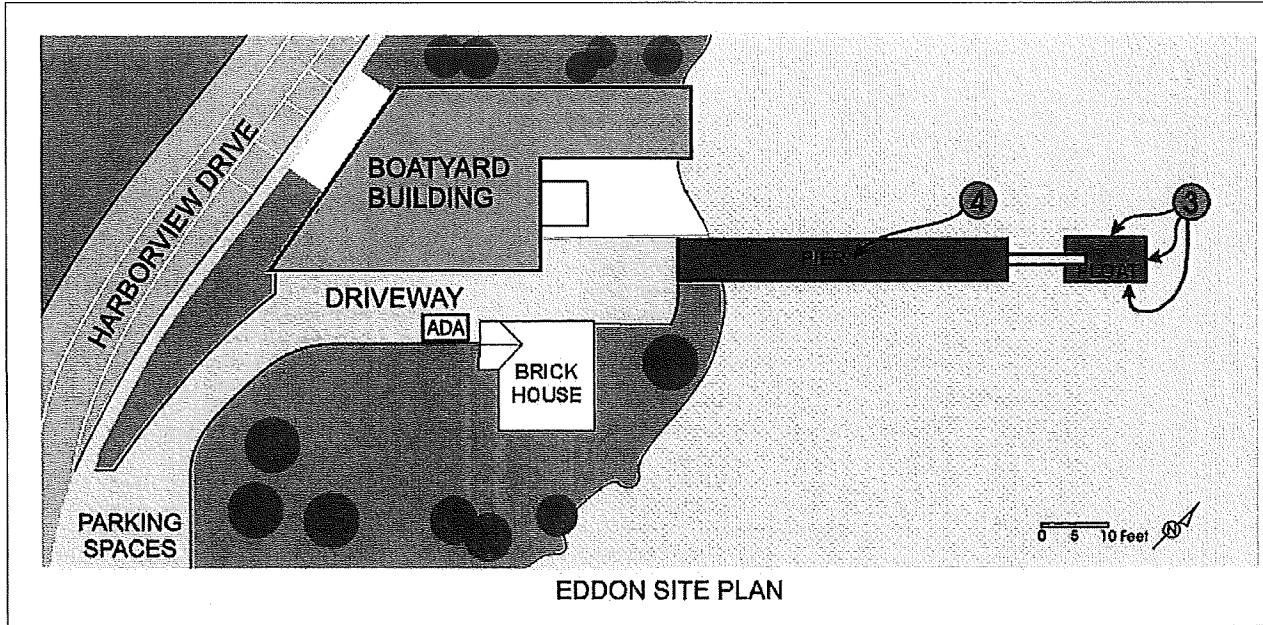
I certify that I know or have satisfactory evidence that CHARLES L. HUNTER is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of the CITY OF GIG HARBOR, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 12/14/10



Molly M Towslee
Printed: Molly M Towslee
NOTARY PUBLIC in and for Washington
Residing at: Gig Harbor
My appointment expires: 12/2/2011

Exhibit C



Gig Harbor BoatShop will have new access to the Pier (#1) and the Float (#2) with dedicated use as provided under Section 24. Signs.

March 9, 2015

Gig Harbor City Council
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Dear Council Members,

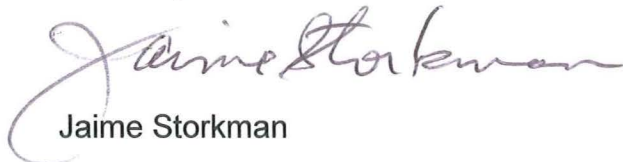
I am here to share my concern for the Gig Harbor BoatShop's use of the unique property known as Eddon Boatyard. I have had the privilege of volunteering at the BoatShop and I serve on the Board of Directors. My wife and I have owned and sailed our Thunderbird sailboat for nearly 40 years and I am the primary caretaker and skipper of the BoatShop's T-Bird *Pirouette*.

Part of the continued programming growth of the BoatShop is the development of our livery system designed to increase opportunities for public access to on the water experiences. We currently use the float's east side to moor *Pirouette*, and the north side for various rowboats, an electric launch and *Porpoise*, a replica of the Wilkes Expedition ship's gig. The south side of the dock is left available as short-term public moorage for other small craft. The 15 by 20 foot float can be crowded space to say the least. Our programs and the growing awareness of this water access by the general public are increasing every year and promises to overwhelm the small float even without the addition of another programming organization.

Another major factor here is the tidal limit of low water, particularly during the summer months. This can make leaving and returning to the dock a challenge. We have to schedule *Pirouette* sailings around the tides and consider the steepness of the ramp when moving long objects such as the oars and masts of *Porpoise*. The foot of the ramp at low tide is only 12' from east side of the float where *Pirouette* moors. The tidal nature of the dock and float preclude expansion, as federal and state agencies will not permit overwater structures that rest on the tidal bottom.

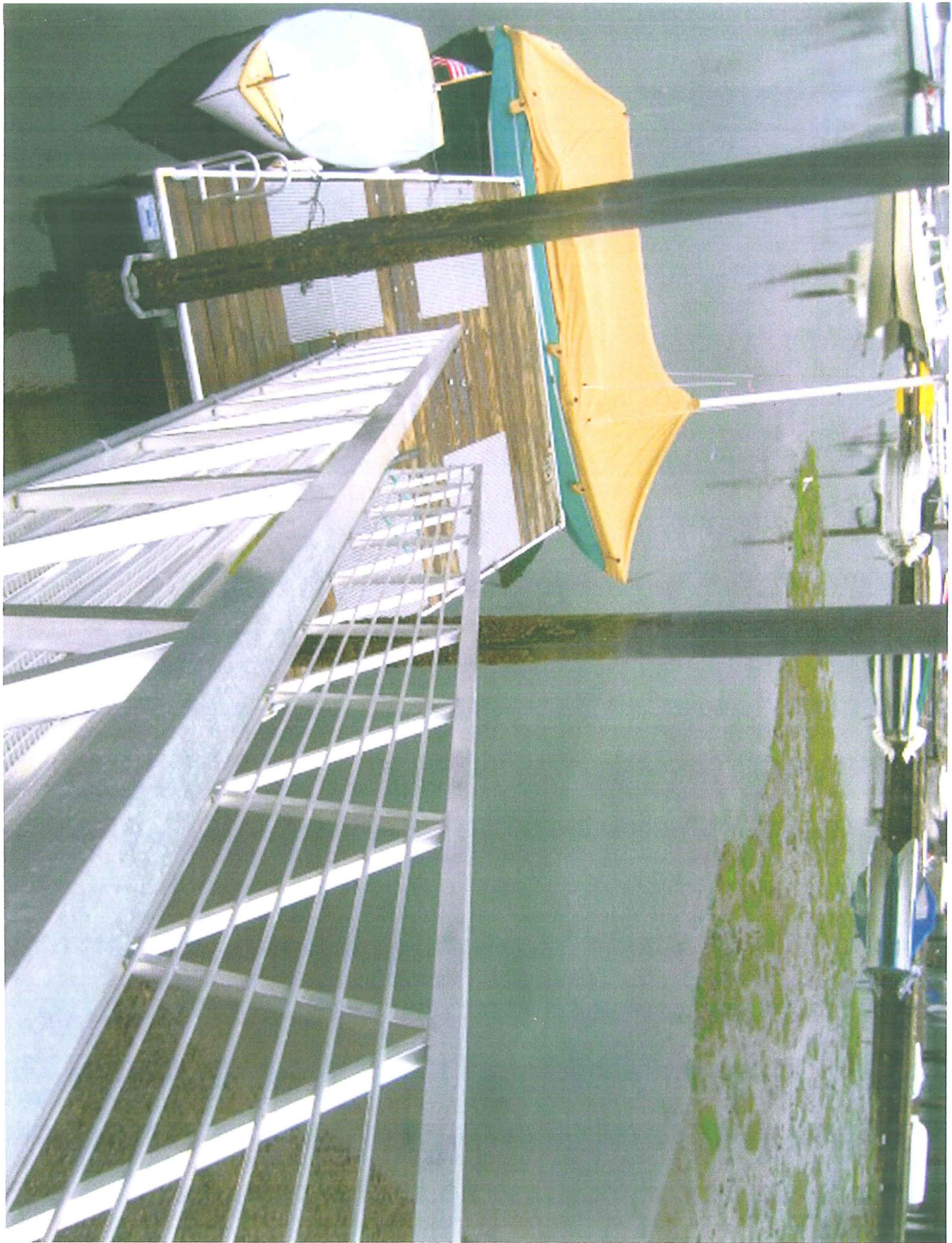
We can manage our safe use and program scheduling at the site currently, but the addition of another major group's impact on a daily basis in this constricted area will adversely affect the BoatShop's ability to operate. We are trying to encourage public access to Gig Harbor's waters and hope that City Council Members will support us as we develop, grow, and fulfill our lease commitment to provide public programming. Please do not allow another major use to compete with GHB and the public in this limited space.

Sincerely,



Jaime Storkman





STEPHANIE LILE
PO Box 2121
GIG HARBOR, WA 98335
253-677-4870 • STEPHANIELILE@GMAIL.COM

March 9, 2015

Gig Harbor City Council
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Dear Council Members:

I am writing on behalf of the Gig Harbor BoatShop concerning its lease and proposal for use of the Eddon Park House. As a board member of the BoatShop, I am very honored serve in the role of assisting with fund-raising and programming within this very community-centered organization. Although I am unable to attend today's meeting, I want to bring your attention to the BoatShop's ongoing commitment to programming the Eddon Park site, as per our long-term lease with the city.

It is essential that you are aware of the following:

The BoatShop has received a number of grants that directly support our spring and summer on-the-water programs, and we must have the ability to program the site to its fullest capacity in order to honor those funders and the good faith they have put in us to serve our community.

The BoatShop's dedication and service to the community is evident in the house-use proposal that we submitted to the city council last year. As you will recall, that proposal granted office space to the BoatShop upstairs and management of a combined programming area downstairs. In support of that proposal, we have submitted a significant heritage capital grant to the State of Washington to help fund the renovation of the house as a lease/tenant improvement. This grant will be jeopardized if another programming organization is granted use.

In view of these key points, I ask that you honor our lease and support our house-use proposal—a proposal that will ultimately benefit the entire community.

Sincerely,

Stephanie Lile, M.Ed., MFA
Board Secretary, Gig Harbor BoatShop
Lecturer in Nonprofit & Museum Studies | University of Washington Tacoma

Some of you on Council were part of the Save Eddon Boat campaign that started back in 2005.

You probably remember the overwhelming support where 62% voted to tax ourselves so that we could purchase and preserve this section of historic working waterfront.

Fast forward to today, and Gig Harbor BoatShop has not only succeeded in doing that, but they are gaining national attention for their work. People around the country want to know how they've managed to -- not only save a historic building that characterizes the town's maritime heritage, but to thrive.

The reasons are pretty clear...

- sound leadership,
- hard work,
- a broad base of local volunteers that believe in the mission that was started over a decade ago.
- And finally and most importantly -- City Council's vision and decision to obligate the property for 20 years.

When the lease agreement was developed, it was written in good faith with the intent of securing 2 shared and proportionately appropriate uses for the site: community boatbuilding and public access.

The recent proposal for use of the Brick house ALSO REQUIRES use of the pier, ramp and float -- an area that's already obligated to a tenant and the general public.

I hope
~~We ask that~~ the City honor their lease agreement and steer clear of jeopardizing the current tenant's future. Adding another user will take away the public's ~~right~~ *ability* to enjoy the site. There simply isn't enough room.