

City Council Meeting

**November 28, 2016
5:30 p.m.**



**AGENDA FOR
GIG HARBOR CITY COUNCIL MEETING
Monday, November 28, 2016 – 5:30 p.m.**

CALL TO ORDER / ROLL CALL:

PLEDGE OF ALLEGIANCE:

PRESENTATIONS: Behavioral Health Update – County Councilmember Derek Young.

CONSENT AGENDA:

1. Approval of City Council Minutes Nov 14, 2016.
2. Liquor License Action: a) Application – Hy lu Hee Hee
3. Receive and File: a) City Council Worksession Minutes Nov. 14, 2016
4. Second Reading of Ordinance No. 1349 – Hearing Examiner Authority and Appeals
5. Resolution No. 1054 - Hearing Examiner Rules of Procedure
6. Gordon Thomas Honeywell 2017 Lobbyist Contracts
7. Resolution No. 1055 – Harbor Hill S2-S6 Final Plat and PRD.
8. Approval of Payment of Bills for November 28, 2016: Checks #82723 through #82834 in the amount of \$761,303.95

OLD BUSINESS:

1. Second Reading of Ordinance No. 1350 - 2016 Comprehensive Plan Amendments and Resolution No. 1056 - Smith Development Agreement

NEW BUSINESS:

1. Resolution No. 1057 – Rust Street Vacation – David and Jayme Jones.
2. First Reading and Adoption of Ordinance No. 1351 – Harbor Hill S2-S6 Final Plat and PRD
3. Public Hearing, First Reading of Ordinance – 2017-18 Biennial Budget

PUBLIC COMMENT:

STAFF REPORT:

COUNCIL REPORTS / COMMENTS:

Intergovernmental Affairs Committee: Mon. Nov 28th – Councilmember Payne.

CITY ADMINISTRATOR REPORT:

MAYOR'S COMMENTS:

ANNOUNCEMENT OF OTHER MEETINGS:

1. Special City Council Meeting: Dec. 5th at 5:30 p.m.
2. Boards and Candidate Review: Tue. Dec 6th at 4:00 p.m.
3. LTAC Special Meeting: Tue. Nov 29th at 9:30 a.m.
4. Intergovernmental Affairs Special Meeting Mon Dec 12th at 1:00 p.m.
5. Public Works Committee: Mon. Dec 12th at 4:00 p.m.

EXECUTIVE SESSION: To discuss potential litigation per RCW 42.30.110(i) and property acquisition per RCW 42.30.110(1)(b).

ADJOURN:

Americans with Disabilities (ADA) accommodations provided upon request. Those requiring special accommodations please contact the City Clerk at (253) 853-7613 at least 24 hours prior to the meeting.



Behavioral Health Update

Derek Young, *Councilmember*



Pierce County

Serving the residents of Gig Harbor, Key Peninsula, Fox Island, McNeil Island, Town of Ruston, and parts of West & North Tacoma

Point in Time Summary

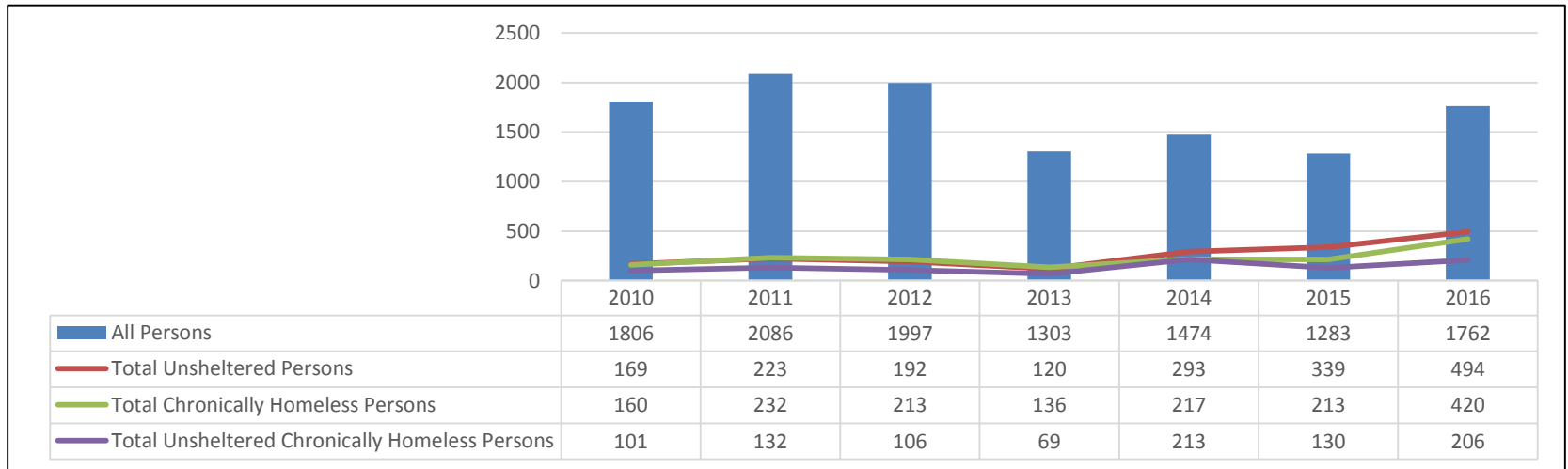


- 1,762 individuals counted
 - 972 single adults (55%)
 - 700 family members (40%)
 - 90 unaccompanied youth and young adults (5%)
- 1,268 sleeping in shelter or transitional housing
- 494 sleeping outside or place not meant for human habitation



Pierce County
Community Connections

Point in Time Summary



Point in Time Summary



PIT Jan 2016	Sheltered	Unsheltered	Totals	2010-2016
All Persons - Sheltered	1268	N/A	1268	-23%
All Persons - Unsheltered	N/A	494	494	192%
Chronically Homeless Persons	214	206	420	163%
Veterans	99	91	190	35%
Youth and Young Adults	65	25	90	N/A
Survivors of Domestic Violence	358	129	487	159%
Family Households	204	27	231	-31%
Chronically Homeless Family Households	29	10	39	117%





Opioid Epidemic

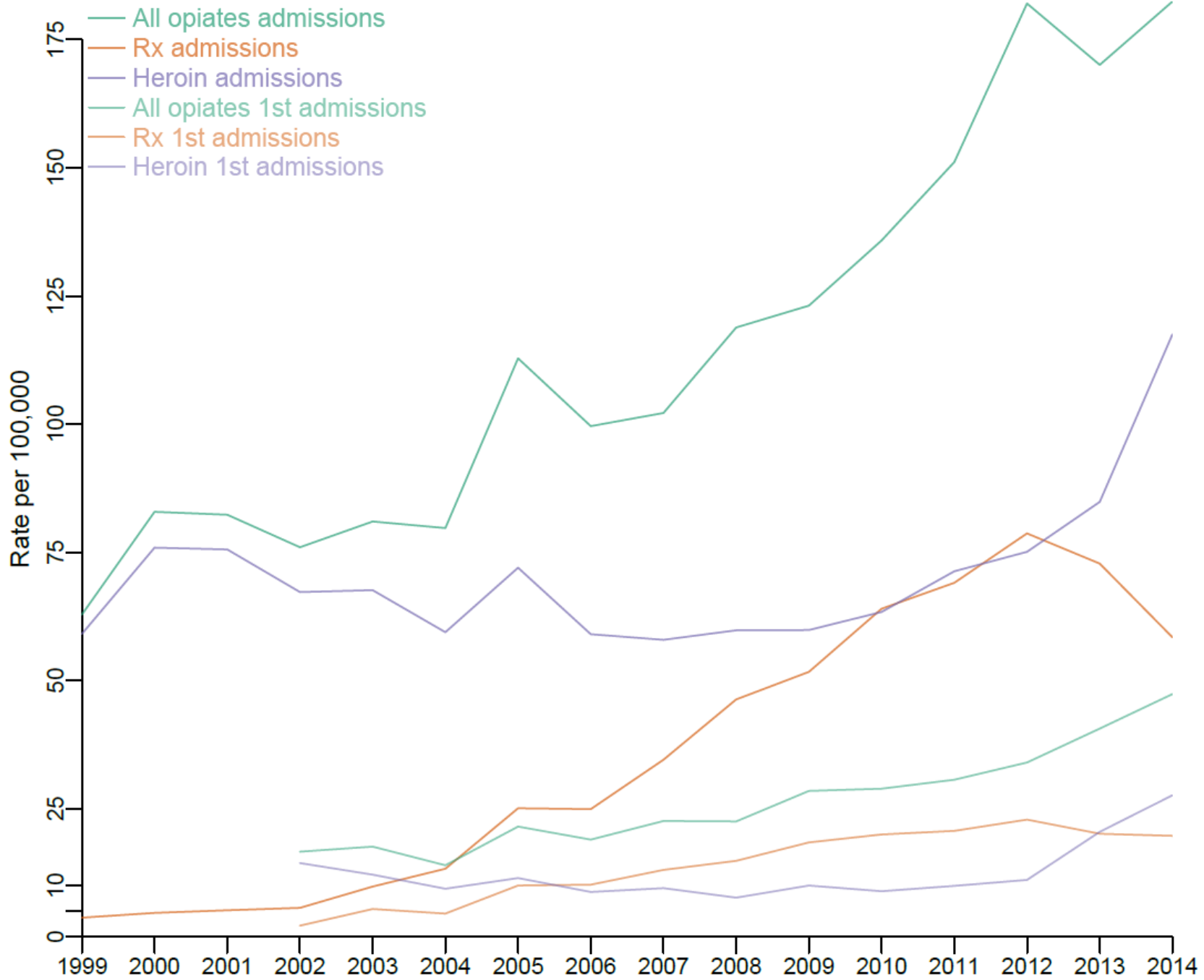
Death Rate – 704 people died from opioid overdoses between 2005-2014 (52 deaths in 2005, 68 in 2014).

First-Time Admissions for Treatment – 3,424 people sought treatment for opioid addiction between 2002-2015 (129 in 2002, 438 in 2015).

Police Evidence Testing Positive for Opioids– 1,042 cases between 2002-2015 (63 in 2002, 91 in 2015).

“A majority of heroin users surveyed in Pierce County in 2015 said they were initially hooked on opioid medications then turned to heroin, a cheaper more readily available method to achieve a high similar to opioid medications,”

- Caleb Banta-Green, Senior Research Scientist UW, ADAI.



The Crisis



EMERGENCY

- Washington State is 48th out of 50 states when looking at the prevalence of mental health services compared to access of care, particularly when it comes to inpatient capacity.
- The national average is 26.1 per 100,000 residents – Washington State averages 8.3 beds.
- Pierce County is even worse and ranks at the bottom of all urban counties, with 2.8 beds per 100,000. The fact is Pierce and South King County have the great distinction of being one of the worst areas in all of the United States for mental health beds.



FAQ

Can you put it on the ballot?

RCW 82.14.460(1)(a) A county legislative authority may authorize, fix, and impose a sales and use tax in accordance with the terms of this chapter.

How much will it cost?

- 1/10th of 1 percent would generate about \$11,100,000.
- Per person that amounts about \$17 annually.
- Roughly \$46 annually per household.

FAQ part 2

What will it be spent on?

- Wellness, Prevention, Early Intervention & Treatment
- Crisis Management
- Recovery and Re-entry Programming
- System Improvements
- Therapeutic Courts

Policies on regional equity:

“The County shall appropriate this revenue in a manner that is as efficient as possible while also ensuring geographic and demographic equity.”



Questions?

Derek M. Young

District 7 Council Member

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Pierce County Council

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Committee Amendment No. 4
Proposal No. 2016-57
Salmon

November 28, 2016

To: Public Safety, Human Services, and Budget Committee
From: Councilmember Derek Young
Hearing Date: November 28, 2016
Attachment: Replacement Exhibit A
New Exhibits B, C and D
Subject: Proposal No. 2016-57 – Mental Health or Chemical Dependency Services

I recommend the following amendments to Proposed Ordinance No. 2016-57:

1. On page 1 of the proposal, lines 9-18, amend the Title as follows:

"An Ordinance of the Pierce County Council Amending Section 2.06.030 of the Pierce County Code, "Other Departments and Offices," to Create the Office of Behavioral Health Oversight; Amending Chapter 2.51 of the Pierce County Code, "Chemical Dependency Advisory Board," to Replace the Chemical Dependency Advisory Board with the Newly Created Behavioral Health Coordinating Committee"; Amending Chapter 4.28 of the Pierce County Code, "Sales and Use Tax"; Amending Section 4.48.020 of the Pierce County Code, "Special Revenue Funds"; Authorizing the Levy and Collection of an Additional Sales and Use Tax of One-Tenth of One Percent for Mental Health or Chemical Dependency Services Behavioral Health or Therapeutic Courts; Providing for Allocation and Use of Taxes Received; Providing for Administration of Taxes Collected; Proscribing Prescribing Violations and Penalties; and Directing Tax Collection to Begin at the Earliest Date Consistent with Revised Code of Washington 82.14.055; and Adopting a Planning Framework for the Behavioral Health Coordinating Committee."

2. On page 1 of the proposal, lines 20 through 47, delete the Whereas clauses in their entirety and replace with the following:

"Whereas, Revised Code of Washington (RCW) 82.14.460 allows for new or expanded mental health and substance abuse programs and the operation of new or expanded therapeutic court programs. These programs and services may include implementing a full continuum of treatment services, transportation, housing, employment, and case management services focusing on the prevention and reduction of chronic homelessness and unnecessary involvement in the criminal justice and emergency medical systems and promoting recovery for persons with disabling mental illness and substance use disorders; and

Whereas, the County seeks to promote adequate, stable funding for mental health and substance use disorder services in Pierce County; to ensure timely, affordable access to mental health and substance use disorder services focusing on wellness, prevention, early intervention and treatment; to provide crisis management and recovery and re-entry programming; and to improve continuity of care and services and ensure system improvements; and"

3. On page 2 of the proposal, beginning on line 17, insert the following new Sections and renumber the remaining Sections accordingly:

"Section 3. Chapter 2.51 of the Pierce County Code, 'Chemical Dependency Advisory Board,' is hereby amended as shown in Exhibit B, which is attached hereto and incorporated herein by reference.

Section 4. Section 4.48.020 of the Pierce County Code, 'Special Revenue Funds,' is hereby amended as shown in Exhibit C, which is attached hereto and incorporated herein by reference.

Section 5. The Council adopts a planning framework for the Behavioral Health Coordinating Committee as provided in the policy document 'Behavioral Health or Therapeutic Courts Sales and Use Tax Policies' as shown at Exhibit D, which is attached hereto and incorporated herein by reference."

4. Replace the current Exhibit A with the attached, revised Exhibit A.
5. Insert new Exhibits B, C and D to the proposal, as attached.

Chapter 4.28

SALES AND USE TAX

Sections:

- 4.28.010 Imposition – Collection.**
- 4.28.020 Rate.**
- 4.28.030 Administration.**
- 4.28.040 Credit.**
- 4.28.050 Inspection of Records.**
- 4.28.060 Violations.**
- 4.28.070 Additional Tax – Imposition – Collection.**
- 4.28.080 Additional Tax – Rate.**
- 4.28.090 Additional Tax – Administration – Violations.**
- 4.28.100 Additional Tax – Relationship to City Tax – Credit.**
- 4.28.110 Criminal Justice Purposes Tax – Imposition.**
- 4.28.120 Criminal Justice Purposes Tax – Rate.**
- 4.28.130 Criminal Justice Purposes Tax – Allocation.**
- 4.28.140 Criminal Justice Purposes Tax – Distribution.**
- 4.28.150 Criminal Justice Purposes Tax – Administration, Violations and Penalties.**
- 4.28.160 ~~Criminal Justice Purposes Tax~~ – Severability Behavioral Health or Therapeutic Courts Tax – Imposition.**
- 4.28.170 Behavioral Health or Therapeutic Courts Tax – Rate.**
- 4.28.180 Behavioral Health or Therapeutic Courts Tax – Allocation and Use.**
- 4.28.190 Behavioral Health or Therapeutic Courts Tax – Administration, Violations and Penalties.**
- 4.28.200 Severability.**

4.28.010 Imposition – Collection.

There is imposed a sales or use tax, as the case may be, upon every taxable event, as defined in RCW 82.14.020, occurring within the County. The tax shall be imposed upon and collected from those persons from whom the State Sales or Use Tax is collected pursuant to RCW Chapters 82.08 and 82.12.

4.28.020 Rate.

The rate of the tax imposed by Section PCC 4.28.010 shall be one-half of one percent of the selling price or value of the article used, as the case may be.

4.28.030 Administration.

The administration and collection of the tax imposed by this Chapter shall be in accordance with the provisions of RCW 82.14.050.



1 **4.28.040 Credit.**

2 There shall be allowed against the tax imposed by this Chapter a credit for the full amount of
3 any city sales or use tax imposed upon the same taxable event, as defined in RCW 82.04.020
4 82.14.020, upon which a tax is imposed by this Chapter.

5
6 **4.28.050 Inspection of Records.**

7 The County consents to the inspection of such records as are necessary to qualify the County
8 for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330.

9
10 **4.28.060 Violations.**

11 Any seller who fails or refuses to collect the tax as required with the intent to violate the
12 provisions of this Chapter or to gain some advantage or benefit, either direct or indirect, and any
13 buyer who refuses to pay any tax due under this Chapter is guilty of a misdemeanor.

14
15 **4.28.070 Additional Tax – Imposition – Collection.**

16 Pursuant to the authority granted in RCW 82.14.030(2) contained in Chapter 49, Section 17,
17 Laws of Washington, 1982-1st Extraordinary Session, there is imposed an additional sales and
18 use tax, as the case may be, upon every taxable event as defined in RCW Title 82, within the
19 County. The tax shall be imposed and collected pursuant to RCW Chapters 82.08 and 82.12.

20
21 **4.28.080 Additional Tax – Rate.**

22 The rate of tax imposed by Section PCC 4.28.070 shall be five-tenths of one percent of the
23 selling price (in the case of sales tax) or value of the article (in the case of use tax).

24
25 **4.28.090 Additional Tax – Administration – Violations.**

26 The provisions of Sections PCC 4.28.030, 4.28.050 and 4.28.060 apply to the additional tax
27 imposed by Section PCC 4.28.070.

28
29 **4.28.100 Additional Tax – Relationship to City Tax – Credit.**

30 Should any city within Pierce County impose an additional sales and use tax pursuant to the
31 authority granted such cities under RCW 82.14.030(2), Chapter 49, Section 17, Laws of
32 Washington, 1982-1st Extraordinary Session, then the relationship between such city tax and
33 County tax shall be as set forth in the authorizing statute including the credit described in Section
34 84.14.040 (2), Chapter 49, Section 18, Laws of Washington, 1982-1st Extraordinary Session.

35
36 **4.28.110 Criminal Justice Purposes Tax – Imposition.**

37 Pursuant to the authority granted in RCW 82.14.340, Chapter 21, Section 6, Laws of
38 Washington, 1993-1st Special Session, there is imposed an additional sales and use tax upon
39 every taxable event within Pierce County.

40
41 **4.28.120 Criminal Justice Purposes Tax – Rate.**

42 The rate of the sales and use tax imposed by Section PCC 4.28.110 shall be one-tenth of one
43 percent of the selling price or value of the article.

44
45 **4.28.130 Criminal Justice Purposes Tax – Allocation and Use.**

- 46 A. At least 25 percent of Pierce County's tax revenues received as a result of the authority
47 granted in RCW 82.14.340, Chapter 21, Section 6, Laws of Washington, 1993-1st



1 Special Session, shall be expended on prevention and related preventative children's
2 services. The remaining tax revenue received by Pierce County (up to 75 percent) shall
3 be expended on traditional criminal justice services and purposes.

- 4 B. The tax revenue received by Pierce County as a result of RCW 82.14.340 shall not be
5 expended until the funding recommendations as required by Ordinance No. 93-98 have
6 been approved by the Pierce County Council and Pierce County Executive.

7
8 **4.28.140 Criminal Justice Purposes Tax – Distribution.**

9 Distribution to Pierce County and the cities within Pierce County of the revenues collected
10 pursuant to PCC Sections 4.28.110 and .120 shall occur as provided in RCW 82.14.340.

11
12 **4.28.150 Criminal Justice Purposes Tax – Administration, Violations and Penalties.**

13 The provisions of PCC Sections 4.28.030, 4.28.050 and 4.28.060 apply to the criminal justice
14 purposes tax imposed pursuant to PCC Sections 4.28.110 and 4.28.120.

15
16 ~~**4.28.160 Criminal Justice Purposes Tax – Severability.**~~

17 ~~If any provision of this Chapter or its application to any person or circumstance is held~~
18 ~~invalid, the remainder of the Chapter or the application of the provisions to other persons or~~
19 ~~circumstances shall not be affected.~~

20
21 **4.28.160 Behavioral Health or Therapeutic Courts Tax – Imposition.**

22 Pursuant to the authority granted in RCW 82.14.460, there is imposed an additional sales and
23 use tax upon every taxable event within Pierce County except sales of lodging where additional
24 sales and use tax imposed by this Section would exceed sales and use tax limits provided for by
25 RCW 82.14.410.

26
27 **4.28.170 Behavioral Health or Therapeutic Courts Tax – Rate.**

28 The rate of the sales and use tax imposed by PCC 4.28.160 shall be one-tenth of one percent
29 of the selling price or value of the article.

30
31 **4.28.180 Behavioral Health or Therapeutic Courts Tax – Allocation and Use.**

32 Moneys collected under PCC 4.28.160 and 4.28.170 must be used as provided for at RCW
33 82.14.460.

34
35 **4.28.190 Behavioral Health or Therapeutic Courts Tax – Administration, Violations and**
36 **Penalties.**

37 The provisions of PCC 4.28.030, 4.28.040, 4.28.050 and 4.28.060 apply to the Behavioral
38 Health or Therapeutic Courts tax imposed pursuant to PCC 4.28.160 and 4.28.170.

39
40 **4.28.200 Severability.**

41 If any provision of this Chapter or its application to any person or circumstance is held
42 invalid, the remainder of the Chapter or the application of the provisions to other persons or
43 circumstances shall not be affected.

44
45 n:\legislative meetings\2016\public safety, human services & budget_working folder\amendment memos\2016-57 comam4
46 attachment exhibit a.docx



Only those portions of Title 2 that are proposed to be amended are shown. Remainder of text, tables, maps and/or figures is unchanged.

2.06.030 Other Departments and Offices.

A. The following departments and offices are established:

1. Tacoma-Pierce County Health Department;
2. Prosecutor;
3. Communications;
4. Behavioral Health Oversight.

NOTE: The following departmental descriptions are intended to designate the powers and responsibilities of those departments and are not intended to limit the Pierce County Executive or department directors with regard to the departments' internal organizational structure.

E. Behavioral Health Oversight. The Office of Behavioral Health Oversight is hereby created as a division of the legislative branch of County government, under the sole authority and direction of the County Council.

1. The powers and duties of this office include the following:
 - a. Assist the County Council develop, oversee and evaluate plans for the expenditure of monies received from the chemical dependency or mental health and therapeutic sales and use tax; and
 - b. Provide administrative staff support to the Pierce County Behavioral Health Coordinating Committee.
 - c. Coordinate with Community Connections and any other county departments to provide technical assistance to the Pierce County Behavioral Health Coordinating Committee as requested by the Chair of that Committee.



Chapter 2.51

**CHEMICAL DEPENDENCY ADVISORY BOARD
BEHAVIORAL HEALTH COORDINATING COMMITTEE**

Sections:

- 2.51.010 Board Committee Created.
- 2.51.020 Purpose.
- 2.51.030 Membership – Terms of Office.
- 2.51.035 Vacancies.
- 2.51.040 Composition.
- 2.51.050 Meetings.
- 2.51.060 Removal from Office.
- 2.51.070 Notice of Plan Required.

Cross-references: Chapters 69.54, 70.96 RCW

2.51.010 Board Committee Created.

There is hereby created a Behavioral Health Coordinating Committee Chemical Dependency Advisory Board for the purpose of consolidating the functions and purposes of the Administrative Board for Alcoholism and the Administrative Board for Drug Abuse.

2.51.020 Purpose.

The Behavioral Health Coordinating Committee Chemical Dependency Advisory Board shall serve in an advisory capacity to assist the County in meeting the comprehensive planning responsibilities required by applicable laws of the State of Washington recommend expenditures from the Behavioral Health or Therapeutic Courts Sales and Use Tax Fund and to help coordinate delivery of behavioral health services throughout Pierce County by:

- A. Creating a strategic plan for system improvements with clearly articulated goals, objectives, outcomes and action steps prioritizing areas for short-, medium-, and long-term change including, but not limited to, a focus on community education, prevention and early intervention, community-based services, crisis and inpatient services, outpatient treatment and services for the justice involved;
- B. Creating or identifying performance and outcome measures to incentivize and assess change with emphasis on accountability and key milestones;
- C. Engaging community stakeholders in an ongoing, inclusive way to promote a shared vision for a healthy and coordinated system;
- D. Operating in concert with existing behavioral health initiatives and regional workgroups;
- E. Working with Washington State to ensure alignment with relevant state initiatives and facilitate implementation of the strategic plan;
- F. Identifying and pursuing sustainable funding sources to enhance Pierce County's limited prevention, early intervention and treatment system resources;
- G. Identifying and addressing potential concerns as they emerge to ensure smooth transitions and to prevent disruption in progress; and



1 H. Developing strategies to ensure that system principles are included and that data
2 elements required for system accountability are adopted.
3

4 **2.51.030 Membership – Terms of Office.**

5 Members of the Board Committee shall be appointed by the County Executive and confirmed
6 by a majority of the Council by Resolution. The Board Committee shall consist of a minimum of
7 9 members and a maximum of 19 members.

8 The first terms of the Board members shall be staggered as follows:

- 9 A. Six shall be appointed for one year;
- 10 B. Six shall be appointed for two years; and
- 11 C. Seven shall be appointed for three years.

12 Thereafter, the successors to the first appointment shall be appointed for 3-year terms. No
13 member of the Board Committee shall serve more than two consecutive full terms of office.
14

15 **2.51.040 Composition.**

16 The Committee shall consist of a maximum of 19 members, and will include the designated
17 number of representatives from each of the following officials, entities and/or industries
18 operating in Pierce County:

- 19 A. A staff designee from each of the following departments: Sheriff, Superior Court,
20 District Court, and the Tacoma-Pierce County Health Department.
- 21 B. One staff designee each from the cities of Lakewood, Puyallup and an additional city
22 selected by the Pierce County Regional Council.
- 23 C. One representative each from the following service providers operating in Pierce
24 County:
 - 25 1. emergency medical service providers;
 - 26 2. providers of both mental health and chemical dependency services;
 - 27 3. non-profit multi-cultural service providers;
 - 28 4. large hospitals;
 - 29 5. operators of detox and or evaluation and treatment centers;
 - 30 6. sexual assault or domestic violence services;
 - 31 7. peer advocates who have been through a Pierce County peer bridger program;
 - 32 8. providers of homeless and supporting housing; and
 - 33 9. philanthropic organizations.
- 34 D. A representative each from the Behavioral Health Organization, Pierce County National
35 Alliance on Mental Illness, and the Pierce County Veterans Advisory Council.

36 Members of the Board shall be chosen for their demonstrated concern for alcoholism and
37 other drug addiction problems. Members of the Board shall be representative of the community,
38 shall include at least one quarter recovered alcoholics or other recovered drug addicts, and shall
39 include minority group representation. No member may be a provider of alcoholism and other
40 drug addiction treatment services. No more than four elected or appointed City or County
41 officials may serve on the Board at the same time. The Pierce County Community Connections
42 Director, or designee, and the Chemical Dependency Supervisor shall serve as ex-officio
43 members of the Board.
44
45



1 **2.51.050 Meetings.**

2 The Board Committee shall hold a minimum of four quarterly meetings each year. All
3 meetings shall be open to the public and comply with the Open Public Meetings Act – Chapter
4 42.30 RCW.

5 Staff of the Office of Behavioral Health Oversight shall consult with the Committee Chair in
6 preparing the agendas and minutes for all meetings of the Coordinating Committee.

7 ~~Members of the Board shall be chosen for their demonstrated concern for alcoholism and~~
8 ~~other drug addiction problems. Members of the Board shall be representative of the community,~~
9 ~~shall include at least one quarter recovered alcoholics or other recovered drug addicts, and shall~~
10 ~~include minority group representation. No member may be a provider of alcoholism and other~~
11 ~~drug addiction treatment services. No more than four elected or appointed City or County~~
12 ~~officials may serve on the Board at the same time. The Pierce County Community Connections~~
13 ~~Director, or designee, and the Chemical Dependency Supervisor shall serve as ex officio~~
14 ~~members of the Board.~~

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17 attachment exhibit b.docx
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Only those portions of Section 4.48.020 that are proposed to be amended are shown.
Remainder of text, tables, maps and/or figures is unchanged.

4.48.020 Special Revenue Funds.

~~M. **Regional Support Network Fund.** There is created a special revenue fund known as the Regional Support Network Fund to account for all the revenues associated with the Regional Support Network (RSN) and all the expenditures related to RSN activities.~~

M. Behavioral Health or Therapeutic Courts Sales and Use Tax Fund.

1. **Creation.** There is hereby created a fund to be known as the Behavioral Health or Therapeutic Courts Sales and Use Tax Fund which shall consist of tax revenues deposited into the fund pursuant to Ordinance No. 2016-57 plus any other investment or other income to the fund.
2. **Appropriation.** This fund has been established for the purpose of providing for the operation or delivery of mental health, substance disorder or therapeutic court treatment programs and services. For the purposes of this Section, "programs and services" includes, but is not limited to, treatment services, case management, and housing programs that are a component of a coordinated chemical dependency or mental health treatment program or services. Appropriations shall identify specific uses of the fund which must be identified at the project level. All uses must be consistent with RCW 82.14.460.
3. **Excess Monies.** Any unexpended funds remaining at the end of any budget year shall not be transferred to the general fund or otherwise lapse; rather, the unexpended funds shall be carried forward from year to year.

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Attachment to Committee Amendment No. 4, Salmon
Exhibit D to Ordinance No. 2016-57

BEHAVIORAL HEALTH OR THERAPEUTIC COURTS SALES & USE TAX POLICIES	
Use of Behavioral Health or Therapeutic Courts Sales and Use Tax Funds	It is the policy of the County that citizens and policy makers be able to measure the effectiveness of the investment of Behavioral Health or Therapeutic Courts sales and use tax funds (BHTC). The county requires appropriate oversight, accountability and reporting on the status and progress of the programs and services supported with the BHTC relevant sales tax funds (RCW 82.14.460).
Policy Framework	The programs supported with these funds shall be designed to achieve the following policy goals: <ol style="list-style-type: none"> 1. Provide trauma-informed outreach, assessment and intervention that respects and integrates patients and families cultural values and practices; 2. Divert adults and youth with behavioral health needs from costly interventions (e.g., emergency rooms, hospitals, jails, police, EMS, etc.) to more appropriate services; 3. Reduce number, time and rate of avoidable behavioral health crises; 4. Link and leverage other public or private programs and services; and 5. Increase awareness, collaboration, and communication between mental health, substance use disorder, and physical health care providers.
Regional Equity	The County shall appropriate this revenue in a manner that is as efficient as possible while also ensuring geographic and demographic equity. It is the intent of the Council that this revenue be appropriated in a manner benefiting all county residents, exclusive of those jurisdictions receiving a credit against the tax.
Oversight, Implementation and Evaluation Plan	The Council intends to create a Behavioral Health Coordinating Committee to develop and submit for Council review and approval a 3-part plan covering oversight, implementation, and evaluation for the use of BHTC sales and use tax funds (Oversight Plan). This Committee should include representatives from the provider community as well as Tacoma-Pierce County Public Health, Superior Court, District Court, Prosecuting Attorney, Department of Assigned Counsel, and the Sheriff with assistance from Council staff.
Oversight Plan	The oversight plan shall identify how the Behavioral Health Coordinating Committee will link and coordinate with other existing county groups. The oversight plan shall be submitted to the Council by XXXXX , for Council review and approval by resolution.
Implementation Plan	The Behavioral Health Coordinating Committee shall prepare an Action plan to implement recommendations contained in the Pierce County Behavioral Health System Study (delivered to the Council on September 27, 2016) in addition to system needs identified by the committee. The Action Plan shall discuss needed resources, including staff, information and provider contracts; and milestones for implementing recommendations and shall include but not be limited to a focus on community education, prevention and early intervention, community-based services, crisis and inpatient services, outpatient treatment and services for the justice-involved. The Action Plan shall be submitted to the Council by June 30, 2017, for Council review and approval by motion.



Accountability System	The Behavioral Health Coordinating Committee shall prepare an evaluation and reporting plan (Accountability System) for the programs funded with the sales tax revenue. This system shall specify: evaluation tools and protocols that operationalize and clarify how progress toward goals can be measured by identifying outcomes (identifiable changes) and indicators (specific data needed to measure outcomes) and how to collect data from program partners; a proposed schedule for evaluations; performance measurements and performance measurement targets; and data elements that will be used for reporting and evaluations. Performance measures shall include, but not be limited to: measurement of "change" in client situations and activities; the amount of funding contracted to date, the number and status of request for proposals to date, individual program status and statistics such as individuals served, data on utilization of the justice and emergency medical systems and resources needed to support the evaluation requirements. The purpose of this plan is to provide objective data and analysis to the Council to gauge the extent progress is being made towards its intended goals and emphasize performance measures and the achievement of outcomes that encourage service integration (breaking down silos). The Evaluation Plan shall be submitted to the Council by XXXXX , for Council review and approval by resolution.
Sales and Use Tax Reports	Starting in 2019, the executive shall submit one mid-year progress report and one annual summary report for the programs supported with the sales tax revenue to the Council that includes at a minimum: <ol style="list-style-type: none"> 1. performance measurement statistics; 2. service and program utilization statistics; 3. request for proposal income and expenditure status update; 4. progress reports on evaluation implementation; 5. updated performance measure targets for the following year of the programs (annual only); and 6. recommendations for program and/or services changes to the funded programs based on the measurement and evaluation data.
Report Submitted with Budget	Concurrent with the executive's 2018 budget proposal, and for each subsequent year that the tax exists, the executive shall submit a report on program expenditures and revenue as part of the annual budget review process. The information submitted with the executive's budget shall include an annual updated and detailed spending plan for the tax funding, as well as revenue information. The elements of an annual spending plan, at a minimum, shall also include: <ol style="list-style-type: none"> 1. A detailed list of funded activities along with a budget and revenue for each activity; 2. A reasonable estimate of cost per unit of service of activities; 3. The anticipated number of service units to be provided for each activity or item; 4. How many individuals are estimated to be served in each activity; 5. Whether the activity is to be completed by the county or by a contracted provider; 6. Full time equivalent or term-limited temporary employee impact if service is provided by the county; and 7. For ongoing programs, the efficacy of the services provided.

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**MINUTES FOR
GIG HARBOR CITY COUNCIL MEETING
Monday, November 14, 2016 – 5:30 p.m.**

CALL TO ORDER / ROLL CALL:

Mayor Guernsey and Councilmembers Malich, Arbenz, Ekberg, Perrow, Lovrovich, Payne, and Kadzik.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes Oct 24, 2016  
2. Receive and File: a) Boards and Candidate Review Minutes Oct 10, 2016; 
 b) Arts Commission Minutes Nov. 8, 2016;   c) Parks Commission Minutes Sept. 7, 2016;   d) Public Works Committee Minutes Sept. 12, 2016;   e) Intergovernmental Affairs Committee Minutes Nov. 7, 2016   ;
Budget Worksession III – Mon. Nov. 7th  
3. Approval of Payroll for the month of October: Checks #7745 through #7754 and direct deposits in the amount of \$395,763.07
4. Approval of Payment of Bills Nov. 14, 2016: Checks #82592 through #82722 in the amount of \$1,985,811.12



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

PRESENTATIONS:

[“2015 Wastewater Treatment Plant Outstanding Performance Award”](#)  

Mayor Guernsey asked Darrel Winans, WWTP Supervisor to come forward, and explained that for ten consecutive years, Darrel and his team have received this award from the State Department of Ecology. Mr. Winans asked his team members who were present to stand and be introduced. Nancy Nayer, Administrative Support, Norine Alvarado, Senior Operator, Jim Landon, Senior Operator, Ty Davis, Maintenance Tech, and Jon Ozga, Operator. Larry Washburn, WWTP Wastewater Collection Tech, Chuck Roy, Operator, and Joe Pominville, Operator, were not able to attend. Mr. Winans credited his team for operating for ten years without a violation and the successful eleven year expansion project.

OLD BUSINESS:

1. **[Public Hearing and First Reading of Ordinance - 2016 Comprehensive Plan Amendments and Smith Development Agreement](#)**   Planning Director Jennifer Kester presented the background for these proposed amendments, with focus on the Smith Land Use Amendment. She addressed Council questions.

[Mayor Guernsey opened the public hearing at 5:50 p.m.](#)

[Cheryl Himes 6507 115th St. Ct. NW.](#) Ms. Himes expressed support for the revised medium density R-2 residential designation and her strong opposition to the development agreement as written. Council's action on October 24th was to alleviate the impact to traffic, schools, and infrastructure issues associated with 100 new units. Unfortunately the development agreement still specifies the same 100 dwelling units associated with the R-3 density. She again said she is strongly opposed to the Development Agreement as written.

[Bob Himes – 6507 115th St. Ct. NW.](#) Mr. Himes expressed support for the medium density R-2 zoning amendment and his opposition to the development agreement as written. He explained that it's impossible to build 100 units on this sight without violating municipal code, quoting Section 17.05.030. He referred to the site map, saying the storm retention basin and steep slopes are non-buildable and were so before being declared buffers. He further explained that he has scaled the drawings and calculated a maximum of 58 dwelling units in R-2, which includes roads. He requested that a 58 dwelling unit limit be adopted and the storm retention basin, steep hillsides, and planned roads be excluded from the net buildable lands area.

[Loraine Ralston – 6208 116th St. Ct. NW.](#) Ms. Ralston urged Council to reduce the residential unit limit proposed in the development agreement with Walt Smith, citing the increased traffic and density as their biggest concerns. She said they were happy with the compromise to revise it from R-3 to R-2, but concerned that the development agreement retains a 100 unit limit. She asked that this limit be reduced to help mitigate traffic and associated infrastructure problem.

[Frederick Satkoviak – 10916 65th St. Ct. NW.](#) Mr. Satkoviak voiced concern with schools and his children's safety. People drive too fast on 65th cutting through to Sehmel Drive. He asked that the 100 be reduced to 65.

[Lee VanKomen - 6208 110th St. Ct. NW.](#) Mr. VanKomen voiced appreciation for the compromise to R-2, adding that he still thinks it should be R-1. He said he is concerned with the 100 homes. What he has heard is that 4-6 units per acre would put it at 67 to 100. At the bottom it would be 67 and that is what it should be limited to.

[Nan Koenke – 11914 66th Ave NW.](#) Ms. Koenke referred to the map, and said Horizon West has 57 homes, asking if Council could visualize 100 homes in that little tiny spot marked in brown. She said Bob's calculations are right on and asked that they be considered.

[Karl Halsan – agent for the applicant.](#) Mr. Halsan explained that they originally applied for the residential high-transition zone; a new designation for the city. Under the new zoning table, that zone could be either a RB-2 or RB-3 designation, and they voluntarily limited it to R-3 which had a maximum limit of 133. He explained that they further reduced that to 100 before taking it to the Planning Commission. At the last meeting, Council asked them to consider reducing that to R-M with the R-2 zone, and Mr. Smith agreed. Mr. Smith has been compromising for the past year, he said, and this is a fair proposal. He urged Council to pass this as presented.

[There were no further comments and the public hearing closed at 6:06 p.m.](#)

[Ms. Kester responded to](#) questions and comments posed by Council. After deliberating on the public comments and staff responses, Councilmember Payne suggested that to allow flexibility, he would ask the applicant if they would accept 85 units as a cap.



[After a short conversation with his agent and others, Mr. Smith responded.](#) He responded that the E.C. designation or continuous mining is not good for the folks. 100 units was the number that was put out, not 133. Their game plan was to get something useful in the area. He said if that's where it stands and we are final with this, we will accept 85.

[Councilmembers continued to discuss this proposal.](#) Councilmember Malich agreed to 85 units. Councilmember Ekberg commended Mr. Smith for his compromise, and said he would support the maximum of 85 units. Councilmember Kadzik agreed, adding his own comments of respect for Mr. Smith, and voiced support for the 85 units. He also commended Councilmember Payne for facilitating the reduction.

[Mayor Guernsey](#) asked for clarification on the impact of amending the development agreement. Ms. Kester responded that it is a nominal reduction and this has been through the public process. The ordinance can move on to second reading with amendments to the agreement.

[Councilmember Payne](#) made final comments on the neighborhood need for a number to protect them in the future, and the property owner's right to develop.

2. [Second Reading of Ordinance No. 1347 – Stormwater LID Integration and](#)

[Landscaping Amendments](#)   Public Works Director Jeff Langhelm provided a brief overview of this ordinance to establish low-impact development of stormwater systems and landscaping amendments.



MOTION: Move to adopt Ordinance No. 1347 related to Stormwater development regulations and zoning, adopting a new Stormwater manual, and integrating low impact development standards and landscaping amendments into the municipal code.
Kadzik / Malich – unanimously approved.

3. [Second Reading of Ordinance No. 1348 – 2017 Public Works Standards Update](#)

  Public Works Director Jeff Langhelm gave a brief overview.



MOTION: Move to adopt Ordinance No. 1348 for updating the Public Works Standards and amending related codes.
Malich / Lovrovich – unanimously approved.

NEW BUSINESS:

1. [Public Hearing on Revenue Sources](#)   Finance Director David Rodenbach explained that a public hearing is required on revenue sources for next year's general fund budget. He gave a brief overview of the breakdown of property tax revenues and then answered questions.

[Mayor Guernsey opened the public hearing at 6:31 p.m.](#) There were no comments and the hearing closed.



2. [Resolution No. 1051 - 2016 Regular Property Tax Levy and Resolution No. 1052](#)

[Excess Property Tax Levy](#)   Finance Director David Rodenbach provided information on these two resolutions that set the City's regular tax levy and excess levy (Eddon Boat bonds) for property tax collection in 2017. He answered Council questions.

MOTION: Move to adopt Resolution No. 1051 certifying the 2016 Regular Property Tax Levy.
Payne / Malich - unanimously approved.

MOTION: Move to adopt Resolution No. 1052 certifying the 2017 Excess Property Tax Levy.
Payne / Malich - unanimously approved.

3. [Public Hearing and Resolution No. 1053 - Adopting the Six-Year Transportation](#)



[Improvement Program \(TIP\) 2017-2022](#)   Senior Engineer Emily Appleton provided a brief presentation on the requirements to annually adopt a Six-Year TIP.

[Mayor Guernsey opened the public hearing at 6:41 p.m.](#) There were no comments and the hearing closed.

Ms. Appleton answered Councilmember Malich's questions regarding improvements to Highway 16. She explained that this will be addressed during discussion on congestion relief study; the likely result of the study will be how to prioritize projects. Councilmember Malich asked if we could request to have the east-bound exit go directly onto Point Fosdick rather than onto the Olympic Interchange. Ms. Appleton responded that this suggestion was on the list for consideration.


MOTION: Move to adopt Resolution No. 1053 adopting the 2017-2022 Six-Year Transportation Improvement Program (TIP)
Malich / Payne - unanimously approved.

4. [Public Hearing and First Reading of Ordinance – Hearing Examiner Authority and](#)

[Appeals](#)   Planning Director Jennifer Kester provided information on these changes to sections of the code for the office of the Hearing Examiner. She addressed several Council questions.

[Mayor Guernsey opened the public hearing at 6:54 p.m.](#) There were no comments and the hearing closed. This will return on the Consent Agenda for a second reading and adoption of a resolution.

5. [Public Works Shoreline Project Assistance – Professional Services Contract](#) 



 Project Engineer Marcos McGraw presented the background for this contract for permitting support for assorted projects. He and Mr. Langhelm responded to questions.

Staff was asked to provide the background for the placement for the steam donkey engine at Donkey Creek Park.

MOTION: Move to authorize the Mayor to execute a Professional Services Contract with Parametrix in an amount not-to-exceed \$6,000.16.
Ekberg / Kadzik – unanimously approved.

6. [Pierce County Jail Contract](#)   Chief of Police Kelly Busey presented information on a negotiated reduction in jail costs.

MOTION: Move to authorize the Mayor to sign and execute a contract for services with Pierce County Jail.
Ekberg / Kadzik – unanimously approved.

7. [Resolution No. 1054 – Chamber of Commerce Video “Coming Home”](#)   Mayor Guernsey provided the background for this proposal to expend funds from the General Fund for continuing production of a Chamber of Commerce video. Councilmember Payne provide further clarification for the request.

Councilmembers asked questions and discussed this further. Councilmember Kadzik suggested that this return to the Lodging Tax Advisory Committee for consideration.

PUBLIC COMMENT:

[Wade Perrow – 9109 No. Harborview Drive.](#) Mr. Perrow spoke for the Northharbor Campus business owners who want to communicate concern with the proposed access at the Harbor Hill Extension and roundabout. He shared the history of his contact with the city to address their concerns that there is insufficient distance between accesses onto an arterial. He asked that the city consider the public works standards and adhere to the desire for a traffic plan that looks to the future. The concern is that if not addressed properly now, the speed on Burnham will be reduced to 25 miles per hour; contrary to the standards. He said he appreciates the time spent by Steve and Trent have spent, adding that he would like a continued dialogue about modifying the SEPA to extend to 96th Street to properly mitigate traffic by adding a center turn lane to allow sufficient ingress and egress to the properties.

Mayor Guernsey announced there is a workstudy session on the Harbor Hill Extension following this meeting.

[Public Works Director Jeff Langhelm](#) presented updated information on the Kimball Drive Improvement project. He recognized Kyle Neiman, Construction Supervisor on the project, who worked 18 hour days on this project in spite of being ill and many weather and traffic challenges.

[Mr. Langhelm then](#) gave an update on the Lift Station No. 4 project. Staff has been in contact with the contractor asking for modifications on the foundations so they will be removable. He hopes to have a report back to Council on November 28th. As far as the project construction: the wet well is in, the piles have been driven, major emergency overflow pipe is constructed, and all will be tied into the gravity sewer main soon. The concrete block portion won't begin until the ground work is complete; probably after the first of the year.

[Councilmember Perrow commented](#) that the construction crew wears clothing that isn't easily seen when flagging. He asked that we address this safety concern.

COUNCIL REPORTS / COMMENTS:

1. [Planning / Building Committee: Mon. Nov. 7th](#). Councilmember Kadzik reported that the committee discussed fee schedule updates for certain permits. The biggest change is to development agreements and any legal fees involved. Staff wants to include apartments and remodels in the base plan permitting process. There was also discussion on small cell tower regulations, and annexations in the urban growth area.

2. [Public Works Committee: Mon. Nov 14th](#). Councilmember Ekberg said they discussed establishing a city-wide policy on parking, small cell deployment, and the Six-year TIP. He said that next year has been dubbed the "The Year of Transportation" and both Planning / Building Committee and the Public Works Committee will be working with staff and consultants.

3. [Intergovernmental Affairs Committee: Mon. Nov 7th](#). Councilmember Payne reported that the committee reviewed the lobbyist contracts, and discussed their successes at the state level and the lack of activity at the federal level. In the early years, most of the activity was at the federal level. They discussed and agreed that these contracts are a necessary line item and concluded that we need a more concerted effort to leverage federal funding. He said that Gordon Thomas Honeywell has hired someone with grant application experience to offer advice.

[Councilmember Malich](#) asked that staff desk be extended so more of them could sit without scrambling. Mayor Guernsey said she would bring it up at the morning staff meeting.

[Councilmember Payne](#) asked that LTAC hold a special meeting before the end of year to discuss funding the video since the Chamber's fiscal year is ending. He commented that we have spent over \$380,000 on the Downtown Waterfront Alliance. This video is part of the business economic development effort.

Mayor Guernsey responded she had planned on holding a meeting this year. She added that Mr. Zimmerman did know of this meeting and had planned to attend.

[Councilmember Ekberg](#) suggested that at the next Council Retreat we address how things are added or removed from our agendas. Mayor Guernsey said this has already been included; she asked that any changes be reflected in our Municipal Code. She asked Council to submit any other topics to be added to the agenda.

CITY ADMINISTRATOR REPORT:

[Administrator Williams reported](#) that the State has finally signed the contract for the SR16 Corridor Study. The official kick-off meeting is this Thursday and he plans to attend along with the city engineer. He then reported that the sprinkler ordinance was pulled and scheduled for the Finance and Safety Committee at the request of some councilmembers.

MAYOR'S COMMENTS:

[Mayor Guernsey](#) explained that they held a special LTAC meeting in November to discuss the funding request by the Chamber for an economic development study. LTAC recommended that \$25,000 be budgeted for the 2017-18 budget.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Civic Center Closed for Thanksgiving Holiday: Thursday and Friday, Nov. 24th and 25th
2. Special City Council Meeting: Dec. 5th at 5:30 p.m.
3. Boards and Candidate Review: Tue. Dec 6th at 4:00 p.m.

ADJOURN TO WORKSTUDY SESSION: Harbor Hill Drive Roadway Cross Section Discussion

Mayor and Council adjourned to the workstudy session at 7:43 p.m. It was estimated that the session would last approximately 20 minutes.

Jill Guernsey, Mayor

Molly Towslee, City Clerk

NOTICE OF LIQUOR LICENSE APPLICATION

WASHINGTON STATE LIQUOR AND CANNABIS BOARD
License Division - 3000 Pacific, P.O. Box 43075
Olympia, WA 98504-3075
Customer Service: (360) 664-1600
Fax: (360) 753-2710
Website: http://lcb.wa.gov

TO: MOLLY TOWSLEE, CITY CLERK
RE: NEW APPLICATION

UPDATED

RETURN TO: localauthority@sp.lcb.wa.gov
DATE: 11/16/16

UBI: 604-053-042-001-0001

License: 367497 - 1U County: 27
Tradename: JP'S HY IU HEE HEE

APPLICANTS:

PERFECTING INSIGNIFICANCE, INC

Loc Addr: 4309 BURNHAM DR
GIG HARBOR WA 98332-1062

PIRIO, JEAN PAUL
1974-09-05

Mail Addr: PO BOX 4054
RENTON WA 98057-4054

PIRIO, TAMARA ANN
1972-03-15

Phone No.: 206-819-1600 JEAN PAUL PIRIO

Privileges Applied For:
SPIRITS/BR/WN REST SHIP/LOUNGE -

As required by RCW 66.24.010(8), the Liquor and Cannabis 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
CITY COUNCIL WORKSESSION
November 14, 2016
Council Chambers**

CALL TO ORDER:

Mayor Guernsey called the workstudy session to order at 7:46 p.m.

ROLL CALL:

Mayor Guernsey and Councilmembers Malich, Arbenz, Ekberg, Perrow, Lovrovich, Payne, and Kadzik. Staff: Ron Williams, Jeff Langhelm, Trent Ward, Steven Misiurak, Shawna Wise, and Molly Towslee.

Harbor Hill Drive - Preferred Alternative Alignment

City Engineer Steven Misiurak explained that this worksession is to gain Council input on the design elements. He gave an overview of the landmark activities that have occurred on the project to date.

Senior Engineer Trent Ward provided information and asked for input on a preference on bike lanes.

Councilmembers asked questions and discussed:

- Preference for an in-lane bike lanes verses shared use paths
- The dimensions of the concrete retaining wall and the large amount of concrete
- The need for planting strips
- Screening the ballistics wall
- Balancing the elements of the roadway, the path, bike path, and planting strips
- Sufficient easement
- Access points and electrical vault placement
- Minimum width for planting street trees
- Plantings along the wall to help disguise the large side
- Enlarge sidewalks, use the remaining 4.5' in the large wall section (this would require a retaining wall the entire length of the roadway)

Mr. Langhelm suggested that staff could revise some of these cross sections with comments heard tonight and bring them back.

- A suggestion was made to move light poles into the 4.5' strip to gain more width
- A question was raised on the frontage along Burnham Drive at the McCormick Creek project near the Cushman Trail

Mr. Misiurak addressed the concerns voiced by Wade Perrow regarding the short distance between entrances.

Council further discussed options and asked questions about this location:

- Should sidewalks be required along the west side of Burnham?
(this would require mitigation due to wetlands, reopen SEPA process, and permitting, pushing constructing into 2018 rather than 2017)
- Have staff bring back the cost of adding sidewalks through to Cushman Trail as a separate project
- Include these with the Burnham Drive Improvements, which is included in Six-Year TIP
- Should we consider a four-prong roundabout?
(roundabouts not used for driveway access and the Sportsman's Club has a gated entrance into Sportsman's Club)

Mr. Langhelm was asked to summarize the discussion:

Harbor Hill Drive:

- Come back with options for revised sidewalk widths: shared use path to 10'
- Reallocate dimensions to other side of roadway
- Utilize the 4.5' on the west side
- Show the height of the ballistics wall height
- Show profiles of wall along Harbor Hill Drive

Burnham Drive from 97th to Cushman:

- Cost of sidewalk on west side from 97th up to Cushman Trail and how that impacts the construction schedule
- Reopen SEPA
- Left hand turn pocket viable solution

This will return at a meeting in December. There were no further comments and the worksession adjourned at 8:51 p.m.

Respectfully submitted:

Molly Towslee, City Clerk



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

Subject: Second Reading of Ordinance No. 1349 – Hearing Examiner Authority and Appeals

Proposed Council Action: Adopt Ordinance No. 1349.

Dept. Origin: Planning

Prepared by: Jennifer Kester
Planning Director *JK*

For Agenda of: November 28, 2016

Exhibits: Ordinance

Initial & Date

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

JK 11-21-16
Forw 11/21/16
email 11/7/16
JK 11/21/16
JK 11/21/16

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

In 1996 the City of Gig Harbor created the Office of the Gig Harbor Hearing Examiner for the purposes of interpretation, review, and implementation of land use regulations and other quasi-judicial functions as delegated by ordinance. Such provisions for the Hearing Examiner reside in the City’s zoning code at chapter 17.10 of the Gig Harbor Municipal Code.

More recently, the City Council has passed several ordinances that give the Gig Harbor Hearing Examiner authority on many non-land use related matters, particularly appeals. Therefore, this ordinance moves to the provisions establishing the Hearing Examiner into Title 2 - Administration and Personnel. Furthermore, this ordinance amend the appeals process to provide clarity in process, cost, and burdens of the parties at appeal hearings. This ordinance has been reviewed by the City’s Hearing Examiner, Mr. Causseaux. His comments have been incorporated into this document.

FISCAL CONSIDERATION

This ordinance will help the City recover the costs incurred on some appeals of Notices of Violation. The cost to file an appeal of a Notice of Violation will be \$275.00. Appellants who do not substantially prevail on appeal or whose appeal is dismissed for lack of standing will be billed for the hearing examiner costs. Appellants who substantially prevail will be refunded the appeal fee.

RECOMMENDATION / MOTION

Adopt Ordinance No. 1349.

ORDINANCE NO. 1349

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO HEARING EXAMINER AUTHORITY AND APPEALS; REPEALING CHAPTER 17.10 OF THE GIG HARBOR MUNICIPAL CODE AND RECODIFYING IN A NEW CHAPTER 2.25, AS AMENDED; ADDING A NEW SECTION 19.05.011 TO THE GIG HARBOR MUNICIPAL CODE TO AUTHORIZE THE HEARING EXAMINER TO CLARIFY DECISIONS; AMENDING SECTION 19.16.080 TO REQUIRE A FEE FOR HEARING EXAMINER APPEALS OF NOTICES OF VIOLATION; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, in 1996 the City of Gig Harbor created the Office of the Gig Harbor Hearing Examiner for the purposes of interpretation, review and implementation of land use regulations and other quasi-judicial functions as delegated by ordinance; and

WHEREAS, such provisions for the Hearing Examiner reside in the City's zoning code at chapter 17.10 of the Gig Harbor Municipal Code; and

WHEREAS, the Gig Harbor Hearing Examiner now makes administrative decisions relating to many non-land use related matters, and as such the City Council desires to move to the provisions establishing the Hearing Examiner into Title 2 - Administration and Personnel; and

WHEREAS, the City Council further desires to amend the appeals process to provide clarity in process, cost, and burdens of the parties at appeal hearings; and

WHEREAS, the Gig Harbor City Council held a public hearing on November 14th, 2016, to take public testimony relating to this ordinance; and

WHEREAS, no public testimony was provided at the public hearing; and

WHEREAS, the City Council has determined that adoption of the amendments set forth in this ordinance is in the best interests of the public;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Repeal. Chapter 17.10 of the Gig Harbor Municipal Code is hereby repealed and recodified as Chapter 2.25 with amendments as follows:

Chapter 2.25
HEARING EXAMINER

Sections:

- 2.25.010 Creation of hearing examiner system.
- 2.25.020 Appointment and term.
- 2.25.030 Qualifications.
- 2.25.040 Freedom from improper influence.
- 2.25.050 Conflict of interest.
- 2.25.060 Rules.
- 2.25.070 Powers.
- 2.25.080 Authority.

2.25.010 Creation of hearing examiner system.

The office of the Gig Harbor hearing examiner, hereinafter referred to as the examiner, is hereby created. The examiner shall interpret, review and implement land use regulations as provided by ordinance and may perform other quasi-judicial functions as are delegated by ordinance. Unless the context requires otherwise, the term “examiner” as used in this chapter shall include deputy examiners and examiners pro tem.

2.25.020 Appointment and term.

The council shall appoint the examiner for a maximum term of ~~one~~ three years. The council may also appoint deputy examiners or examiners pro tem in the event of the examiner’s absence or inability to act. The city may terminate the agreement for hearing examiner services at any time with 30 days’ notice.

2.25.030 Qualifications.

Examiners shall be appointed solely with regard to their qualifications for the duties of their office and will have such training and experience as will qualify them to conduct administrative or quasi-judicial hearings and to discharge other delegated functions. Examiners shall hold no other elective or appointive office or position with city government.

2.25.040 Freedom from improper influence.

No person, including city officials, elected or appointed, shall attempt to influence an examiner in any matter pending before him or her, except at a public hearing duly called for such purpose, or to interfere with an examiner in the performance of his or her duties in any other way; provided, that this section shall not prohibit the city attorney from rendering legal service to the examiner upon request.

2.25.050 Conflict of interest.

The examiner shall be subject to the same code of ethics as other appointed public officers in code cities, as set forth in RCW 35.42.020 and Chapter 42.23 RCW, as the same now exists or may hereafter be amended.

2.25.060 Rules.

The ~~examiner~~ city council shall ~~have the power to~~ prescribe rules for the scheduling and conduct of hearings and other procedural matters related to the duties of ~~his or her~~ the office of the hearing examiner.

2.25.070 Powers.

The examiner shall have the authority to:

- A. Receive and examine available information;
- B. Conduct public hearings in accordance with GHMC Title 19, Chapter 42.32 RCW and all other applicable law, and to prepare a record thereof;
- C. Administer oaths and affirmations;
- D. Issue subpoenas and examine witnesses; provided, that no person shall be compelled to divulge information which he or she could not be compelled to divulge in a court of law;
- E. Regulate the course of the hearing;
- F. Make and enter written findings of fact and conclusions to support his or her decisions;
- G. At the examiner's discretion, hold conferences for the ~~settlement or~~ simplification of the issues;
- H. Conduct discovery;
- I. Dispose of procedural requests or similar matters;
- J. Take official notice of matters of law or material facts;
- K. Issue summary orders in supplementary proceedings; and
- L. To dismiss an appeal or take other appropriate action when the examiner determines that he/she has no jurisdiction, the appeal is completely without merit, or where a party or representative fails to appear at a hearing; and
- ~~L.~~ M. Take any other action authorized by or necessary to carry out this chapter.

The above authority may be exercised on all matters for which jurisdiction is assigned to the examiner by city ordinance, code or other legal action of the city council. The nature of the examiner's decision shall be as specified in this chapter and in each ordinance or code which grants jurisdiction to the examiner.

2.25.080 Authority.

The examiner shall have the exclusive authority to hold public hearings and make recommendations and decisions on all applications, permits, ~~or~~ approvals, or appeals as described in ~~Chapter 19.01 GHMC~~ provided for

in the GHMC. Unless otherwise specified in the GHMC, all appeals shall be governed by the process set forth in chapter 19.06 GHMC.

Section 3. Section 19.05.011 - Added. A new section 19.05.011 is hereby added to the Gig Harbor Municipal Code to read as follows:

19.05.011 Clarification.

Any person identified in GHMC 19.06.003 as having standing to file an administrative appeal may request at any time clarification of the decision. The hearing examiner shall have discretion to provide clarification. Such clarification shall not stay the effect of a decision or change or amend the conclusions of the decision.

Section 4. Section 19.16.080 - Amended. Subsection 19.16.080(A) of the Gig Harbor Municipal Code is hereby amended to read as follows:

19.16.080 Notice of violation and civil penalty appeals.

A. A person to whom a notice of violation or civil penalty is issued and served may appeal the notice of violation or civil penalty by filing a written request for appeal with the city clerk no later than 10 working days after said notice of violation or civil penalty is served. Each request for appeal shall contain the required appeal fee, the address and telephone number of the person making the request and the name and address of any person who may represent him or her. Each request for appeal shall set out the basis for the appeal. Failure to submit specific grounds for appeal in writing in the request may result in the dismissal of the appeal by the hearing examiner prior to any hearing.

* * *

Section 5. Authority to make necessary corrections. The codifiers of this Ordinance are requested to update internal references from 17.10 to 2.25 as appropriate, and are authorized to make other necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 6. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 7. Effective Date. This Ordinance shall be published and shall take effect and be in full force five (5) days after the date of publication.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this 28th day of November, 2016.

CITY OF GIG HARBOR

Mayor Jill Guernsey

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Angela G. Summerfield

FILED WITH THE CITY CLERK: 11/09/16
PASSED BY THE CITY COUNCIL: 11/28/16
PUBLISHED: 12/01/16
EFFECTIVE DATE: 12/06/16
ORDINANCE NO: 1349



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

Subject: Resolution No. 1054 - Hearing Examiner Rules of Procedure

Proposed Council Action: Adopt Resolution No. 1054

Dept. Origin: Planning

Prepared by: Jennifer Kester
Planning Director *[Signature]*

For Agenda of: November 28, 2016

Exhibits: Resolution

Initial & Date

Concurred by Mayor: *JG 11/22/16*
Approved by City Administrator: *Ron W 11/22/16*
Approved as to form by City Atty: *email 11/22/16*
Approved by Finance Director: *N/A*
Approved by Department Head: *JK 11/22/16*

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

In 2004, the City Council adopted Resolution No 632 setting rules of procedure to supplement the regulations contained in Chapter 17.10, Hearing Examiner, of the Gig Harbor Municipal Code

It is expected that Ordinance No 1349 will be adopted at this meeting, making changes to the Hearing Examiner chapter in the Municipal Code. The attached resolution makes corresponding changes to the Rule of Procedures.

Finally, this resolution has been reviewed by the City's Hearing Examiner, Mr. Causseaux. His comments have been incorporated into these documents.

FISCAL CONSIDERATION

None.

RECOMMENDATION / MOTION

Adopt Resolution No. 1054

RESOLUTION NO. 1054

A RESOLUTION OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING THE RULES OF PROCEDURE TO BE USED BY THE GIG HARBOR HEARING EXAMINER; AND REPEALING RESOLUTION NO. 632 AND ALL PREVIOUS RESOLUTIONS ADOPTING HEARING EXAMINER RULES OF PROCEDURE.

WHEREAS, the City of Gig Harbor has established rules of procedure for the hearing examiner by Resolution; and

WHEREAS, the duties of the Hearing Examiner, as adopted by the Municipal Code, have changed since the City last adopted Rules of Procedure in 2004; and

WHEREAS, the proposed rules reflect current code and City policies; NOW, THEREFORE,

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

Section 1. The City Council hereby repeals Resolution No. 632.

Section 2. The Council hereby resolves that the following Rules of Procedure shall be used by the Gig Harbor Hearing Examiner for the conduct of the Examiner's proceedings:

RULES OF PROCEDURE GIG HARBOR HEARING EXAMINER

A. Practice. Who may appear before the Examiner. Practice before the Hearing Examiner shall be open to the following persons who have met the standing requirements of Gig Harbor Municipal Code Section 19.06.003, or any other code provision allowing an appeal to the Examiner by the aggrieved person:

1. A party or participant to a case may appear personally or by a duly authorized representative;
2. Attorneys at law practicing before the Examiner must be duly qualified and entitled to practice in the courts of the state of Washington; or
3. Other persons permitted by law.

B. Rules of Professional Conduct. All persons appearing before the Examiner in a representative capacity shall conform to the rules of professional conduct required of attorneys before the court of Washington. If any such person does not conform to such rules, the Examiner may decline to permit such person to

appear in a representative capacity in any current or future proceeding before the Examiner or impose any other appropriate sanctions.

C. Ex parte Communications. See, GHMC Section 19.05.004. No opponents or proponents of any matter before the Examiner shall make or attempt to make any improper ex parte communications with the Examiner regarding any issue in the proceeding that is prohibited by the Appearance of Fairness Doctrine, chapter 42.36 RCW. Exceptions for such ex parte contacts shall be handled as set forth in RCW 42.36.060 and GHMC Section 19.05.004. Communications on purely procedural matters such as scheduling and logistics is permitted between City staff and the office of the Hearing Examiner. ~~are permitted on an ex parte basis.~~

D. Signing of Pleadings, Motions and Legal Memoranda. Every pleading, motion and legal memorandum of a party shall be dated and signed by the party or the party's attorney or other authorized representative and shall include an address, and telephone and FAX numbers, and email address.

E. Teleconference Proceeding. At the discretion of the Examiner, or where the parties agree and where the rights of the parties will not be prejudiced, all or part of any hearing, prehearing or motion hearing may be conducted by telephone or other electronic means. Each party in the proceeding must have an opportunity to participate effectively in and to hear the proceeding.

F. Hearing Examiner's Duties and Powers. The Examiner shall have the authority set forth in ~~GHMC Section 17.10.070~~ Chapter 2.25 GHMC, and the following:

1. To administer oaths and affirmations;
2. To issue subpoenas and examine witnesses, provided that no witness shall be compelled to divulge information that he or she would not be required to divulge in a court of law;
3. To rule on all procedural matters, objections and motions;
4. To rule on all offers of proof and receive relevant evidence;
5. To question witnesses called by the parties in an impartial manner to develop any facts deemed necessary for a fair and adequate decision;
6. To secure and present in an impartial manner such evidence, in addition to that presented by the parties, as deemed necessary to decide the matter fairly and equitably;
7. To take appropriate disciplinary action with respect to representatives of the parties appearing before the Examiner;
8. To issue orders joining other parties, on motion of any party, or on the judgment of the Examiner, when it appears that such other parties may have an interest in, or may be affected by, the proceedings;
9. To consolidate matters for hearing when such consolidation will expedite disposition of matters and avoid duplication of testimony and when the rights of the parties will not be prejudiced thereby;

10. To hold prehearing ~~and settlement~~ conferences;
11. To permit and regulate ~~the taking of~~ discovery;
12. To dismiss an appeal or take other appropriate action when the Examiner determines that he/she has no jurisdiction, the appeal is completely without merit, or where a party or representative fails to appear at a hearing; and
13. To take any other action necessary and authorized by these rules and law.

G. Prehearing Practice.

1. Dismissal of Appeals on Jurisdictional Grounds. Timely filing of the appeal and payment of any applicable fee is required for the Examiner to acquire jurisdiction. Any party may challenge the Examiner to hear an appeal/matter on jurisdictional grounds. The Examiner may independently raise the jurisdictional issue. If the Examiner is satisfied that he/she does not have jurisdiction, he/she may dismiss the appeal/matter.

~~**2. Correction or Amendment of Appeal.** Within 7 days of receipt of an appeal by the Examiner, if any appeal is found to be deficient or insufficient, the Examiner may require the party filing the appeal to clarify, correct or amend the same to conform to any requirements for the appeal, as the same exist in the Gig Harbor Municipal Code.~~

32. Joinder of Parties. The Examiner may order the joinder of the permittee or any other interested person or entity in accordance with Civil Rule 19. The Examiner may also permit the joinder of persons who are necessary to the determination of the appeal in accordance with Civil Rule 20.

43. Prehearing Conferences. Any party or the Examiner may request a prehearing conference. The purpose of a prehearing conference shall be:

a. To prepare a case for hearing by scheduling prehearing deadlines and by identifying the issues, and if possible, witnesses, exhibits, stipulations and admissions.

b. If a prehearing conference is ordered by the Examiner, appearance at the prehearing conference by the party or by the party's representative is mandatory. If a party fails to attend a prehearing conference that is not justified by good cause, the Examiner may dismiss the appeal/matter or take other appropriate action.

54. Prehearing Orders. After a prehearing conference, the Examiner shall enter a prehearing order, which may include a statement of issues, a schedule for filing motions and briefs and lists of witnesses and exhibits, as well as other matters which may bear on the preparation for hearing.

65. Motions.

a. An application to the Examiner for an order shall be by motion which, unless made during a hearing, shall be in writing, state with particularity the grounds therefore and set forth the relief sought. Each written motion shall have appended to it a proposed order which the motion seeks.

b. For motions for continuance or for schedule changes, or other

motions that are likely to be uncontested, the moving party shall affirmatively seek the stipulation of all parties and present a stipulated order wherever possible.

c. If the motion is contested, any party may request that the Examiner hold a motion hearing. The Examiner has the discretion to decide whether a motion hearing is required. If the Examiner decides to hold a motion hearing, he/she will issue an order setting the dates for briefing and hearing. At a motion hearing, the Examiner will consider the arguments of the parties but will not take evidence, and will decide the motion exclusively on the parties' written submissions.

76. Postponements and Continuances of Hearings. Postponement or continuance of a hearing is at the discretion of the Examiner, whether contested or uncontested by the parties. The Examiner may postpone or continue a hearing on its own motion. The postponement or continuance of a hearing by a party shall be sought by written motion.

87. Dismissal or Withdrawal of Appeal.

a. If a party fails to attend or participate in a hearing or other stage of an adjudicative proceeding, the Examiner may serve on all parties a default or other dispositive order which shall include a statement of grounds for the order. Within seven days after service of a default or dismissal order for failure to attend or participate, the party against whom it was entered may file a written motion requesting that the order be vacated and stating the grounds relied upon.

b. An appellant may request to withdraw an appeal. The City may request to withdraw any issued Notice of Violation.

98. Hearing Briefs. Hearing briefs, if filed, must be submitted to the Examiner at least seven days before the time of the hearing or other such time as the Examiner may prescribe. The Examiner may permit the filing of additional briefs.

109. Procedures at Hearings. All hearings shall be conducted by the Examiner who shall conduct the hearing in an orderly manner and rule on all procedural matters, objections and motions.

a. Testimony under oath. The Examiner has the authority to administer oaths.

b. Recording. An official recording of all evidentiary hearings shall be made by electronic recording device. If the hearing is not electronically recorded for any reason, the Examiner shall have the authority to require a new hearing. Unofficial use of recording devices at hearings is permitted, however, the Examiner shall be consulted first and may impose conditions on such recording.

c. Order of Presentation of Evidence.

1. The Examiner shall determine the proper order of presentation of evidence. As a general rule, the City staff shall initially introduce the matter, and the Examiner will follow the procedures in GHMC Section 19.05.007.

2. The opposing party shall introduce its evidence after the appellant has rested. Rebuttal and surrebuttal evidence will be received only at

the discretion of the Examiner.

3. Witnesses may be called out of turn in contravention of this rule by ~~agreement of all parties~~ order of the Examiner.

d. Objections and Motions to Strike. Objections to the admission or exclusion of evidence shall be in short form, stating the legal grounds of objection relied upon.

e. Rulings. The Examiner, on objection or independently, shall exclude all irrelevant or unduly repetitious evidence and all rulings upon objections to the admissibility of evidence.

~~11. Scope, Standard of Review and Burden of Proof.~~

~~a. Hearings on permits/approvals or appeals of land use decisions or Notices of Violation shall be quasi-judicial in nature. The scope and standard of review shall be *de novo* unless otherwise required by law.~~

~~b. Applicants for permits or appeals of land use decisions shall have the burden of proof in the matter, as set forth in GHMC Section 19.05.006. The City shall have the initial burden of proof in cases involving penalties or Notices of Violation.~~

1210. Rules of Evidence.

a. Evidence, including hearsay evidence, is admissible if in the judgment of the Examiner, it is the kind of evidence on which reasonably prudent persons are accustomed to rely in the conduct of their affairs. All relevant evidence is admissible which, in the opinion of the Examiner, is the best evidence reasonably obtainable, having due regard for its necessity, availability and trustworthiness. In passing on the admissibility of evidence, the Examiner shall give consideration to, but shall not be bound to follow, the rules of evidence governing civil proceedings before the superior courts in the state of Washington.

b. The Examiner shall exclude evidence that is excludable on constitutional or statutory grounds or on the basis of evidentiary privilege in the courts of this state.

c. Evidence that is material and relevant to a determination of the matter consistent with the standards set forth herein, subject to these rules, shall be admitted into the record whether or not such evidence had been submitted to the City staff.

d. The Examiner will officially notice: (i) federal law, the constitution; (ii) state law; (iii) governmental organization; (iv) City organization.

e. The Examiner may notice a fact if it is one not subject to reasonable dispute in that it is either (1) generally known within the territorial jurisdiction of the City of Gig Harbor or (2) capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned. (See, ER 201.)

1211. Additional Evidence. The Examiner may, when all parties have rested, present such evidence, in addition to that presented by the parties, as deemed necessary to decide the issues fairly and equitably. Any such evidence shall be received subject to full cross-examination by the parties. If a party desires to present rebuttal evidence, the Examiner shall allow an opportunity for

such to take place.

1312. Contents of the Record. The record before the Examiner in any proceeding shall consist of the decision or order appealed from, the appeal, responsive pleadings, if any, notices of public hearing or appeals. The notice provided to the public of the public hearing shall also state that copies of the administrative record presented to the Examiner shall be available for review and copying (under Public Disclosure Requests). The City shall present its record to the Examiner on or before the public hearing. Any party may raise objection to or challenge any document in the record presented to the Examiner, or provide additional information to refute any document in such record.

1413. Preparation of Findings and Conclusions/Orders. Upon request by the Examiner, the parties shall prepare findings and conclusions or orders, based on the Examiner's oral or memorandum opinion. In the alternative, the Examiner may prepare his/her own Findings and Conclusions/Orders, or adopt, in whole or in part, the findings, conclusions or orders from the drafts proposed by the parties.

1514. Final Decision. The Examiner shall issue a final decision within ~~ten working days as~~ the timelines set forth in the Gig Harbor Municipal Code. Copies of the Examiner's decision shall be sent to all parties and all other persons requesting a copy of the decision from the Examiner's office.

15. Clarification. Any party of record who participated at the hearing may request at any time clarification of the decision. The Hearing Examiner shall have discretion to provide clarification. Such clarification shall not stay the effect of a decision or change or amend the conclusions of the Hearing Examiner's decision.

PASSED by the City Council this 28th day of November, 2016.

APPROVED:

Jill Guernsey, Mayor

ATTEST:

Molly Towslee, City Clerk

Filed with City Clerk: 11/22/16
Passed by City Council: 11/28/16
Resolution No. 1054



**Subject: Gordon Thomas Honeywell
Lobbying Services Contract**

Proposed Council Action:

Authorize the Mayor to execute State and Federal contracts for lobbying services with Gordon Thomas Honeywell.

Dept. Origin: Administration

Prepared by: Shawna Wise *SW*

For Agenda of: November 28, 2016

Exhibits: Contracts, Leg. Agenda

Initial & Date

Concurred by Mayor:

JG 11/17/16

Approved by City Administrator:

Ron W 11/15/16

Approved as to form by City Atty:

CM 11-15-16

Approved by Finance Director:

DF 11/17/16

Approved by Department Head: _____

Expenditure Required	\$ 118,000	Amount Budgeted	120,000	Appropriation Required	\$0
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INFORMATION / BACKGROUND

There are two proposed contract renewals for State and Federal lobbying services with Gordon Thomas Honeywell (GTH). Both contracts are for one year (January - December 2017). There are no proposed increases in either contract.

Upon the two agreements, GTH will continue to advocate for Gig Harbor on the Council approved State Legislative Agenda (Attachment A), as well federal issues which include:

- Identify and track all congressional legislation, federal budgets, and federal regulations that impact the City of Gig Harbor and lobby on behalf of the City to Congress;
- Identify, track, and lobby for all federal funding opportunities, including federal grants. This includes legislation or regulation that supports projects that are City-specific and available to Gig Harbor.
- Organize events and meetings to promote the City of Gig Harbor to relevant members of the Washington State Congressional delegation.
- Provide the City with frequent reports and updates.

FISCAL CONSIDERATION

This item is identified as Objective No. 3 in the proposed 2017-2018 Administration Budget. \$120,000 is included in the proposed budget - \$40,000 for the State Lobbying Contract and \$80,000 for the Federal Lobbying Contract. The actual contract amounts are \$40,000 and \$78,000.

BOARD OR COMMITTEE RECOMMENDATION

The Intergovernmental Affairs Committee met on November 7, 2016 to review the contracts. The Committee recommends renewing the State and Federal Lobbying Contracts for 2017-18.

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute State and Federal contracts for lobbying services with Gordon Thomas Honeywell.

**WASHINGTON STATE SERVICE
CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
GORDON THOMAS HONEYWELL GOVERNMENTAL AFFAIRS**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Gordon Thomas Honeywell Governmental Affairs, a limited liability corporation organized under the laws of the State of Washington located at 1201 Pacific Ave, Suite 2100 Tacoma, WA 98401 (hereinafter the "Consultant").

RECITALS

WHEREAS, the City desires to obtain lobbying services; and

WHEREAS, the City desires that the Consultant perform services necessary to provide the lobbying services described herein; and

WHEREAS, the Consultant agrees to perform the services more specifically described in the Scope of Work, including any addenda thereto as of the effective date of this agreement, all of which are attached hereto as **Exhibit A – Scope of Work**, and are incorporated by this reference as if fully set forth herein; and

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

TERMS

I. Description of Work

The Consultant shall perform all work as described in **Exhibit A**.

II. Payment

A. The City shall pay the Consultant an amount not to exceed Forty Thousand (\$40,000), or Three Thousand Three Hundred Thirty Three Dollars (\$3,333) per month, beginning January 1, 2017, for the services described in Section I herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. PROVIDED, HOWEVER, the City reserves the right to direct the Consultant's compensated services under the time frame set forth in Section IV herein before reaching the maximum amount. The Consultant's staff and billing rates shall be as described in **Exhibit B**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill at rates in excess of the hourly rates shown in **Exhibit B**; unless the parties agree to a modification of this Contract, pursuant to Section XVIII herein.

B. The Consultant shall submit monthly invoices to the City after such services have been performed, and a final bill upon completion of all the services described in this Agreement. The City shall pay the full amount of an invoice within forty-five (45) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Consultant of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

III. Relationship of Parties

The parties intend that an independent contractor-client relationship will be created by this Agreement. As the Consultant is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or sub-consultant of the Consultant shall be or shall be deemed to be the employee, agent, representative or sub-consultant of the City. In the performance of the work, the Consultant is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance, and unemployment insurance are available from the City to the employees, agents, representatives, or sub-consultants of the Consultant. The Consultant will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-consultants during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.

IV. Duration of Work

The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** beginning on January 1, 2017. The parties agree that the work described in **Exhibit A** shall be completed by December 31, 2017.

V. Termination

A. Termination of Agreement. The City may terminate this Agreement, for public convenience, the Consultant's default, the Consultant's insolvency or bankruptcy, or the Consultant's assignment for the benefit of creditors, at any time prior to completion of the work described in **Exhibit A**. If delivered to consultant in person, termination shall be effective immediately upon the Consultant's receipt of the City's written notice or such date stated in the City's notice, whichever is later.

B. Rights Upon Termination. In the event of termination, the City shall pay for all services satisfactorily performed by the Consultant to the effective date of termination, as described on a final invoice submitted to the City. Said amount shall not exceed the amount in Section II above. After termination, the City may take possession of all records and data within the Consultant's possession pertaining to this Agreement,

which records and data may be used by the City without restriction. Upon termination, the City may take over the work and prosecute the same to completion, by contract or otherwise. Except in the situation where the Consultant has been terminated for public convenience, the Consultant shall be liable to the City for any additional costs incurred by the City in the completion of the Scope of Work referenced as **Exhibit A** and as modified or amended prior to termination. "Additional Costs" shall mean all reasonable costs incurred by the City beyond the maximum contract price specified in Section II(A), above.

VI. Discrimination

In the hiring of employees for the performance of work under this Agreement or any sub-contract hereunder, the Consultant, its subcontractors, or any person acting on behalf of such Consultant or sub-consultant shall not, by reason of race, religion, color, sex, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

VII. Indemnification

The Consultant shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorneys' 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. The City's inspection or acceptance of any of the Consultant's work when completed shall not be grounds to avoid any of these covenants of indemnification.

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 Consultant and the City, its officers, officials, employees, agents and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CONSULTANT'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER. THE CONSULTANT'S WAIVER OF IMMUNITY UNDER THE PROVISIONS OF THIS SECTION DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY THE CONSULTANT'S EMPLOYEES DIRECTLY AGAINST THE CONSULTANT.

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

VIII. Insurance

A. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Consultant's own work including the work of the Consultant's agents, representatives, employees, sub-consultants or sub-contractors.

B. Before beginning work on the project described in this Agreement, the Consultant shall provide evidence, in the form of a Certificate of Insurance, of the following insurance coverage and limits (at a minimum):

1. Business auto coverage for any auto no less than a \$1,000,000 each accident limit, and
2. Commercial General Liability insurance no less than \$1,000,000 per occurrence with a \$2,000,000 aggregate. Coverage shall include, but is not limited to, contractual liability, products and completed operations, property damage, and employers liability, and

C. All policies and coverage's shall be on an occurrence made basis.

D. The Consultant is responsible for the payment of any deductible or self-insured retention that is required by any of the Consultant's insurance. If the City is required to contribute to the deductible under any of the Consultant's insurance policies, the Contractor shall reimburse the City the full amount of the deductible within 10 working days of the City's deductible payment.

E. The City of Gig Harbor shall be named as an additional insured on the Consultant's commercial general liability policy. This additional insured endorsement shall be included with evidence of insurance in the form of a Certificate of Insurance for coverage necessary in Section B. The City reserves the right to receive a certified and complete copy of all of the Consultant's insurance policies.

F. Under this agreement, the Consultant's insurance shall be considered primary in the event of a loss, damage or suit. The City's own comprehensive general liability policy will be considered excess coverage with respect to defense and indemnity of the City only and no other party. Additionally, the Consultant's commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

G. The Consultant shall request from his insurer a modification of the ACORD certificate to include language that prior written notification will be given to the City of Gig Harbor at least 30-days in advance of any cancellation, suspension or material change in the Consultant's coverage.

IX. Exchange of Information

The City warrants the accuracy of any information supplied by it to the Consultant for the purpose of completion of the work under this Agreement. The parties agree that the Consultant will notify the City of any inaccuracies in the information provided by the City as may be discovered in the process of performing the work, and that the City is entitled to rely upon any information supplied by the Consultant which results as a product of this Agreement.

X. Ownership and Use of Records and Documents

Original documents, drawings, designs and reports developed under this Agreement shall belong to and become the property of the City. All written information submitted by the City to the Consultant in connection with the services performed by the Consultant under this Agreement will be safeguarded by the Consultant to at least the same extent as the Consultant safeguards like information relating to its own business. If such information is publicly available or is already in consultant's possession or known to it, or is rightfully obtained by the Consultant from third parties, the Consultant shall bear no responsibility for its disclosure, inadvertent or otherwise.

XI. City's Right of Inspection

Even though the Consultant is an independent contractor with the authority to control and direct the performance and details of the work authorized under this Agreement, the work must meet the approval of the City and shall be subject to the City's general right of inspection to secure the satisfactory completion thereof. The Consultant agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or become applicable within the terms of this Agreement to the Consultant's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

XII. Consultant to Maintain Records to Support Independent Contractor Status

On the effective date of this Agreement (or shortly thereafter), the Consultant shall comply with all federal and state laws applicable to independent contractors including, but not limited to the maintenance of a separate set of books and records that reflect all items of income and expenses of the Consultant's business, pursuant to the Revised Code of Washington (RCW) Section 51.08.195, as required to show that the services performed by the Consultant under this Agreement shall not give rise to an employer-employee relationship between the parties which is subject to RCW Title 51, Industrial Insurance.

XIII. Work Performed at the Consultant's Risk

The Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and sub-consultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Consultant's own risk, and the Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Consultant for use in connection with the work.

XIV. Non-Waiver of Breach

The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options, and the same shall be and remain in full force and effect.

XV. Resolution of Disputes and Governing Law

Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Agreement, the matter shall first be referred to the City Administrator and the City shall determine the term or provision's true intent or meaning. The City Administrator shall also decide all questions which may arise between the parties relative to the actual services provided or to the sufficiency of the performance hereunder.

If any dispute arises between the City and the Consultant under any of the provisions of this Agreement which cannot be resolved by the City Administrator's determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The non-prevailing party in any action brought to enforce this Agreement shall pay the other parties' expenses and reasonable attorney's fees.

XVI Written Notice

All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the agreement, unless notified to the contrary. Unless otherwise specified, any written notice hereunder shall become effective upon the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated below:

CONSULTANT:

Briahna Murray
Gordon Thomas Honeywell Gov. Affairs
1201 Pacific Ave., Suite 2100
Tacoma, WA 98401
(253) 620-6500

City Administrator
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170

XVII. Assignment

Any assignment of this Agreement by the Consultant without the written consent of the City shall be void. If the City shall give its consent to any assignment, this paragraph shall continue in full force and effect and no further assignment shall be made without the City's consent.

XVIII. Modification

No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and the Consultant.

XIX. Entire Agreement

The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner whatsoever, this Agreement or the Agreement documents. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement and any Exhibits attached hereto, which may or may not have been executed prior to the execution of this Agreement. All of the above documents are hereby made a part of this Agreement and form the Agreement document as fully as if the same were set forth herein. Should

[Remainder of page intentionally left blank.]

any language in any of the Exhibits to this Agreement conflict with any language contained in this Agreement, then this Agreement shall prevail.

IN WITNESS WHEREOF, the parties have executed this Agreement on this _____ day of _____, 20 ____.

CONSULTANT

CITY OF GIG HARBOR

By: _____
President

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Exhibit A Scope of Work

The Consultant shall provide the City of Gig Harbor with the following Washington State legislative governmental affair services:

The Consultant shall:

1. Identify and track all legislation relevant to the City of Gig Harbor;
2. Provide the City with frequent reports and updates during the legislative session;
3. Provide monthly updates during the legislative interim.
4. Attend all relevant legislative hearings where the City of Gig Harbor's interests are directly affected;
5. Work throughout the year with the City of Gig Harbor to develop and implement legislative objectives and strategy;
6. Coordinate with City of Gig Harbor officials to testify at relevant legislative hearings; and
7. Lobby to pass, defeat or amend legislation that directly affects the City of Gig Harbor's interests.

In addition to the above, the Consultant shall perform the following specific tasks:

1. Pursue a transportation funding for projects identified by the West Sound Alliance, including projects identified in the SR 16 corridor study.
2. Pursue capital funding for investments for a local Sports Complex.
3. Support legislation that increases the tax credit limits on the Main Street Tax Incentive Program.
4. Seek full funding of state grant/loan programs including WWRP and the PWAA.
5. Ensure that programs important to the City of Gig Harbor are not eliminated through a budget cut, including maintain and increase funding for the Basic Law Enforcement Academy.
6. Work with the Association of Washington Cities to further legislation on local government finance.

Exhibit B Billing Rates

As described in Section II of this agreement, a monthly service fee of Three Thousand Three Hundred Thirty Three dollars (\$3,333.00) per month shall be charged to provide the services described in this agreement. This fee will cover all work performed by Briahna Taylor, and other GTHGA staff.

ATTACHMENT A



City of Gig Harbor State Legislative Agenda for the 2017-19 Legislative Biennium

Capital Funding Request: Gig Harbor North Civic/Sports Complex

The City respectfully requests \$2 million for development of a 35-acre sports complex to provide turfed and lit baseball and multi-purpose sports fields to our rapidly growing community. The project has multiple partners including the Pierce/Kitsap YMCA, Gig Harbor Little League, Peninsula Light Company and Olympic Property Group. Local funds are available and a master plan will be developed as approved by the Parks Commission and Public Works Committee.

Transportation Funding: West Sound Alliance

The City supports the West Sound Alliance in continuing to seek transportation funding for the West Sound region. In particular, the city will closely follow the progress of the congestion relief study for State Route 16, the completion of the EIS on State Route 302, and advocate for funding for resulting projects. Additionally, the City will actively lobby in support of policy and funding proposals that limit and reduce toll increases on the Tacoma Narrows Bridge.

Support Main Street Legislation

The City supports legislation that increases the tax credit limits on the Main Street Tax Incentive Program. The Main Street Program was created in 2005 to support downtown revitalization programs. The Downtown Gig Harbor Waterfront Alliance participates in the program.

Infrastructure Funding

The City supports developing a statewide solution to local infrastructure funding needs to fill the gap created with the redirection of the Public Works Assistance Account revenue sources. The City supports the development of a Public Works Assistance Account 2.0 that provides cities with funding to meet growing local infrastructure needs.

Protecting State-Shared Revenues

The City supports the continued appropriation of state-shared funds to local governments, including funds such as liquor excise taxes and profits, streamlined sales tax mitigation funding, the city-county assistance account, and the municipal criminal justice account. Additionally, the City supports legislation to restore growth to the liquor profit/fee revenues. Combined, these funds provide a significant amount of revenue to the City's general fund.

Funding for Basic Law Enforcement Academy

The City requests increased funding for additional training slots at the Criminal Justice Training Commission's BLEA to accommodate growing needs to train new police officers. In the last year, Gig Harbor has hired 2 officers and has plans to hire 3 new deputies in the coming year. The current funding level and capacity at the Basic Law Enforcement Academy is not sufficient – deputies have to wait months before a training slot opens.

Public Records Reform

The City supports efforts to reform the Public Records Act to provide cost recovery, alternative dispute resolution, technology best practices, and other concepts. In approaching this reform, the City recognizes the importance of transparency and accountability in government.

**FEDERAL GOVERNMENTAL AFFAIRS
CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
GORDON THOMAS HONEYWELL GOVERNMENTAL AFFAIRS**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Gordon Thomas Honeywell Governmental Affairs, a limited liability corporation organized under the laws of the State of Washington located at 1201 Pacific Ave, Suite 2100 Tacoma, WA 98401 (hereinafter the "Consultant").

RECITALS

WHEREAS, the City desires to obtain lobbying services; and

WHEREAS, the City desires that the Consultant perform services necessary to provide the lobbying services described herein; and

WHEREAS, the Consultant agrees to perform the services more specifically described in the Scope of Work, including any addenda thereto as of the effective date of this agreement, all of which are attached hereto as **Exhibit A – Scope of Work**, and are incorporated by this reference as if fully set forth herein; and

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

TERMS

I. Description of Work

The Consultant shall perform all work as described in **Exhibit A**.

II. Payment

A. The City shall pay the Consultant fees in amount not to exceed Seventy-Eight Thousand Dollars (\$78,000), or Six Thousand Five Hundred Dollars (\$6,500.00) per month, beginning January 1, 2017, for the services described in Section I herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. PROVIDED, HOWEVER, the City reserves the right to direct the Consultant's compensated services under the time frame set forth in Section IV herein before reaching the maximum amount. The Consultant's staff and billing rates shall be as described in **Exhibit B**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill

at rates in excess of the hourly rates shown in **Exhibit B**; unless the parties agree to a modification of this Contract, pursuant to Section XVIII herein.

B. The Consultant shall submit monthly invoices to the City after such services have been performed, and a final bill upon completion of all the services described in this Agreement. The City shall pay the full amount of an invoice within forty-five (45) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Consultant of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

III. Relationship of Parties

The parties intend that an independent contractor-client relationship will be created by this Agreement. As the Consultant is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or sub-consultant of the Consultant shall be or shall be deemed to be the employee, agent, representative or sub-consultant of the City. In the performance of the work, the Consultant is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance, and unemployment insurance are available from the City to the employees, agents, representatives, or sub-consultants of the Consultant. The Consultant will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-consultants during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.

IV. Duration of Work

The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** beginning on January 1, 2017. The parties agree that the work described in **Exhibit A** shall be completed by December 31, 2017.

V. Termination

A. Termination of Agreement. The City may terminate this Agreement, for public convenience, the Consultant's default, the Consultant's insolvency or bankruptcy, or the Consultant's assignment for the benefit of creditors, at any time prior to completion of the work described in **Exhibit A**. If delivered to consultant in person, termination shall be effective immediately upon the Consultant's receipt of the City's written notice or such date stated in the City's notice, whichever is later.

B. Rights Upon Termination. In the event of termination, the City shall pay for all services satisfactorily performed by the Consultant to the effective date of termination, as

described on a final invoice submitted to the City. Said amount shall not exceed the amount in Section II above. After termination, the City may take possession of all records and data within the Consultant's possession pertaining to this Agreement, which records and data may be used by the City without restriction. Upon termination, the City may take over the work and prosecute the same to completion, by contract or otherwise. Except in the situation where the Consultant has been terminated for public convenience, the Consultant shall be liable to the City for any additional costs incurred by the City in the completion of the Scope of Work referenced as **Exhibit A** and as modified or amended prior to termination. "Additional Costs" shall mean all reasonable costs incurred by the City beyond the maximum contract price specified in Section II(A), above.

VI. Discrimination

In the hiring of employees for the performance of work under this Agreement or any sub-contract hereunder, the Consultant, its subcontractors, or any person acting on behalf of such Consultant or sub-consultant shall not, by reason of race, religion, color, sex, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

VII. Indemnification

The Consultant shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorneys' 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. The City's inspection or acceptance of any of the Consultant's work when completed shall not be grounds to avoid any of these covenants of indemnification.

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 Consultant and the City, its officers, officials, employees, agents and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CONSULTANT'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER. THE CONSULTANT'S WAIVER OF IMMUNITY UNDER THE PROVISIONS OF THIS SECTION DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY THE CONSULTANT'S EMPLOYEES DIRECTLY AGAINST THE CONSULTANT.

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

VIII. Insurance

A. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Consultant's own work including the work of the Consultant's agents, representatives, employees, sub-consultants or sub-contractors.

B. Before beginning work on the project described in this Agreement, the Consultant shall provide evidence, in the form of a Certificate of Insurance, of the following insurance coverage and limits (at a minimum):

1. Business auto coverage for any auto no less than a \$1,000,000 each accident limit, and
2. Commercial General Liability insurance no less than \$1,000,000 per occurrence with a \$2,000,000 aggregate. Coverage shall include, but is not limited to, contractual liability, products and completed operations, property damage, and employers liability, and

C. All policies and coverage's shall be on an occurrence made basis.

D. The Consultant is responsible for the payment of any deductible or self-insured retention that is required by any of the Consultant's insurance. If the City is required to contribute to the deductible under any of the Consultant's insurance policies, the Contractor shall reimburse the City the full amount of the deductible within 10 working days of the City's deductible payment.

E. The City of Gig Harbor shall be named as an additional insured on the Consultant's commercial general liability policy. This additional insured endorsement shall be included with evidence of insurance in the form of a Certificate of Insurance for coverage necessary in Section B. The City reserves the right to receive a certified and complete copy of all of the Consultant's insurance policies.

F. Under this agreement, the Consultant's insurance shall be considered primary in the event of a loss, damage or suit. The City's own comprehensive general liability policy will be considered excess coverage with respect to defense and indemnity of the City only and no other party. Additionally, the Consultant's commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

G. The Consultant shall request from his insurer a modification of the ACORD certificate to include language that prior written notification will be given to the City of Gig Harbor at least 30-days in advance of any cancellation, suspension or material change in the Consultant's coverage.

IX. Exchange of Information

The City warrants the accuracy of any information supplied by it to the Consultant for the purpose of completion of the work under this Agreement. The parties agree that the Consultant will notify the City of any inaccuracies in the information provided by the City as may be discovered in the process of performing the work, and that the City is entitled to rely upon any information supplied by the Consultant which results as a product of this Agreement.

X. Ownership and Use of Records and Documents

Original documents, drawings, designs and reports developed under this Agreement shall belong to and become the property of the City. All written information submitted by the City to the Consultant in connection with the services performed by the Consultant under this Agreement will be safeguarded by the Consultant to at least the same extent as the Consultant safeguards like information relating to its own business. If such information is publicly available or is already in consultant's possession or known to it, or is rightfully obtained by the Consultant from third parties, the Consultant shall bear no responsibility for its disclosure, inadvertent or otherwise.

XI. City's Right of Inspection

Even though the Consultant is an independent contractor with the authority to control and direct the performance and details of the work authorized under this Agreement, the work must meet the approval of the City and shall be subject to the City's general right of inspection to secure the satisfactory completion thereof. The Consultant agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or become applicable within the terms of this Agreement to the Consultant's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

XII. Consultant to Maintain Records to Support Independent Contractor Status

On the effective date of this Agreement (or shortly thereafter), the Consultant shall comply with all federal and state laws applicable to independent contractors including, but not limited to the maintenance of a separate set of books and records that reflect all items of income and expenses of the Consultant's business, pursuant to the Revised Code of Washington (RCW) Section 51.08.195, as required to show that the services performed by the Consultant under this Agreement shall not give rise to an employer-employee relationship between the parties which is subject to RCW Title 51, Industrial Insurance.

XIII. Work Performed at the Consultant's Risk

The Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and sub-consultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Consultant's own risk, and the Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Consultant for use in connection with the work.

XIV. Non-Waiver of Breach

The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options, and the same shall be and remain in full force and effect.

XV. Resolution of Disputes and Governing Law

Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Agreement, the matter shall first be referred to the City Administrator and the City shall determine the term or provision's true intent or meaning. The City Administrator shall also decide all questions which may arise between the parties relative to the actual services provided or to the sufficiency of the performance hereunder.

If any dispute arises between the City and the Consultant under any of the provisions of this Agreement which cannot be resolved by the City Administrator's determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The non-prevailing party in any action brought to enforce this Agreement shall pay the other parties' expenses and reasonable attorney's fees.

XVI. Written Notice

All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the agreement, unless notified to the contrary. Unless otherwise specified, any written notice hereunder shall become effective upon the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated below:

CONSULTANT:

Tim Schellberg
Gordon Thomas Honeywell Gov. Affairs
1201 Pacific Ave., Suite 2100
Tacoma, WA 98401
(253) 620-6500

City Administrator
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170

XVII. Assignment

Any assignment of this Agreement by the Consultant without the written consent of the City shall be void. If the City shall give its consent to any assignment, this paragraph shall continue in full force and effect and no further assignment shall be made without the City's consent.

XVIII. Modification

No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and the Consultant.

XIX. Entire Agreement

The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner whatsoever, this Agreement or the Agreement documents. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement and any Exhibits attached hereto, which may or may not have been executed prior to the execution of this Agreement. All of the above documents are hereby made a part of this Agreement and form the Agreement document as fully as if the same were set forth herein. Should any language in any of the

[Remainder of page intentionally left blank.]

Exhibits to this Agreement conflict with any language contained in this Agreement, then this Agreement shall prevail.

IN WITNESS WHEREOF, the parties have executed this Agreement on this _____ day of _____, 20 __.

CONSULTANT

CITY OF GIG HARBOR

By: _____
President

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Exhibit A

Scope of Work – Federal Governmental Affairs Services

The Consultant shall provide the City of Gig Harbor with the following federal governmental affairs services:

- Identify and track all congressional legislation, federal budgets, and federal regulations that impact the City of Gig Harbor, and lobby on behalf of the City to Congress and the relevant federal agencies on those issues.
- Identify, track, and lobby for all federal funding opportunities, including federal grants. This includes legislation or regulations that support projects of interest to the City of Gig Harbor, particularly those opportunities that promote the City's economic development and maritime heritage. Those opportunities include, but are not limited to: federal efforts to improve the profile and standing of the City's harbor and Puget Sound under national restoration, conservation, recovery, and economic development programs for coastal and maritime communities; federal funding for recreational trails and park projects, such as the Ancich Upland Park Project and Gig Harbor North Ballfields; federal funding for Gig Harbor maritime related infrastructure, such as those opportunities through the Boating Infrastructure Grant (BIG) Program; and federal funding for the City's transportation projects, such as Harbor Hill Drive and downtown revitalization projects.
- The federal grants and initiatives that benefit the City of Gig Harbor advocated for will likely include any and all federal grants and initiatives developed by the new Administration and 115th Congress.
- Organize and collaborate with City of Gig Harbor officials, along with local community and business leaders to support the City's federal agenda.
- Provide the City with frequent reports and updates.
- Organize events and meetings to promote the City of Gig Harbor to relevant members of the Washington State Congressional delegation.

Exhibit B
Billing Rates

As described in Section II of this agreement, a monthly service fee of Six Thousand Five Hundred Dollars (\$6,500.00) per month shall be charged to provide the services described in this agreement. This fee will cover all work performed by Dale Learn and Paul Hoover in the Washington, DC office.



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

Subject: Resolution No. 1055 - Closed Record Decision - Harbor Hill S2-S6 Final Plat and Final PRD Approval (PL-FPLAT-16-0004, PL-FPRD-16-0002)

Proposed Council Action: Adopt resolution No. 1055 approving the final plat and final PRD of Harbor Hill Division S2-S6

Dept. Origin: Planning Department

Prepared by: Carl de Simas, Associate Planner

For Agenda of: November 28, 2016

Exhibits: Resolution
Planning Director's Recommendation
Final Plat Map

	Initial & Date
Concurred by Mayor:	<u>JG 11-22-16</u>
Approved by City Administrator:	<u>Ron W 11/22/16</u>
Approved as to form by City Atty:	<u>By Email 11/22/16</u>
Approved by Finance Director:	<u>N/A</u>
Approved by Department Head:	<u>JG 11/21/16</u>

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

Attached for your consideration is a resolution approving the final plat and final planned residential development for Division S2-S6 of Harbor Hill, located south of Borgen Blvd., adjacent to and west of Peacock Hill Ave NW. This division includes 154 single family residential lots, 10 open space tracts, dedicated right-of-way for public streets to be constructed, and private access tracts. The applicant has bonded for the infrastructure, landscaping and amenities contained within the S2-S6 Division.

The applicant is Harbor Hill LLC, represented by John Chadwell. The preliminary plat and PRD were conditionally approved by the City Hearing Examiner on December 30, 2010. The site is the subject of a development agreement with City Council dated November 9, 2010, amended November 26, 2012 and April 28, 2014. Three major amendments have been approved by the Planning Director since the initial approval by the Hearing Examiner.

POLICY CONSIDERATIONS

Staff has reviewed the criteria for approval of the final plat and final PRD, as specified in GHMC Chapters 16.06 and 17.89; and has determined that the applicant has met the criteria for the approval of the final plat/PRD. Please refer to the attached Planning Director's Recommendation for staff's review of the proposal.

ENVIRONMENTAL ANALYSIS

The City issued a Mitigated Determination of Non-Significance (MDNS) for the preliminary plat, planned residential development, rezone and design review of the subdivision of three parcels into

554 single family lots and two multiple family lots that would be developed with a total of 270 units on November 17, 2010. Additionally a SEPA Addendum was issued July 31, 2013. This phase conforms to the requirements of the MDNS.

FISCAL CONSIDERATION

The proposal does not include any significant fiscal impacts.

PLANNING DIRECTOR RECOMMENDATION

Move to adopt resolution No. 1055 approving the final plat and final PRD of Harbor Hill Division S2-S6.

RESOLUTION NO. 1055

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, APPROVING THE FINAL PLAT AND FINAL PRD FOR DIVISION S2-S6 OF HARBOR HILL, LOCATED SOUTH OF BORGES BLVD., ADJACENT TO AND WEST OF PEACOCK HILL AVE NW, PIERCE COUNTY ASSESSOR-TREASURER PARCEL NUMBER(S) 4003210290, AND CITY OF GIG HARBOR FILE NO. PL-FPLAT-16-0004 AND PL-FPRD-16-0002.

WHEREAS, on December 30, 2010, the City of Gig Harbor Hearing Examiner conditionally granted preliminary plat and preliminary planned residential development (PRD) approval to Harbor Hill, located north and south of Borgen Blvd. and east of the Harbor Hill Business Park and the Ridge at Gig Harbor Subdivision; and

WHEREAS, on November 8, 2010, the City Council approved a Development Agreement for Harbor Hill providing for 20 years of vesting, phased development and allowing certain deviations from the code; and

WHEREAS, Division S2-S6 is an approved phase of the Harbor Hill Preliminary Plat and PRD located south of Borgen Blvd., adjacent to and west of Peacock Hill Ave NW, Pierce County Assessor-Treasurer Parcel Number 4003210290, containing 154 single family residential lots, 10 open space tracts, dedicated right-of-way for public streets to be constructed, and private access tracts; and

WHEREAS, on November 26, 2012 the City Council approved Amendments to the Development Agreement allowing the Planning Director to approve modifications to the Preliminary Plat and PRD approvals; and

WHEREAS, on April 28, 2014 the City Council approved Amendments to the Development Agreement expanding the area where independent and assisted living

facilities and skilled nursing facilities are allowed, modifying the provisions for model homes and updating the infrastructure phasing plan; and

WHEREAS, following the approval of the amended development agreement the owner applied for and received approval of three major preliminary plat and preliminary PRD revisions on August 2, 2013, July 14, 2014, and July 29, 2014; and

WHEREAS, the applicant submitted and received approval on April 19, 2016 for Civil Construction Plans for the S2-S6 Division of the plat/PRD (Case # EN-15-0121); and

WHEREAS, the applicant has posted performance bonds for the public and private infrastructure required in the preliminary plat/PRD approval for the S2-S6 Division; and

WHEREAS, street names being utilized in Harbor Hill Division S2-S6 were previously approved by the City on July 25, 2016 and September 12, 2015; and

WHEREAS, an application for final plat and final PRD approval was submitted to the City on September 20, 2016; and

WHEREAS, the applications submitted for final plat and final PRD approval were deemed to be complete on September 20, 2016; and

WHEREAS, the proposed final plat/PRD were circulated to the appropriate departments of the City for review; and

WHEREAS, the City requested revisions on October 18, 2016 to the final plat/PRD drawing; and

WHEREAS, the applicant submitted the requested revisions on November 3, 2016; and

WHEREAS, the City requested revisions to the final plat/PRD drawing on November 21, 2016; and

WHEREAS, the applicant submitted the requested revisions on November 21, 2016; and

WHEREAS, the final drawings of the proposed final plat/PRD and requested documents were circulated to the appropriate departments of the City and recommendations for approval were obtained; and

WHEREAS, the proposed plat certificate has been reviewed by the City Attorney and all certificates of completion as required by GHMC Section 16.06.001 have been received; and

WHEREAS, the City Council reviewed the application for the final plat at its regular meeting of November 28, 2016; Now, Therefore,

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

Section 1. Findings

A. The City Council hereby finds that, pursuant to Gig Harbor Municipal Code 16.06.005, the Harbor Hill Division S2-S6 subdivision, subject to the conditions imposed in Section 2:

1. Meets all general requirements for plat approval as set forth in Chapter 16.08 GHMC, General Requirements for Subdivision Approval;
2. Conforms to all terms of the preliminary plat and preliminary PRD approvals; and a performance bond has been accepted in lieu of construction of the required and uncompleted improvements;
3. Conforms to all terms of the Development Agreement approval;

4. Meets the requirements of Chapter 58.17 RCW, other applicable state laws, Title 16 GHMC, and all applicable ordinances which were in effect at the time of preliminary plat approval.

B. The City Council hereby finds that, pursuant to Gig Harbor Municipal Code 17.89.080, the Harbor Hill Division S2-S6 Final PRD, subject to the conditions imposed in Section 2:

1. Provides all features and amenities identified in the preliminary PRD;
2. Complies with the conditions of approval required by the City Engineer;
3. Complies with all conditions of approval required by the Fire Marshal;
4. Complies with all conditions of approval required by the Planning Director and a performance bond has been accepted in lieu of construction for required landscaping and amenities contained within Division S2-S6;
5. Meets the requirements of Chapter 58.17 RCW, other applicable state laws, Title 17 GHMC, and all applicable ordinances which were in effect at the time of preliminary plat approval.

Section 2. Approval; Conditions

The City Council hereby approves Harbor Hill Division S2-S6 Final Plat and Final PRD, File Nos. PL-FPLAT-16-0004 and PL-FPRD-16-0002, subject to the following conditions:

1. The landscape and PRD improvements contained in Division S2-S6 (and bonded for under surety #759369S) shall be completed by the applicant and accepted by the City within the timelines established within the bonds unless an extension is granted by the Planning Director; and

2. The infrastructure contained in Civil Permit EN-15-0018 (and bonded for under surety #758588S) shall be completed by the applicant and accepted by the City on or before November 30, 2016 unless an extension is granted at the sole discretion of the City Engineer related to wet weather delays or other unavoidable construction delays; and
3. The applicant shall maintain control of the on-site construction limits until such time as the infrastructure improvements are completed in its entirety and accepted by the City. "Control of the on-site construction limits" is understood to mean that use of the improvements and access to and from the limits of construction is restricted by the applicant at the applicant's sole discretion and liability for use of the construction site and improvements lies solely and completely with the applicant; and
4. No certificate of occupancy for any building permit within this Division will be issued unless the infrastructure improvements have been completed in its entirety and accepted by the City, notwithstanding possible future written agreements.

Section 3. The City Council directs the Mayor and all other appropriate City officials to inscribe and execute the City's written approval on the face of the plat.

Section 4. The City shall record the final plat with the County Auditor, at the expense of the applicant, after all inspections and approvals, and after all fees, charges and assessments due the City resulting from the subdivision development have been paid in full.

RESOLVED this 28 day of November, 2016.

APPROVED:

JILL GUERNSEY, MAYOR

ATTEST/AUTHENTICATED:

MOLLY TOWSLEE, CITY CLERK

APPROVED AS TO FORM;
OFFICE OF THE CITY ATTORNEY

BY: _____
Angela G. Summerfield

FILED WITH THE CITY CLERK: 11/21/16
PASSED BY THE CITY COUNCIL: 11/28/16
RESOLUTION NO. 1055



TO: Mayor Guernsey and City Council
FROM: Jennifer Kester, Planning Director
SUBJECT: Closed Record Decision-Final Plat/Final PRD Approval-Harbor Hill S2-S6
DATE: November 28, 2016

INFORMATION/BACKGROUND:

The applicant, Harbor Hill LLC, has requested final plat approval for Division S2-S6 of Harbor Hill to allow the segregation of 154 single family residential lots, 10 open space tracts, dedicated right-of-way for public streets to be constructed, and private access tracts. The site is located south of Borgen Blvd., adjacent to and west of Peacock Hill Ave. NW. The City has a Development Agreement with this developer that provides for phasing, vesting and amends development regulations.

The preliminary plat/PRD was approved by the City in December 30, 2010 to allow the segregation of the 200 acre site into 554 single family lots and two future development tracts for multi-family development; subject to 16 conditions of approval. The Planning Director has approved three major revisions to the preliminary plat and PRD as authorized by the Development Agreement. The first revision was known as the M2 Revisions which expanded the M2 lot and revised the location of the wetland mitigation, approved August 2, 2013. The second revision to be approved was the North Revisions approved on July 14, 2014 which affected grading, setbacks and impervious areas in the N2-5 divisions. The South revisions were approved on July 29, 2014, it further expanded the M2 lot area and removed several single family lots. None of the revisions substantially affect the S2-S6 Division.

The entire south wetland loop trail is required to be dedicated to the City prior to the issuance of occupancy certificates for 400 dwellings within the Harbor Hill Plat/PRD. The loop trail has been constructed, however the cross wetland trail is currently under permit review. As of November 28, 2016 the project has obtained occupancy for 335 dwellings (172 apartments and 163 single family homes). This threshold has not yet been met, however the number of units located in areas that have received final plat exceeds 400 dwelling units. Upon the recording of the S2-S6 Division, final plat will have occurred for 419 single family lots and 172 apartment units. The first phase of the Heron's Key CCRC includes the equivalent of 77.3 dwellings. Submitted building permits for Harbor Hill dwellings (of all types of units including those at Heron's Key and

at all stages of review or construction) as of November 28, 2016 total the equivalent of 161.3 dwellings. The timeline for the dedication of the trail will depend on the rate of the construction of the dwelling units within the platted divisions. The developer will retain tract C for the interim.

The following is an analysis of the request for consistency with the city's requirements for final plat and final PRD approval and with the conditions of approval imposed upon the project.

POLICY CONSIDERATIONS: Final PRD

Staff has reviewed the request for consistency with the criteria for approval of the final planned residential development as specified in Gig Harbor Municipal Code (GHMC) Chapter 17.89.080, and has determined that the applicant has met the criteria for approval of the final PRD as follows:

GHMC 17.89.080 Criteria for approval of final PRD application.

A. Applicants for a final PRD application shall demonstrate that all of the following criteria have been satisfied:

1. All features and amenities identified in the preliminary PRD have been constructed and/or are retained or improved;

The preliminary PRD approval was based upon the design features included in the proposed development including (but not limited to) the preservation of critical areas, interconnected open spaces and location of the highest densities in the areas adjacent to Borgen Blvd. and the existing commercial districts in the vicinity.

Other PRD improvements in this division include parks, open spaces and trails. All features proposed in the preliminary PRD have been maintained in the approved civil plans and the construction of the required improvements have been bonded for in accordance with the Development Agreement.

2. The city public works director has documented that all conditions imposed on the preliminary PRD requiring public works department approval have been constructed or improved to the satisfaction of the director;

The City Engineer has accepted a performance bond for the construction of the required and uncompleted infrastructure elements required to serve Division S2-S6 of the PRD. A detailed analysis of how the conditions of approval have been met for this division starts on page 4 of this document.

3. The city fire marshal has documented that all conditions imposed on the preliminary PRD requiring fire code approval have been constructed (or per the fire marshal's discretion will be constructed pursuant to a subsequent permit) to the satisfaction of the fire marshal;

The Fire Marshall has approved Division S2-S6 of the PRD. A detailed analysis of how the conditions of approval have been met for this division starts on page 4 of this document.

4. The city planning director has documented that all conditions imposed on the preliminary PRD requiring planning department approval have been constructed to the satisfaction of the director;

The Planning Director has reviewed Division S2-S6 for compliance with the conditions of approval. A detailed analysis of how the conditions of approval have been met for this division starts on page 4 of this document.

5. Findings must be made that the preliminary PRD (and/or preliminary plat) conforms to all terms of preliminary PRD approval, and that the PRD meets the requirements of this chapter and all other applicable codes and state laws.

Findings have been developed in the attached resolution provided for your consideration. The findings support the approval of the Final PRD as well as the Final Plat.

POLICY CONSIDERATIONS: Final Plat

Staff has reviewed the request for consistency with the criteria for approval of the final plat as specified in Gig Harbor Municipal Code (GHMC) Chapter 16.06, and has determined that the applicant has met the criteria for approval of the final plat as follows:

GHMC 16.06.004-Recommendation as prerequisites for final plat approval:

Each preliminary plat submitted for final approval shall be accompanied by the following recommendations:

- A. Local health department or other agency furnishing sewage disposal and supplying water as to the adequacy of the proposed means of sewage disposal and water supply;

The City of Gig Harbor is furnishing sewage disposal and water to the site.

- B. Planning director's recommendation as to compliance with all of the terms of preliminary plat approval of the proposed plat or subdivision;

The applicant has complied with all terms of the preliminary plat approval, as discussed below.

- C. Approval of the city engineer.

The City Engineer recommends approval of the final plat as the applicant has bonded for all uncomplete civil infrastructure improvements.

GHMC 16.06.005-Criteria for approval of subdivisions:

A final plat application shall be approved if the subdivision proposed for approval:

- A. Meets all general requirements for plat approval as set forth in Chapter 16.08 GHMC, General Requirements for Subdivision Approval;

Division S2-S6 of the Harbor Hill Plat/PRD has met the requirements of the municipal code. The proposed subdivision conforms to all applicable zoning ordinances and the comprehensive plan. The applicant has complied with the requirements to dedicate streets, open space and utility and access easements. The approved civil plans document that the construction of required improvements will comply with the City's adopted public works construction standards. For those improvements that have not yet been completed, the applicant has bonded for the work pursuant to GHMC 16.08 and the Development Agreement. In addition the final plat contains the required certificates from the owner, surveyor, and city and county officials.

- B. Conforms to all terms of the preliminary plat approval;

The proposed final plat of Harbor Hill Division S2-S6 conforms to the conditions of the preliminary plat/PRD as follows:

HEX Condition 1: THE APPLICANT SHALL COMPLY WITH ALL MITIGATION MEASURES FOUND IN THE MITIGATED DETERMINATION OF NON SIGNIFICANCE (SEPA 08-0034) ISSUED FOR THE PROPOSAL, OR AS SUBSEQUENTLY AMENDED.

THE APPLICANT SHALL IMPLEMENT THE PUBLIC INFRASTRUCTURE IMPROVEMENTS PROPOSED IN THE PLAN SET DATED AUGUST 17, 2010, REVISED OCTOBER 4, 2010.

The following items required for Divisions S2-S6 Final Plat have been addressed as follows:

- Borgen Blvd Frontage, East – Constructed
- Peacock hill Ave Frontage, North and South – Under construction
- South Parkway North Section – Constructed
- South Parkway South Section – Under construction
- South Parcel Collector Stub – Under construction
- Detention North – Constructed
- South Wetland/Loop Trail – The loop around the wetland has been constructed; the cross wetland trail is under permit review
- South Connector Park – Constructed
- South Central Park – Under construction

- A. THE APPLICANT SHALL INSTALL A PERMANENT BUFFER FENCE WITH SIGNAGE EVERY 100 FEET ALONG THE EDGE OF ALL WETLAND BUFFERS ADJACENT TO THE PROPOSED PARK AND TRAIL AREAS, AND ALONG THE EDGE OF CREATED WETLAND AREA. FENCE DESIGN SHALL BE OF A SPLIT RAIL DESIGN WITH TWO RAILS, OR AN EQUIVALENT DESIGN. SIGNAGE SHALL BE APPROVED BY THE PLANNING DEPARTMENT PRIOR TO INSTALLATION.

Within the S2-S6 Division, there are no parks directly adjacent to wetland buffers, and therefore, no fencing is proposed to be installed with this division.

- B. AT THE END OF THE FIVE YEAR MONITORING PERIOD, THE APPLICANT SHALL SUBMIT A WETLAND DELINEATION AND SURVEY TO VERIFY THE CREATED WETLAND MEETS THE SQUARE FOOTAGE REQUIREMENTS.

Does not apply to Division S2-S6.

HEX Condition 2: ALL PERIMETER LANDSCAPING BUFFERS SHALL BE VEGETATED TO MEET THE STANDARDS OF GHMC 17.78.060, AS AMENDED THROUGH THE ALTERNATIVE LANDSCAPE PLAN APPROVED BY THE HEARING EXAMINER. THIS REQUIREMENT SHALL BE MET PRIOR TO APPROVAL OF THE FINAL PLAT.

Open space tracts have been created for the perimeter buffers. The landscape plan have been approved for plantings within the perimeter buffer tracts.

HEX Condition 3: FIRE FLOW REQUIREMENTS SHALL BE MET. LOCATION AND MANNER OF FIRE LANE MARKINGS SHALL BE PROVIDED AT TIME OF CIVIL REVIEW.

Fire Flow requirements have been met. Pavement markings and signage plans are included in the civil construction drawings. Furthermore, a note has been added to the civil plans that allows the fire marshal to require additional “No Parking – Fire Lane” signs and/or curb markings.

HEX Condition 4: CITY FORCES MAY REMOVE ANY TRAFFIC CONTROL DEVICE CONSTRUCTED WITHIN THE CITY RIGHT OF WAY NOT APPROVED BY THE OPERATIONS AND ENGINEERING DIVISION. ANY LIABILITY INCURRED BY THE CITY DUE TO NON-CONFORMANCE BY THE APPLICANT SHALL BE TRANSFERRED TO THE APPLICANT.

This note has been included on the final plat.

HEX Condition 5: A ROAD ENCROACHMENT PERMIT SHALL BE ACQUIRED FROM THE CITY PRIOR TO ANY CONSTRUCTION WITHIN CITY RIGHT OF WAY, INCLUDING UTILITY WORK, IMPROVEMENTS TO THE CURB, GUTTER, AND SIDEWALK, ROADWAY SHOULDERS AND DITCHES, AND INSTALLATION OF CULVERTS. ALL WORK WITHIN THE CITY RIGHT OF WAY SHALL CONFORM TO THE CITY'S PUBLIC WORKS STANDARDS AND STORMWATER DESIGN MANUAL.

This note has been included on the final plat.

HEX Condition 6: PERMANENT SURVEY CONTROL MONUMENTS SHALL BE PLACED TO ESTABLISH PUBLIC STREET CENTERLINES, INTERSECTIONS, ANGLE POINTS, CURVES, SUBDIVISION BOUNDARIES AND OTHER POINTS OF CONTROL. A MINIMUM OF TWO PERMANENT SURVEY CONTROL MONUMENTS SHALL BE INSTALLED AT LOCATIONS DETERMINED BY THE CITY IN ACCORDANCE WITH THE CITY'S PUBLIC WORKS STANDARDS AND RECORDED WITH THE PIERCE COUNTY SURVEY CONTROL DIVISION PRIOR TO FINAL ENGINEERING APPROVAL OF CIVIL IMPROVEMENTS.

This note has been included on the final plat. Survey control monument locations are shown on the civil construction plans.

HEX Condition 7: IRRIGATION AND MAINTENANCE OF LANDSCAPING WITHIN THE PUBLIC RIGHT OF WAY SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER(S) OR ITS HEIRS OR ASSIGNS.

This note has been included on the final plat. A Home Owners Association has been created and will be responsible for the irrigation and maintenance of the landscaping in the public Right of Way where not adjacent to a lot. Landscaping within the Right of Way in front of lots will be the responsibility of the homeowner.

HEX Condition 8: THE FINAL PLAT MAP SHALL NOTE (WHERE IN QUOTES) OR DELINEATE THE FOLLOWING:

- a) WARNING: CITY OF GIG HARBOR HAS NO RESPONSIBILITY TO BUILD, IMPROVE, MAINTAIN OR OTHERWISE SERVICE PRIVATE ROADWAYS OR DRIVEWAYS WITHIN, OR PROVIDING ACCESS TO, PROPERTY DESCRIBED IN THIS PLAT".

- b) "MAINTAINING ADEQUATE SITE DISTANCE AT ALL VEHICULAR ACCESS POINTS SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER. THE CITY OF GIG HARBOR HAS NO RESPONSIBILITY TO MAINTAIN ADEQUATE SITE DISTANCE AT PRIVATE ACCESS POINTS LOCATED WITHIN THIS PLAT."
- c) "INCREASED STORMWATER RUNOFF FROM THE ROAD(S), BUILDING, DRIVEWAY AND PARKING AREAS SHALL NOT BE DIRECTED TO CITY INFRASTRUCTURE. INCREASED STORM WATER RUNOFF SHALL BE RETAINED/DETAINED ON SITE UNLESS IT IS PROVEN TO BE ADEQUATELY RETAINED/DETAINED BY AN OFFSITE REGIONAL FACILITY."
- d) "WHERE SEASONAL DRAINAGE CROSSES SUBJECT PROPERTY, NO DISRUPTION OF THE NATURAL FLOW SHALL BE PERMITTED."
- e) STORMWATER FOR RUNOFF FROM BUILDINGS AND PARKING SURFACES SHALL BE SHOWN ON INDIVIDUAL BUILDING LOTS, INCLUDING DRYWELL SIZING OR STORM DRAIN CONNECTION POINTS.
- f) "THIS PLAT IS SUBJECT TO STORMWATER MAINTENANCE AGREEMENT RECORDED UNDER AUDITOR'S FILE NUMBER (201204250236)."
- g) "STORMWATER/DRAINAGE EASEMENTS ARE HEREBY GRANTED FOR THE INSTALLATION, INSPECTION, AND MAINTENANCE OF UTILITIES AND DRAINAGE FACILITIES AS DELINEATED ON THIS SITE PLAN. NO ENCROACHMENT WILL BE PLACED WITHIN THE EASEMENTS SHOWN ON THE PLAT THAT MAY DAMAGE OR INTERFERE WITH THE INSTALLATION, INSPECTION, AND MAINTENANCE OF UTILITIES. MAINTENANCE AND EXPENSE THEREOF OF THE UTILITIES AND DRAINAGE FACILITIES SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER(S) OR ITS HEIRS OR ASSIGNS, AS NOTED UNDER THE STORMWATER MAINTENANCE AGREEMENT FOR THE PLAT."

The required notes have been included on the final plat.

HEX Condition 9: AN ASSOCIATION OF OWNERS SHALL BE FORMED AND CONTINUED FOR THE PURPOSE OF MAINTAINING THE COMMON OPEN SPACE. THE ASSOCIATION SHALL BE CREATED AS AN ASSOCIATION OF OWNERS UNDER THE LAWS OF THE STATE AND SHALL ADOPT AND PROPOSE ARTICLES OF INCORPORATION OR ASSOCIATION AND BYLAWS, AND ADOPT AND IMPROVE A DECLARATION OF COVENANTS AND RESTRICTIONS ON THE COMMON OPEN SPACE THAT ARE ACCEPTABLE TO THE CITY IN PROVIDING FOR THE CONTINUING CARE OF THE SPACE. NO COMMON OPEN SPACE MAY BE PUT TO A USE NOT SPECIFIED IN THE FINAL DEVELOPMENT PLAN UNLESS THE FINAL DEVELOPMENT PLAN IS FIRST AMENDED TO PERMIT THE USE. NO CHANGE OF USE MAY BE CONSIDERED AS A WAIVER OF ANY OF THE COVENANTS LIMITING THE USE OF COMMON OPEN SPACE AREA, AND ALL RIGHTS TO ENFORCE THESE COVENANTS AGAINST ANY USE PERMITTED ARE EXPRESSLY RESERVED TO THE

CITY AS WELL AS THE OWNERS. ALTERNATIVELY, THE COMMON OPEN SPACE MAY BE CONVEYED TO A PUBLIC AGENCY WHICH AGREES TO MAINTAIN THE COMMON OPEN SPACE AND ANY BUILDINGS, STRUCTURES OR OTHER IMPROVEMENTS, WHICH HAVE BEEN PLACED UPON IT.

An association of the owners has been formed and recording information is shown on the face of the plat.

HEX Condition 10: ANY DEDICATION, DONATION OR GRANT AS SHOWN ON THE FACE OF THE PLAT SHALL BE CONSIDERED TO ALL INTENTS AND PURPOSES AS A QUITCLAIM DEED TO THE SAID DONEE(S) GRANTEE(S) FOR HIS/HER/THEIR USE FOR THE PURPOSE INTENDED BY THE DONOR(S) OR GRANTOR(S).

This note has been included on the final plat.

HEX Condition 11: SINCE THE PLAT IS SUBJECT TO A DEDICATION, THE CERTIFICATE OR A SEPARATE WRITTEN INSTRUMENT SHALL CONTAIN THE DEDICATION OF ALL STREETS AND OTHER AREAS TO THE PUBLIC, AND INDIVIDUAL(S), RELIGIOUS SOCIETY(IES) OR TO ANY CORPORATION, PUBLIC OR PRIVATE, AS SHOWN ON THE PLAT, AND A WAIVER OF ALL CLAIMS FOR DAMAGES AGAINST ANY GOVERNMENTAL AUTHORITY WHICH MAY BE OCCASIONED TO THE ADJACENT LAND BY THE ESTABLISHED CONSTRUCTION, DRAINAGE AND MAINTENANCE OF SAID ROAD. SAID CERTIFICATE OR INSTRUMENT OF DEDICATION SHALL BE SIGNED AND ACKNOWLEDGED BEFORE A NOTARY PUBLIC BY ALL PARTIES HAVING ANY OWNERSHIP INTEREST IN THE LANDS SUBDIVIDED AND RECORDED AS PART OF THE FINAL PLAT.

This dedication language and required notary block are included on the face of the plat.

HEX Condition 12: ANY DEDICATION FILED FOR RECORD SHALL BE ACCOMPANIED BY A TITLE REPORT CONFIRMING THAT THE TITLE OF THE LANDS AS DESCRIBED AND SHOWN ON SAID PLAT IS IN THE NAME OF THE OWNERS SIGNING THE CERTIFICATE OR INSTRUMENT OF DEDICATION.

A title report has been submitted that documents that the property is owned by Harbor Hill LLC.

HEX Condition 13: SCHOOL IMPACT FEES AS REQUIRED BY GHMC 19.12.050(8)(11) SHALL BE COLLECTED FOR ALL RESIDENTIAL DEVELOPMENT PRIOR TO THE ISSUANCE OF A BUILDING PERMIT.

This note has been included on the final plat.

HEX Condition 14: PROPOSED MULTIPLE FAMILY DEVELOPMENT SHALL GO THROUGH THE SITE PLAN REVIEW PROCESS, OR ANY SUBSEQUENTLY ADOPTED NONRESIDENTIAL LAND USE REVIEW PROCESS.

This provision does not apply to Division S2-S6 and has been intentionally left blank on the face of the final plat.

HEX Condition 15: THE APPLICANT SHALL COMPLY WITH ALL OF THE TERMS OF THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF GIG HARBOR AND HARBOR HILL LLC, FOR THE HARBOR HILL DEVELOPMENT, DATED NOVEMBER 9, 2010 (OR ANY SUBSEQUENT AMENDMENTS).

This note has been included on the final plat. Harbor Hill Division S2-S6 complies with the terms of the development agreement.

HEX Condition 16: IN ADDITION TO THE TRANSIT STOP PROPOSED ON THE SOUTH SIDE OF BORGES BOULEVARD, THE APPLICANT SHALL BE REQUIRED TO INSTALL A TRANSIT STOP ON THE NORTH SIDE OF BORGES BOULEVARD. THE FINAL LOCATION AND DESIGN OF BOTH TRANSIT STOPS SHALL BE AS DETERMINED BY THE CITY OF GIG HARBOR AND PIERCE TRANSIT.

Transit stops were accommodated with construction of the Phase 1A-1D civil plans. This comment does not apply to Division S2-S6 and has been intentionally left blank on the face of the final plat.

PD Condition 17: ON THE M2 LOT, ANY BUILDING PROPOSED TO EXCEED THE UNDERLYING 35 FOOT HEIGHT ALLOWANCE IN THE RLD AREA OF THE LOT SHALL PROVIDE A MINIMUM SETBACK OF 70 FEET TO ANY EXTERIOR BOUNDARY OF THE PRD (NOT THE SUBJECT LOT). THIS SETBACK IS AN ADDITIONAL SETBACK APPLICABLE TO SAID BUILDINGS, ALL BUILDINGS ON THE M2 LOT SHALL PROVIDE A MINIMUM SETBACK OF 10 FEET TO THE PROPERTY LINE OF THE M2 LOT.

This condition does not apply to Division S2-S6 and has been intentionally left blank on the face of the final plat.

PD Condition 18: FOR THIS AND ALL FUTURE MODIFICATIONS OR ALLOCATIONS, THE APPLICANT SHALL PROVIDE AN ACCOUNTING OF THE PROPOSED ALLOCATION OF WATER, SEWER AND TRANSPORTATION CAPACITY RESERVED FOR THE PROJECT UNDER THE CONCURRENCY REQUIREMENTS. THIS MAY BE ACCOMPLISHED BY PROVIDING A TABLE LISTING EACH PHASE OR LOT OF THE DEVELOPMENT WITH THEIR ASSOCIATED WATER, SEWER AND TRANSPORTATION CAPACITY RESERVATIONS TO SHOW THAT THE PROPOSAL IS IN ACCORDANCE WITH THE TOTAL CAPACITIES RESERVED. THIS IS INTENDED SOLELY FOR THE PURPOSE OF TRACKING THE TOTAL AMOUNTS AS THESE AMOUNTS ARE TIED TO THE ENTIRE PROJECT AND NOT TO SPECIFIC PHASES OR LOTS.

THE APPLICANT HAS DISCRETION TO ALLOCATE THE RESERVED CAPACITIES TO VARIOUS PHASES OR LOTS WITHIN THE PROJECT LIMITS IN ACCORDANCE WITH SECTION 15 CAPACITY RESERVATIONS OF THE HHDA.

Harbor Hill has provided an updated allocation documenting that the S2-S6 Division has been adequately allocated water, sewer and transportation capacity in accordance with the Development Agreement and this condition.

PD Condition 19: SINGLE FAMILY RESIDENCES WITHIN THE HARBOR HILL PLAT/PRD SHALL NOT EXCEED A TOTAL OF 554 DWELLINGS (ALL DIVISIONS INCLUDING SINGLE FAMILY DEVELOPMENT). EACH SUBSEQUENT APPLICATION FOR CIVIL PLAN REVIEW WITHIN THE UNDEVELOPED S DIVISIONS SHALL PROVIDE A STATEMENT AS TO LOTS REMOVED TO RETURN THE TOTAL NUMBER OF SINGLE FAMILY LOTS WITHIN HARBOR HILL TO THE APPROVED 554 UNITS. AT THE TIME OF THE SOUTH REVISIONS DECISION, THREE (3) EXCESS LOTS REMAIN THAT WILL NEED TO BE REMOVED.

The three lots have been removed with a previous minor preliminary plat revision; therefore, this condition has been intentionally left blank on the face of the final plat.

PD Condition 20: CHANGES TO THE LOT LAYOUT, GRADING AND ALLOWED SETBACKS AND IMPERVIOUS SURFACE LIMITATIONS SHALL BE LIMITED AS PROPOSED TO THE N2 THROUGH N5 DIVISIONS ANALYZED HEREIN. THE RELATED TOTAL OPEN SPACE CALCULATIONS, IMPERVIOUS SURFACE ASSUMPTIONS AND DENSITY APPLY TO THE COMPLIANCE OF THE HARBOR HILL RESIDENTIAL PLAT/PRD WITH APPLICABLE REGULATIONS AND APPLY TO THE DEVELOPMENT AS A WHOLE.

Does not apply to Division S2-S6 and has been intentionally left blank on the face of the final plat.

PD Condition 21: ANY LOT WHOSE MINIMUM SETBACKS ARE INCREASED BY WETLAND BUFFER SETBACKS SHALL BE NOTED ON THE FACE OF THE FINAL PLAT/PRD.

Does not apply to Division S2-S6 and has been intentionally left blank on the face of the final plat.

PD Condition 22: APPLICANT SHALL PROVIDE A REVISED SHEET 65 (OR ADDITIONAL SHEET 65A IF SPACE IS NEEDED) INCLUDING RE-VEGETATION HATCH AND DETAILS CONSISTENT WITH EXHIBIT 6 TO THIS DECISION.

Does not apply to Division S2-S6 and has been intentionally left blank on the face of the final plat.

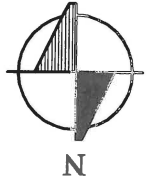
PD Condition 23: FINAL GRADING APPROVED WITH THE CIVIL PLANS SHALL DEMONSTRATE COMPLIANCE WITH A MINIMUM OF 25 FEET OF TREE RETENTION IN ALL PERIMETER BUFFER AREAS AS APPROVED WITH THE INITIAL ALTERNATIVE LANDSCAPE PLAN. GRADING SHOWN IN THIS REVISION IS SUBJECT TO THE STRATEGIES INDICATED IN EXHIBIT 5.

The approved civil and landscape plans are compliant with the requirements for the vegetated perimeter buffer, as such, this condition has been intentionally left blank on the face of the final plat.

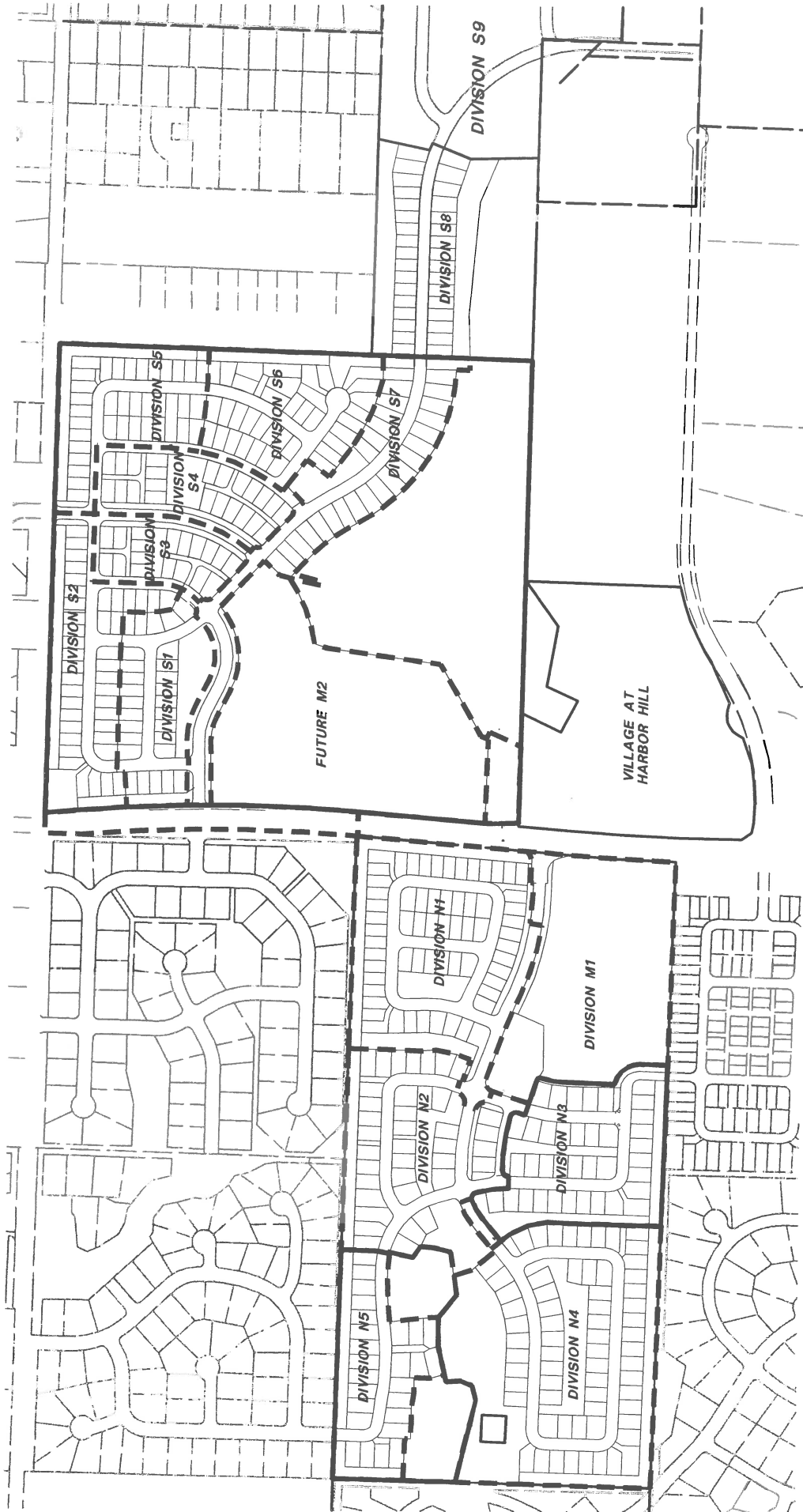
- C. Meets the requirements of Chapter 58.17 RCW, other applicable state laws, this title and any other applicable city ordinances which were in effect at the time of preliminary plat approval.

The proposed final plat meets the requirements of Chapter 58.17 RCW, the requirements of Title 16 and those of other applicable city ordinances.

- D. **Director's Decision:** Jennifer Kester, Planning Director, recommends that the City Council move to adopt the resolution approving the final plat/PRD for Harbor Hill Division S2-S6.



SCALE: 1" = 600'



HARBOR HILL SITE PLAN

PREPARED BY TRIAD, A DIVISION OF DAVID EVANS AND ASSOCIATES, INC.
11/22/16



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

Subject: 2016 Comprehensive Plan Amendments and Smith Development Agreement – Second Reading of Ordinance and adoption of Resolution.

Dept. Origin: Planning

Prepared by: Lindsey Sehmel, AICP
Senior Planner

LNS

Proposed Council Action:

For Agenda of: November 28, 2016

Motion: Move to adopt Ordinance No. 1350 relating to the 2016 Comprehensive Plan amendments.

Exhibits: Ordinance and Exhibits
Resolution and Exhibits

Initial & Date

Motion: Move to adopt Resolution No. 1056 associated with the Development Agreement relative to the above ordinance.

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

16-11-22-16
RNW 11/22/16
VIA EMAIL 11/22
N/A
JK 11/22/16

Expenditure Required	Amount Budgeted	Appropriation Required
0	0	0

INFORMATION / BACKGROUND

Second reading of Ordinance is scheduled for this evening on the three 2016 Comprehensive Plan amendment applications and an associated resolution approving the development agreement.

1. PL-COMP-15-0001 & PL-DEV-15-0002: Smith Land Use Map Amendment and Development Agreement

The applicant has proposed changing the land use designation of three parcels totaling 16.71 acres located at the 6300 block of 112th Street from Employment Center, Commercial Business and Residential Low to Residential Medium. The application for the land use amendment is accompanied by a proposed development agreement that would limit future residential development to 85 total units (Section 9 of draft Development Agreement) under Medium Density residential zoning (R-2) and allows for single family dwellings. Current use of the subject property is a gravel mine with portions that are vacant.

2. PL-COMP-15-0003: Mixed Use Land Use Map Amendment

The Planning Commission requested this amendment to complete work related to a rezone recommendation that was directed by City Council. The request was to remove the Mixed Use land use designation and replace with appropriate land use designations that align with existing zoning districts.

3. PL-COMP-15-0004: Arts Commission Text Amendment

The City's Arts Commission has proposed amending policy text in the Parks, Recreation and Open Space Element of the Comprehensive Plan to support the Arts Commission work program. Proposed changes are focused around Goal 11-10 of the Element and its associated policies.

ENVIRONMENTAL ANALYSIS

A SEPA DNS was issued on September 25, 2016 regarding this amendment package. No appeals were received.

FISCAL CONSIDERATION

None.

BOARD OR COMMITTEE RECOMMENDATION

The Planning Commission has recommended approval with conditions in the associated development agreement for PL-COMP-15-0001 & PL-DEV-15-0001 under the proposal for Residential High Transition Land Use designation, a request to not move forward on PL-COMP-15-0003, and approval of PL-COMP-15-0004.

PLANNING COMMISSION REVIEW OF PL-COMP-15-0001:

There were a total of six work study meetings including an on-site visit during the June 16th meeting on this amendment. The Planning Commission held a public hearing on the proposal on July 21, 2016.

Following the public hearing were three work study meetings that focused on the draft Development Agreement and review of the criteria of approval.

Planning Commission had a difficult task in reviewing the request, as the current use as a gravel mine is not fully built out to the existing land use designations. The GHMC requires the Commission to analyze comprehensive (long-range) plan amendments based upon the most intense use and potential development of the site.

The existing Employment District and Commercial Business land use designations (8.64 acres) and implementing zoning district allows for a variety of permitted outright uses including but not limited to: Personal and professional services, retail, restaurants, boat repair and sales, and industrial level 1 and 2 (manufacturing, assembly and production including hazardous waste). Additional impactful uses are allowed conditionally. The existing Residential Low land use designation (8.21 acres) allows for a smaller variety of uses, including but not limited to: Single family dwellings, family care, and adult family homes (GHMC 17.14.020).

The Commission was tasked with analyzing the impacts between the existing Employment District, Commercial Business and Residential Low designations and the requested Residential High Transition designation.

The applicant provided information on the possibility of a complete build out that included 14 single family homes and 122,000 square feet business park (mixed use general office) with an assumed total of 196 PM Peak traffic trips. During the public comment period, that assumption was questioned regarding feasibility of that development, as it was based upon 1994/95 assumptions. Planning Director, Jennifer Kester provided an additional worst case (most intense development potential) scenario based upon density assumptions and the 2014

Buildable Lands Report. The alternative worst case scenario identified up to 27 single family units, 122,120 square feet of business park, and 9,605 square feet of medical office for a PM Peak Trip total ranging from 102 trips to 218 trips. Based upon all of these existing designation 'worst case' scenarios for the subject property, the proposed development of 100 multi-family units is estimated to generate fewer PM peak hour trips than today's development potential would.

The associated Development Agreement request provided future limitations to the development of the site under the R-3 zoning district. The Commission discussed total unit count in buildings and aesthetics associated with that. The applicant provided an email that states they would support limiting unit counts to a maximum of 6 per structure. The Commission after further discussion, decided to require a pre-application meeting with the Design Review Board for future development proposals. With consideration to the transition requirements and the GHMC current limitations that any future building is limited to a maximum of 8 units, the Commission believes that the pre-application condition is sufficient.

The Commission also requested specific comments related to this project from the Fire District, School District, and City Police Department. No significant impacts were identified from the comments received from these entities.

In conclusion, the Commission recognizes that the Growth Management Act requires urban types of development within the urban centers (city limits) and that the analysis and materials presented for this land use map request show a reduction in the traffic impacts. With consideration to the inclusion of the two additional requirements added to the development agreement (Max 102 PM Peak trips, Design Review Board pre-application meeting), the commission recommends approval of the request.

Planning Commission Review of PL-COMP-15-0003:

With the recent funding award of Harbor Hill Drive Extension and the Public Works Departments capital planning for the construction of the road, planning staff recommended to the Commission that they delay any decision on the removal of the Mixed Use land use designation until the completion of the Harbor Hill Drive Extension.

The Commission deliberated on the map amendment request after the public hearing and commented that it may be premature to make any land use changes before understanding the flow and function of the area after completion of Harbor Hill Drive Extension. They request City Council to consider returning the issue back to them after construction of the road and a traffic analysis of the area is completed.

Planning Commission Review of PL-COMP-15-0004:

There were a total of five work study sessions and one public hearing on July 21, 2016.

The application materials provided by the Arts Commission were thorough and well thought out. The Commission worked with the applicant to make minor text revisions regarding organization to align with the context of the existing element.

City Council Public Hearings:

The City Council held two public hearings on the topic (October 24th, 2016 and November 14th, 2016), and took numerous amount of public comments and testimony. In conclusion, the

Council worked together with the applicant of PL-COMP-15-0001 and PL-DEV-15-0002 to reduce the number of total units from 100 to 85, and change the proposed Land Use Designation and associated zoning district to Residential Medium (RM) with the Medium-Density Zoning (R-2) to implement.

RECOMMENDATION / MOTION

Hold a second reading of Ordinance 1350 and adoption of Resolution 1058 relating to the 2016 comprehensive plan amendments and development agreement.

Motion: Move to adopt Ordinance No. 1350 relating to the 2016 Comprehensive Plan amendments.

Motion: Move to adopt Resolution No. 1056 associated with Development Agreement application PL-DEV-15-0002 which is relative to the above ordinance.

ORDINANCE NO. 1350

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO GROWTH MANAGEMENT AND PLANNING, MAKING THE FOLLOWING AMENDMENTS TO THE CITY OF GIG HARBOR COMPREHENSIVE PLAN FOR THE 2016 ANNUAL CYCLE: AMENDING THE COMPREHENSIVE PLAN LAND USE MAP TO CHANGE THE LAND USE DESIGNATION FOR 16.71 ACRES OF PROPERTY LOCATED AT THE 6300 BLOCK OF 112TH STREET NW FROM EMPLOYMENT CENTER (EC), COMMERCIAL/BUSINESS (C/B), AND RESIDENTIAL LOW TO RESIDENTIAL MEDIUM (PL-COMP-15-0001); TERMINATING REVIEW OF THE REQUEST TO REMOVE THE MIXED USE LAND USE DESIGNATION OF PROPERTY LOCATED NORTHEAST OF BURNHAM DRIVE FROM APPROXIMATELY THE 9400 BLOCK TO THE 10800 BLOCK (PL-COMP-15-0003); AND APPROVING TEXT AMENDMENT TO THE PARKS, RECREATION AND OPEN SPACE ELEMENT TO UPDATE GOAL 11-10 RELATING TO THE ARTS COMMISSION WORK PROGRAM (PL-COMP-15-0004)

WHEREAS, the City of Gig Harbor plans under the Growth Management Act (chapter 36.70A RCW); and

WHEREAS, the Act requires the City to adopt a Comprehensive Plan; and

WHEREAS, the City adopted a revised GMA Comprehensive Plan as required by RCW 36.70A.130 (4) in December 2004; and

WHEREAS, the City is required to consider suggested changes to the Comprehensive Plan (RCW 36.70A.470); and

WHEREAS, except under circumstances not applicable here, the City may not amend the Comprehensive Plan more than once a year (RCW 36.70A.130); and

WHEREAS, the City is required to provide public notice and public hearing for any amendments to the Comprehensive Plan and the adoption of any elements thereto (RCW 36.70A.035, RCW 36.70A.130); and

WHEREAS, on January 25, 2016, the City Council evaluated the comprehensive plan amendment applications submitted for the 2016 annual cycle, and held a public hearing on such applications; and

WHEREAS, on January 25, 2016, the City Council forwarded three comprehensive plan amendment applications to the Planning Commission for further processing in the 2016 Comprehensive Plan annual cycle; and

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WHEREAS, on August 25, 2016, the City's SEPA Responsible Official issued a Determination of Non-Significance (DNS) for comprehensive plan amendment applications, pursuant to WAC 197-11-340(2), which was not appealed; and

WHEREAS, the Planning Director notified the Washington State Department of Commerce of the City's intent to amend the Comprehensive Plan and forwarded a copy of the proposed amendments on August 25, 2016 pursuant to RCW 36.70A.106; and

WHEREAS, the Planning Commission held work study sessions on to discuss the applications on June, 2, 2016, June 16, 2016, July 7, 2016, July 21, 2016, August 18, 2016, September 1, 2016, and September 15, 2016; and

WHEREAS, the Planning Commission held public hearings on comprehensive plan amendments on July 21, 2016, and September 1, 2016; and

WHEREAS, on September 15, 2016 the Planning Commission voted to recommend approval of two of the three proposed amendments as documented in the Planning Commission's written recommendations signed by Planning Commission Chair, Reid Ekberg, all dated September 29, 2016; and

WHEREAS, on October 24, 2016, the Gig Harbor City Council held a public hearing on all three proposed amendments to the Gig Harbor Comprehensive Plan for the 2016 annual review cycle and directed staff to make amendments to PL-COMP-15-0001 and PL-DEV-15-0002 and return for a public hearing on November 14, 2016; and

WHEREAS, on November 14, 2016, the Gig Harbor City Council held a public hearing on the changes to PL-COMP-15-0001 and PL-DEV-15-0002 included in the 2016 annual review of the Gig Harbor Comprehensive Plan; and

WHEREAS, the Gig Harbor City Council had a first reading of an Ordinance amending the Comprehensive Plan on November 14, 2016; and

WHEREAS, the Gig Harbor City Council had a second reading of an Ordinance implementing the recommendations of the Planning Commission and amending the Comprehensive Plan on November 28, 2016; Now, Therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. 2016 Annual Comprehensive Plan Amendments.

A. **Notice.** The City Clerk confirmed that public notice of the public hearings held by the City Council on the following applications was provided.

B. Hearing Procedure. The City Council's consideration of the comprehensive plan text amendments is a legislative act. The Appearance of Fairness doctrine does not apply.

C. Testimony. The following persons verbally testified on the applications at the public hearings:

Project File no. PL-COMP-15-0001 & PL-DEV-15-0002 – October 24, 2016

Name: Walt Smith
Name: Carl Halsen
Name: Mark Christel
Name: Lorraine Ralston
Name: Sarah Sexton
Name: Gloria Waxman
Name: Michael Bradley
Name: Bob Himes
Name: Ron Gronewald
Name: Amy Janson
Name: Nan Koehnke
Name: Bob Koehnke
Name: Tom Bageant
Name: Tama Hollar
Name: Stephen Hollar
Name: Cheryl Himes
Name: Malia Van Komen
Name: Lee Van Komen
Name: Harold Waxman
Name: Dave Kleinman
Name: Kermit Heggerness
Name: Laurel Johns Kingsbury
Name: Jared Auser
Name: Stephanie Hutchinson

Project File no. PL-COMP-15-0001 & PL-DEV-15-0002 – November 14, 2016

Name: Frederick Satkoviak
Name: Carl Halsen
Name: Cheryl Himes
Name: Lorraine Ralston
Name: Bob Himes
Name: Nan Koehnke
Name: Lee Van Komen

D. Criteria for Approval. The process for Comprehensive Plan amendments (Chapter 19.09) states that the City Council shall consider the Planning Commission's recommendations and after considering the criteria found in GHMC 19.09.170 make

written findings regarding each application's consistency or inconsistency with the criteria. The criteria found in GHMC 19.09.170 are as follows:

19.09.170 Criteria for approval.

The city's comprehensive plan was developed and adopted after significant study and public participation. The goals and policies contained therein shall therefore be granted substantial weight when considering a proposed amendment. The city council shall make written findings regarding each application's consistency or inconsistency with the following criteria:

A. The proposed amendment will further and be consistent with the goals, policies and objectives of the comprehensive plan; and

B. The proposed amendment is consistent with the Growth Management Act, the countywide planning policies and other applicable interjurisdictional policies and agreements, and/or other state or local laws; and

C. The proposed amendment will not adversely impact the city's ability to provide sewer and water, and will not adversely affect transportation facilities and other public facilities and services such as parks, police, fire, emergency medical services and governmental services; and

D. The proposed amendment advances the public interest; and

E. For text amendments which propose to increase density or intensity of permitted development and all land use map amendments, the following approval criteria also apply:

1. Adequate infrastructure, facilities and services are available to serve the proposed or potential development expected as a result of this amendment, according to one of the following provisions:

a. The city has adequate funds for needed infrastructure, facilities and services to support new development associated with the proposed amendments; or

b. The city's projected revenues are sufficient to fund needed infrastructure, facilities and services, and such infrastructure, facilities and services are included in the schedule of capital improvements in the city's capital facilities plan; or

c. Needed infrastructure, facilities and services will be funded by the developer under the terms of a development agreement associated with the comprehensive plan amendment; or

d. Adequate infrastructure, facilities and services are currently in place to serve expected development as a result of this comprehensive plan amendment based upon an assessment of land use assumptions; or

e. Land use assumptions have been reassessed, and required amendments to other sections of the comprehensive plan are being processed in conjunction with this amendment in order to ensure that adopted level of service standards will be met; and

2. For a land use map amendment, the subject parcels being redesignated are physically suitable for the allowed land uses in the designation being requested, including compatibility with existing and planned surrounding land uses; and

3. The proposed amendment will not create a demand to change land use designations of other properties, unless the change in land use designation for other properties is in the long-term interest of the community in general.

E. Applications. The City Council hereby enters the following findings and conclusions for each application:

1. PL-COMP-15-0001 – Smith Land Use Map Amendment

Summary: A land use designation change from Employment Center (EC), Residential Low (RL) and Commercial Business (C/B) to Residential Medium (RM) of 16.71 acres located at the 6300 block of 112th Street NW, currently occupied by a contractor's yard.

Findings:

a) The City Council did not identify any goals or policies of the Comprehensive Plan that the proposed amendment was in conflict with. They identified the following goals and policies the proposal furthers and is consistent with:

2.2.2. Neighborhood Planning Areas

a) Define and protect the integrity of small planning areas, particularly residential neighborhoods, which have common boundaries, uses and concerns using transition land-use areas and common buffers/open space.

2.2.3. Generalized Land Use Categories

Generalized land use categories are identified to serve as a basis for establishing or accommodating the more detailed zoning code designation. The Comprehensive Plan defines eleven generalized land use categories:

...

b) Residential Medium

Provides for medium density single and duplex residential. Serves as a buffer between high intensity commercial or higher density residential and lower intensity residential. May include certain specified business, personal and professional services or businesses which would not significantly impact the character of residential neighborhoods. The intensity of the non-residential use should be compatible with the adjacent residential area. Use natural buffers or innovative site design as mitigation techniques to minimize operational impacts of non-residential uses and to serve as natural drainage ways.

GOAL 2.3: PROMOTE COMMUNITY DIVERSITY AND DISTINCTION AND INCREASE HOUSING OPPORTUNITIES

Create and refine district definitions which allows for innovation and performance. Provide a control and review process that permits maximum design flexibility while meeting social and community needs for employment, housing, education and recreation. Provide for a range of residential densities which would accommodate the City's 2030 residential growth target of 10,563 within a broad variety of housing types and tenures.

GOAL 2.7: EFFECTIVE LAND USE MANAGEMENT

Establish a planning review document and process which recognizes local needs and which effectively coordinates development efforts between city departments and County/State agencies.

2.7.1. Planning Unit Boundaries

- a) Define planning units which are based upon like land uses and activities.
- b) Delineate planning unit boundaries using natural features, roads or other physical improvements.
- c) Identify critical transition areas or points of conflict with adjacent or incompatible planning units.
- d) Resolve conflict or compatibility issues through a neighborhood planning process and employ transitional uses for consideration in future development reviews.

GOAL 6.5: PRESERVE GIG HARBOR AS A PLACE TO LIVE FOR PEOPLE OF ALL OCCUPATIONS, INCOMES AND ABILITIES.

To ensure adequate provisions of existing and projected housing needs for all economic segments of the community, a variety of housing types, sizes and values should be available. Housing should accommodate for each income group, individuals, single parents, small and large families as well as disabled individuals and seniors. Furthermore special housing accommodations should be allowed and encouraged for general needs.

- b) The City Council did not identify any policies in the Growth Management Act, the countywide planning policies or multi-county planning policies that the proposed amendment was in conflict with. The amendment would assist the City in reducing employment capacity based upon the assessment and request of Puget Sound Regional Council. The City Council finds that the proposed amendment is consistent with the Growth Management Act, the countywide planning policies and multi-county planning policies. The approval of the amendment will not have a cumulative adverse effect on the City.
- c) The City Council discussed the Capital Facilities regarding traffic, and sewer. The adopted Levels of Service in the City's Comprehensive Plan show that the nearby traffic infrastructure is currently operating above the adopted level of service. The Council addressed that any impacts stemming from future

development proposals will be mitigated during project review with a detailed traffic analysis study. The analysis of the Land Use Map Amendment shows a reduction in traffic and a minor increase in sewer usage if approved based on existing and proposed land use designations. The existing designations of Employment District, Commercial Business and Residential Low at full build out was identified as having a potential maximum of 218 PM Peak traffic trips as shown in the memo dated 8/9/16 from Emily Appleton. Therefore, the Council added criteria to the Development Agreement to limit any future development to a maximum of 102 PM Peak Trips to constrain future impacts. The Council discussed the feedback from the Chief of Police that the proposal will not adversely affect police services. The Peninsula School District provided an email that stated they had no comments on the requested land use map amendment. The Fire District also made comments that did not identify any adverse impacts that require mitigation or denial of the application request. The subject property is not serviced by city water. The city will fully evaluate the project once a project permit application is submitted committing to a particular use. If through that permitting process, deficiencies in the City's transportation or waste water system will occur mitigation will be required. The Council identifies that the proposal to change the land use will not result in an adverse impact.

- d) The City Council identified that at maximum build out, the existing Land Use Designations of Employment District, Commercial Business and Residential Low land use designations have a higher impact to the established single family residential developments that neighbor the site than the proposed designation of Residential Medium does based upon its maximum build out limited by the associated Development Agreement. For build out scenarios considered see the full impact analysis identified in the Emily Appleton memo dated 8/9/16 regarding the project. The associated Development Agreement was submitted with the map amendment to limit future development to residential uses in the R-2 zoning designation, and limit the maximum count of future residential units to 85. The City Council included in the Development Agreement additional requirements for the land owner. These include requiring any proposed development plan be presented to the City's Design Review Board for a Pre-Application meeting prior to submission, and limiting future development not to exceed a traffic trip count of 102 PM Peak trips. The City Council finds that the proposal is less impact to the general public than what is currently allowed under the existing and current designation and thus advances the public interest.
- e) The Commission reviewed all criteria in E.1. and selected 19.170(E)(1)(d):
 - d. Adequate infrastructure, facilities and services are currently in place to serve expected development as a result of this comprehensive plan amendment based upon an assessment of land use assumptions; or

The City Council further finds that based upon the assessment reports and assumptions provided for analysis and review, there is adequate infrastructure, facilities, and services currently in place to serve the expected development as a result of the amendment.

- f) The City Council finds that the Residential Medium Land Use designation best meets the existing surrounding land uses as it serves as a transition from the intense commercial designation along Burnham Drive and the Residential Low designation above the subject site.

The City Council finds that the approval of the amendment will not create a demand for land use designation changes of other properties in the surrounding area. The subject parcels are bound by built and natural site features (slopes, retention ponds, public right of way).

Conclusion: After consideration of the materials in the file, staff presentation, the Planning Commission recommendation, the City's Comprehensive Plan, criteria for approval found in Chapter 19.09 GHMC, applicable law, and public testimony, the City Council hereby **approves** application PL-COMP-15-0001, as identified in Exhibit A attached to this Ordinance in conjunction with the conditions in the associated Development Agreement under PL-DEV-15-0002, which include the following:

Limitations on Rezone. Within five years of the effective date of the approval of the Comprehensive Plan Amendment, the Developer may submit application to the City for rezone of the project site to R-2. Nothing in this Agreement is intended to guarantee approval of a future rezone, and the City retains its authority to approve or deny any such application for rezone based on criteria in existence at the time of consideration. Along with the rezone application, the Developer may also submit project permit applications for development of the Property to the City. These project permit applications shall be consistent with the City's code in effect at that time, and also include the provisions set forth below.

Dwelling Units. No more than 85 total dwelling units may be constructed on the Property.

Buffering. Developer shall maintain buffers as shown on Exhibit C.

Access. Parcel No. 01-22-25-3072 will be limited to a single access point onto 112th Street as shown on Exhibit C.

Traffic. Total development on the Property shall not exceed 102 PM Peak Hour Trips.

Design Review Board. Prior to submission of a development project permit application, the Landowner shall attend a pre-application meeting with the City's Design Review Board at no cost to the Landowner.

2. PL-COMP-15-0003 – Mixed Use Land Use Map Designation Change

Summary: A land use designation change to remove the Mixed Use land use designation and replace with appropriate land use designations that align with existing zoning districts.

Conclusion: After consideration of the materials in the file, staff presentation, the Planning Commission recommendation, the City's Comprehensive Plan, criteria for approval found in Chapter 19.09 GHMC, applicable law, and public testimony, the City Council hereby **terminates further action on** application PL-COMP-15-0003 based upon current funding and development plans of Harbor Hill Drive Extension.

3. PL-COMP-15-0004 – Arts Commission Text Amendment

Summary: The City's Arts Commission has proposed amending policy text in the Parks, Recreation and Open Space Element of the Comprehensive Plan to support the Arts Commission work program. Proposed changes are focused around Goal 11-10 of the Element and its associated policies.

Findings:

- a) The City Council did not identify any goals or policies of the Comprehensive Plan that the proposed amendment was in conflict with. They identified the requested text amendment meets existing goals and policies.
- b) The City Council did not identify any policies in the Growth Management Act, the countywide planning policies or multi-county planning policies that the proposed amendment was in conflict with.
- c) The City Council identified that the proposed text amendment will not adversely impact the city's ability to provide sewer, water, transportation and other public facilities and services.
- d) The City Council finds that the proposal advances the public interest in relation to public art and the City's Arts Commission work program.
- e) This criterion does not apply to the text amendment.

Conclusion: After consideration of the materials in the file, staff presentation, the Planning Commission recommendation, the City's Comprehensive Plan, criteria for approval found in Chapter 19.09 GHMC, applicable law, and public testimony, the City Council hereby **approves** application PL-COMP-16-0004, as identified in Exhibit B attached to this Ordinance.

Section 2. Transmittal to State. The Planning Director is directed to forward a copy of this Ordinance, together with all of the exhibits, to the Washington State Commerce Department within ten days of adoption, pursuant to RCW 36.70A.106.

Section 3. Severability. If any portion of this Ordinance or its application to any person or circumstances is held by a court of competent jurisdiction to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the remainder of the Ordinance or the application of the remainder to other persons or circumstances.

Section 4. Effective Date. This ordinance shall take effect and be in full force five (5) days after passage and publication of an approved summary consisting of the title.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor this 28th day of November, 2016.

CITY OF GIG HARBOR

Mayor Jill Guernsey

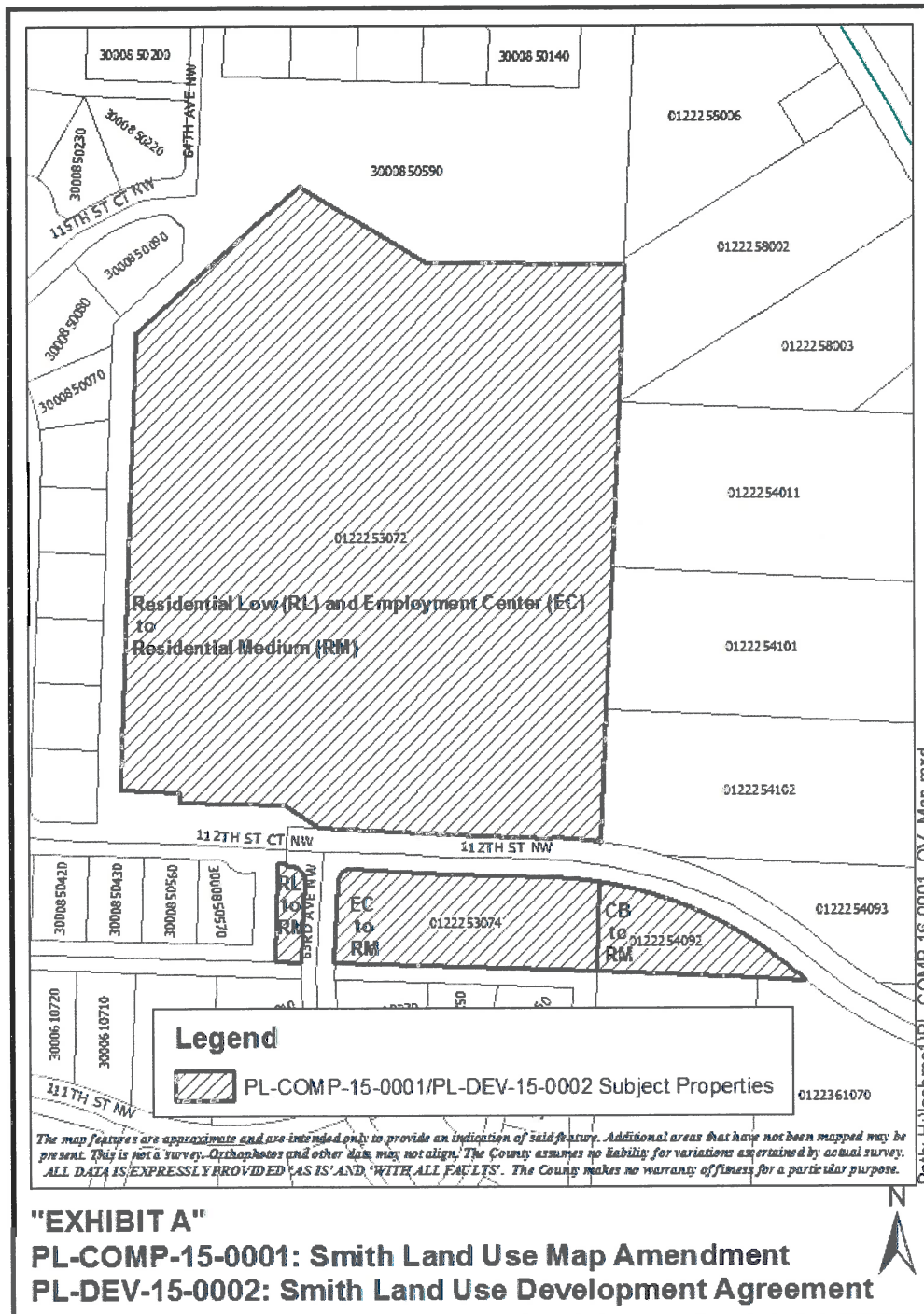
ATTEST/AUTHENTICATED:

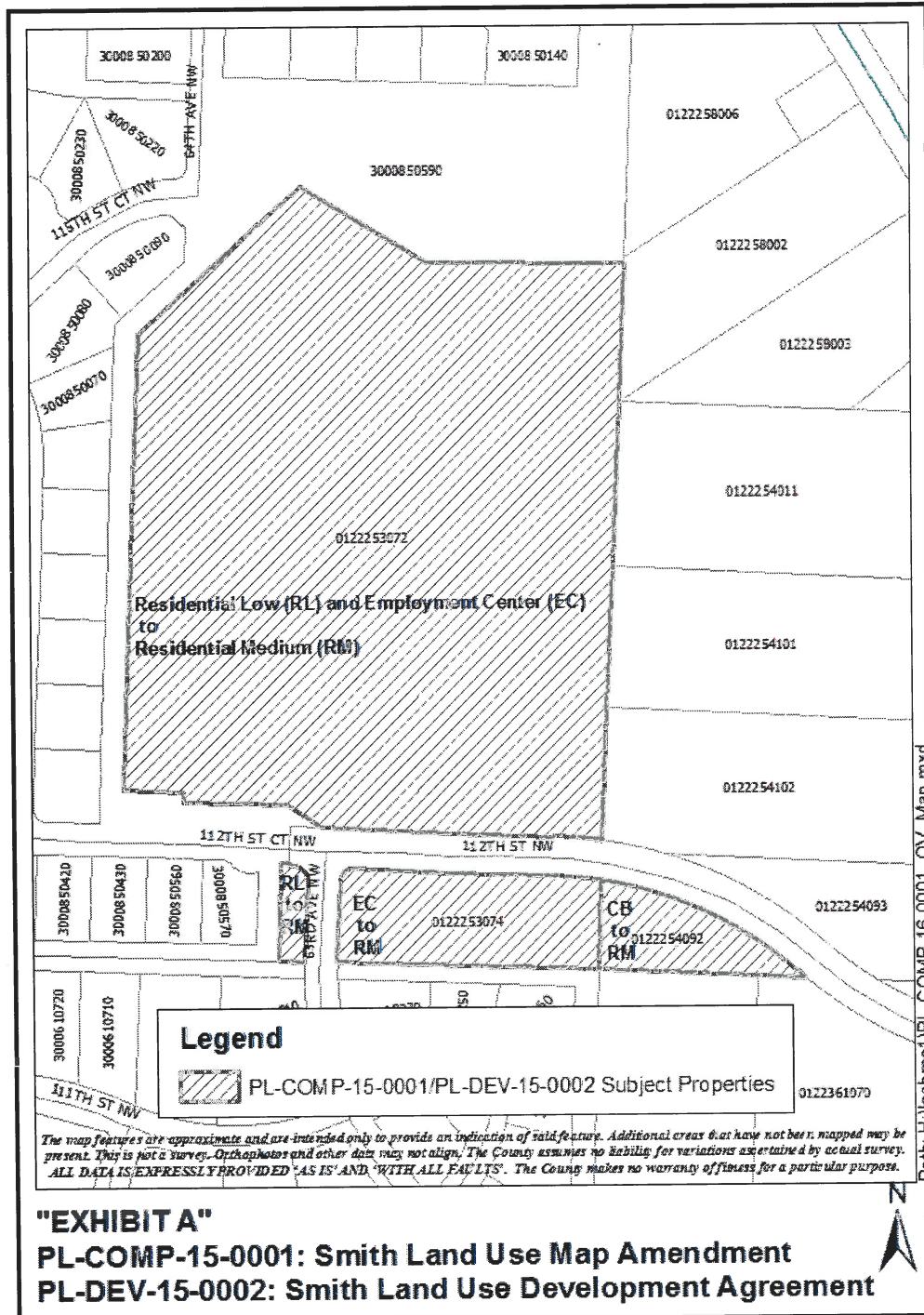
Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Angela G. Summerfield

FILED WITH THE CITY CLERK: 11/09/16
PASSED BY THE CITY COUNCIL: 11/28/16
PUBLISHED: 12/01/16
EFFECTIVE DATE: 12/06/16
ORDINANCE NO. 1350





Chapter 11

PARKS, RECREATION AND OPEN SPACE

INTRODUCTION

The 2010 Parks, Recreation and Open Space Plan (Park Plan) for Gig Harbor represents the City's vision, and provides goals and objectives for the development of parks, recreation and open spaces in Gig Harbor for the next six years and beyond. Only key elements of the Park Plan are incorporated into the Comprehensive Plan. This chapter includes the goals and policies adopted in the Park Plan, while the inventory, levels of service and 6-year capital facilities projects are included in Chapter 12, Capital Facilities.

Since the adoption of the previous Plan in 2003, the City of Gig Harbor has completed many park projects and has acquired significant park properties. Newly completed park projects include the Civic Center which includes a large multi-use public green, skate park, and playground; Kenneth Leo Marvin Veterans Memorial Park and a two mile expansion of the Cushman Trail. Park properties acquired since 2003 include two sites adjacent to City Park that help protect Crescent Creek, Eddon Boat Park and Austin Estuary. These projects were made possible through grants and partnerships with business, organizations, government, outside funders, and citizens.

The 2010 update was put together using a variety of approaches including:

- Direction and vision from the Parks Commission
- Public Workshop
- Information gathered from the 2008 National Citizen Survey
- Community Intercept Interviews
- Staff input
- Review of site or project specific committee recommendations related to parks
- City Council public hearing and adoption

The general themes expressed by the public include:

- Trail development
- Expanding partnerships to leverage City funds
- Pursuing the acquisition of additional land in developing areas
- Improving public access to natural features including shoreline and critical areas

Using local standards adopted in the Parks, Recreation and Open Space Plan, the City will need 55.57 additional park-acres. Given the importance of public access to the City's waterfront and trail connections expressed by the public, levels of service have been developed for waterfront parks and trails. Funding will continue to be scarce, so taking advantage of grants, partnerships and local resources will be necessary. This plan outlines options and strategies to complete different projects and aspects of the plan. Project funding, prioritization and scope are reviewed each year as a part of the annual budget process and update of the capital facilities element of the Comprehensive Plan.

The 2010 Gig Harbor Park Recreation and Open Space Plan will help guide the city staff, park commission and city council in meeting identified gaps in services and park development in order to meet the need and support the quality of life for our citizens in the coming years.

VISION

Gig Harbor's Vision: To develop a quintessential system of parks, trails and open spaces that enhance the City's history, environmental features, and sense of place to encourage both active and passive forms of recreation popular on the peninsula.

GOALS AND POLICIES

OPEN SPACE PRESERVATION AND WILDLIFE RESOURCES

GOAL 11.1: DEVELOP A HIGH QUALITY, DIVERSIFIED PARK SYSTEM THAT PRESERVES AND ENHANCES SIGNIFICANT ENVIRONMENTAL RESOURCES AND FEATURES. INCORPORATE UNIQUE ECOLOGICAL FEATURES AND RESOURCES TO PROTECT THREATENED SPECIES, PRESERVE HABITAT, AND RETAIN MIGRATION CORRIDORS THAT ARE UNIQUE AND IMPORTANT TO LOCAL WILDLIFE.

11.1.1. Acquire and preserve especially sensitive or unique habitat sites that support threatened or endangered species and urban wildlife habitat.

11.1.2. Identify and conserve critical wildlife habitat including nesting sites, foraging areas, and migration corridors within or adjacent to natural areas, open spaces, and the developed urban areas.

IDENTIFY URBAN GROWTH PRESERVES

GOAL 11.2: COORDINATE WITH OTHER PUBLIC AND PRIVATE AGENCIES, AND WITH PRIVATE LANDOWNERS TO PRESERVE LAND AND RESOURCES NECESSARY TO PROVIDE HIGH QUALITY, CONVENIENT PARK AND RECREATIONAL FACILITIES BEFORE THE MOST SUITABLE SITES ARE LOST TO DEVELOPMENT.

11.2.1. Continue coordination with PenMet Parks and other agencies on meeting park, recreation, and open space needs through the City and urban growth area to assure that needs are met and services are not duplicated.

11.2.2. Identify lands needed to meet long-term demand for parks, recreation and open space in developing areas such as the wooded, undeveloped, and sensitive lands.

11.2.3. Prior to annexation of urban growth areas review park, recreation, and open space needs to determine potential impacts to adopted levels of service. Such impacts shall be considered when determining the impacts of a potential annexation.

DEVELOPING HEALTHY COMMUNITIES

GOAL 11.3: THROUGH THE CITY’S PERMIT PROCESS, REQUIRE, WHEN POSSIBLE, NEW DEVELOPMENT TO SUPPORT AND ENHANCE THE PEDESTRIAN ENVIRONMENT TO PROMOTE HEALTHY LIFESTYLES AND ACTIVE COMMERCIAL AREAS.

11.3.1. Require pedestrian friendly design features (including but not limited to placement of new buildings, on-site walkways, and pedestrian scale site features) on new developments to promote active healthy lifestyles within the community.

11.3.2. Require non-residential developments to provide common areas (such as town squares, plazas, or pocket parks) proportional to size of the development and the impact on existing park infrastructure to serve the recreational needs of employees and customers. Encourage these spaces to be used as the focus of commercial and civic buildings.

PARK DESIGN STANDARDS

GOAL 11.4: DESIGN AND DEVELOP FACILITIES THAT ARE ACCESSIBLE, SAFE, AND EASY TO MAINTAIN, WITH LIFE CYCLE FEATURES THAT ACCOUNT FOR LONG-TERM COSTS AND BENEFITS.

General

11.4.1. Create park plans for the potential development and re-development of City park properties.

11.4.2. Incorporate features and amenities into parks that fit the local context; contribute to environmental sustainability; and are accessible, safe, and easy to maintain for the long term.

11.4.3. Provide maps at the City’s larger parks, documenting park and trail opportunities in the vicinity of the park.

11.4.4. Develop and maintain parks consistent with local, state and federal environmental regulations.

Accessibility

11.4.5. Design park and recreation facilities to be accessible in accordance with the American Disabilities Act (ADA).

Maintenance

11.4.6. Design and develop facilities that are of low maintenance and high capacity design to reduce overall facility maintenance and operation requirements and costs.

11.4.7. Where appropriate, use low maintenance materials, settings or other value engineering considerations that reduce care and security requirements, and retain natural conditions and experiences.

Security and Safety

11.4.8. Implement design and development standards that will improve park facility safety and implement security features for park users, department personnel, and the public-at-large.

11.4.9. Continue to develop and implement safety standards, procedures, and programs that will provide proper training and awareness for department personnel.

11.4.10. Define and enforce rules and regulations concerning park activities and operations that will protect user groups, department personnel, and the general public-at-large.

11.4.11. Where appropriate, use adopt-a-park programs, neighborhood park watches, park police patrols, and other innovative programs that will increase safety and security awareness and visibility.

TRAIL AND CORRIDOR ACCESS SYSTEMS

GOAL 11.5: DEVELOP A HIGH QUALITY SYSTEM OF MULTIPURPOSE PARK TRAILS AND CORRIDORS THAT PROVIDE ALTERNATIVE TRANSPORTATION OPTIONS AND LOW IMPACT RECREATIONAL OPPORTUNITIES FOR RESIDENTS OF ALL AGES AND ABILITIES IN COORDINATION WITH THE CITY'S NON-MOTORIZED TRANSPORTATION PLAN.

Trail Systems

11.5.1. Create a comprehensive system of multipurpose off-road trails using the Cushman Trail as the backbone of the system. Trails should be developed to provide access to significant environmental features, public facilities, neighborhoods and businesses districts to promote physical activity and a health conscious community.

11.5.2. Leveraging the resources of WSDOT, private developers and other agencies, construct pedestrian facilities that cross SR-16 and other highways (ex: pedestrian overpass at BB16).

11.5.3. Trails should be connected to nearby sidewalk facilities wherever feasible to facilitate the use of the off-street trail systems for non-motorized transportation and recreation. Where sidewalks are an integrated component of a trail system, larger sidewalks may be needed.

11.5.4. Work with PenMet Parks, Pierce County, Tacoma, the Washington State Department of Transportation, and other appropriate jurisdictions to link and extend Gig Harbor trails to other regional trail facilities.

11.5.5. Extend trails through natural area corridors like the Crescent and Donkey (North) Creek corridors, and Wollochet Drive wetlands within the City that will provide a high quality, diverse sampling of area environmental resources, in balance with habitat protection.

Trail Development and Amenities

11.5.6. Develop trails consistent with the park development goals and policies where applicable.

11.5.7. Furnish trail systems with appropriate supporting trailhead improvements that may include interpretive and directory signage systems, rest stops, drinking fountains, restrooms, parking and loading areas, water and other services.

11.5.8. Where appropriate, locate trailheads at or in conjunction with park sites, schools, and other community facilities to increase local area access to the trail system and reduce duplication of supporting improvements.

11.5.9. Develop trail improvements of a design that is easy to maintain and access by maintenance, security, and other appropriate personnel, equipment, and vehicles.

11.5.10. Develop trail accessibility standards to provide for accessible trails where possible and support a diversity of non-motorized uses. Such standards should not prohibit construction of trails where grade or corridor width will not allow full accessibility or trail widths for all uses.

11.5.11. Develop and implement a system of signs to mark trails and non-motorized routes that coordinates with the City's streetscape and furniture standards. Such signage should be developed in accordance with the City's adopted way finding plan.

RECREATIONAL FACILITIES

GOAL 11.6: DEVELOP A QUALITY, DIVERSIFIED RECREATION SYSTEM THAT PROVIDES FOR ALL AGE AND INTEREST GROUPS.

Waterfront Access and Facilities

11.6.1. Cooperate with Pierce County, PenMet Parks, the Washington State Department of Fish & Wildlife, and other public and private agencies to acquire and preserve additional shoreline access for waterfront fishing, wading, swimming, viewing and other related

recreational activities and pursuits, recognizing the rights of property owners in the vicinity of such sites.

11.6.2. Develop and/or encourage a mixture of watercraft access opportunities including canoe, kayak, sailboard, and other non-power boating activities, especially on Gig Harbor Bay and along the Puget Sound shoreline.

Athletic Facilities

11.6.3. Concentrate on field and court activities like soccer, football, baseball, basketball, tennis, pickleball and volleyball that provide for the largest number of participants.

11.6.4. Encourage, leverage the development, or develop, where appropriate, a select number of facilities that provide a quality playing environment, possibly in conjunction with PenMet Parks, Pierce County, Peninsula School District, and other public or private agencies. Such facilities should be developed to meet the requirements for all age groups, skill levels, and recreational interests where possible.

Indoor Facilities

11.6.5. Facilitate the continued development by the Peninsula School District and other organizations, of special meeting, assembly, eating, health, cultural, and other community facilities that provide general support to school age populations and the community-at-large at elementary, middle, and high schools within the City, urban growth area and the greater peninsula.

SPECIAL PURPOSE FACILITIES

GOAL 11.7: ENCOURAGE THE DEVELOPMENT OF QUALITY FACILITIES THAT MEET THE INTERESTS OF ALL SEGMENTS OF THE COMMUNITY.

11.7.1. Where appropriate and economically feasible (self-supporting), encourage other organizations to develop and operate specialized and special interest recreational or cultural facilities like theater, golf and water parks for these interests in the general population.

11.7.2. Where appropriate, facilitate and encourage joint planning and operating programs with other public and private agencies to determine need and provide for special activities like golf, performing arts, water parks, and camping on an area wide basis.

RECREATIONAL PROGRAMS

GOAL 11.8: COORDINATE WITH AND ENCOURAGE THE EFFORTS OF OTHER AGENCIES AND NON-PROFIT RECREATIONAL PROVIDERS TO ASSURE THAT THE RECREATIONAL NEEDS OF THE GIG HARBOR RESIDENTS ARE MET.

11.8.1. Facilitate and encourage other organizations to provide arts and crafts, classroom instruction in music and dance, physical conditioning and health care, meeting facilities, daycare, latch key, and other program activities for all cultural, age, physical and mental capability, and income groups in the community.

11.8.2. Endorse the efforts of local non-profit organizations to provide soccer, baseball, softball, basketball, volleyball, tennis, pickleball, and other instruction and participatory programs for all age, skill level, and income groups in the community.

11.8.3. Assist historical and cultural societies to develop and display artifacts, reports, and exhibits; and conduct lectures, classes, and other programs that document and develop awareness of Gig Harbor's heritage.

HISTORIC RESOURCES

GOAL 11.9: DEVELOP A HIGH QUALITY, DIVERSIFIED PARK SYSTEM THAT PRESERVES SIGNIFICANT HISTORIC OPPORTUNITY AREAS AND FEATURES.

11.9.1. Identify, preserve, and enhance Gig Harbor's multicultural heritage, human history of the City and its neighborhoods, traditions, and cultural features including historic sites, buildings, artworks, objects, views, and monuments.

11.9.2 Identify and incorporate significant historic and cultural lands, sites, artifacts, and facilities into the park system to preserve these interests and to provide a balanced social experience.

11.9.3 Register City owned parks, structures and open space properties that are eligible for the Gig Harbor Register of Historic Places and utilize the City's Certified Local Government (CLG) board to determine appropriate preservation methods and traditional uses.

11.9.4. Encourage the Harbor History Museum, Gig Harbor BoatShop, Gig Harbor Fishermen's Civic Club and others to make cultural programs and activities more accessible to the public.

11.9.5. Encourage the owners of historic sites and structures to provide increased public access.

11.9.6. Consider adopting incentives and adaptive re-use provisions for properties listed on the City's Historic Register to encourage retention of such structures.

CULTURAL ARTS PROGRAMS AND RESOURCES

The purpose of this section is to delineate the importance of The Arts – visual art, music, theater, dance, poetry and prose, film and other creative endeavors – as they relate to the quality of life in Gig Harbor.

The Gig Harbor Arts Commission plays a vital role in our town's culture by supporting and promoting the arts and arts organizations. The Commission oversees the acquisition and placement of public art, fosters arts and cultural programs for the enrichment of citizens and visitors, encourages an environment for the success of working artists and strengthens new and existing arts organizations. The Arts Commission supports the following statements:

- The arts provide tools for accomplishing larger community goals such as economic vitality, quality education and community planning and design.
- Arts and culture are essential to the continuing growth and development of our community's economy, education and quality of life. Support of the arts is an investment in making our community a better place to live.
- The arts help strengthen our cultural fabric and enrich the lives and spirits of our citizens.
- Arts and cultural programs are a powerful economic development tool in their ability to enhance Gig Harbor's image and thereby entice new businesses to locate here.
- The arts can be a source of civic pride and Gig Harbor is a place where citizens and visitors alike can be engaged and inspired.

GOAL 11.10: CELEBRATE THE CREATIVE SPIRIT OF OUR COMMUNITY AND ENCOURAGE FINE AND PERFORMING ARTS PARTNERSHIPS AND PROGRAMS THAT REFLECT THE COMMUNITY'S VISION AND CULTURE.

11.10.1. Identify public visual, written and performing art opportunities that highlight the cultural and historical connections within our community through local history, environmental systems, cultural traditions, and visual symbols.

11.10.2. Enhance the reputation of Gig Harbor as a livable and creative community by encouraging artists of all types to display and perform their work and supporting opportunities for creative expression.

11.10.3~~11.10.2.~~ Use public art to create visible landmarks and artistic points of reference to reinforce Gig Harbor's identity, unique culture and character.

11.10.34. Acquire works of art through a variety of methods including commissioned works, temporary works, direct purchases, and community projects.

11.10.45. In cooperation with area artists and cultural organizations, utilize the city's website as a clearinghouse for arts information and resource sharing.

11.10.6. Encourage the development of spaces where visual and performing arts can be enjoyed by all. This includes visual and performing arts centers, street fairs, and market places that include performance and display spaces. (Resolution No. 861.)

11.10.7. Encourage and support work by local artists and support visual, written and performing arts programs and partnerships that reflect our community's vision and culture.

FINANCIAL RESOURCES AND COORDINATION

GOAL 11.11: CREATE EFFECTIVE AND EFFICIENT METHODS OF ACQUIRING, DEVELOPING, OPERATING AND MAINTAINING FACILITIES AND PROGRAMS THAT ACCURATELY DISTRIBUTE COSTS AND BENEFITS TO THE GENERAL PUBLIC AND PRIVATE DEVELOPMENT.

Finance

11.11.1. Investigate available methods for the financing of facility development, maintenance, and operation in order to reduce costs, retain financial flexibility, match user benefits and interests, and increase facility services.

11.11.2. Consider joint ventures with other public and private agencies such as PenMet Parks, Pierce County, Peninsula School District, regional, state, federal, and other public and private agencies including for-profit concessionaires, where feasible and desirable.

Public and Private Resource Coordination

11.11.3. Engage in joint planning and development efforts with PenMet Parks, Pierce County, Peninsula School District, and other public and private agencies to avoid duplication; improve facility quality and availability; reduce costs; and represent resident area interests.

Cost/Benefit Assessment

11.11.4. Define existing and proposed land and facility levels-of-service (ELOS/PLOS) that differentiate requirements due to: population growth impacts versus improved facility standards; neighborhood versus community nexus of benefit; city versus the combination of city, county, school, and other provider agency efforts; in order to effectively plan and program park and recreation needs within the existing city and urban growth area boundaries.

11.11.5. Create effective and efficient methods of acquiring, developing, operating, and maintaining park and recreational facilities in manners that accurately distribute costs and benefits to public and private user interests - including the application of growth impact fees where new developments impact existing level-of-service (ELOS) standards.

HUMAN RESOURCES

GOAL 11.12: DEVELOP, TRAIN, AND SUPPORT A PROFESSIONAL PARKS STAFF THAT EFFECTIVELY SERVES THE COMMUNITY IN THE REALIZATION OF THE ABOVE LISTED GOALS AND POLICIES.

11.12.1. Continue to train a diverse, well-trained work force that is motivated to achieve department and citywide goals.

11.12.2. Encourage teamwork through communications, creativity, positive image, risk taking, sharing of resources, and cooperation toward common goals.

11.12.3. Where appropriate, provide staff with education, training, and modern equipment and supplies to increase personal productivity, efficiency, and pride.

RESOLUTION NO. 1056

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LAND USE AND ZONING, AUTHORIZING THE EXECUTION OF THE DEVELOPMENT AGREEMENT WITH WALTER SMITH AND NORMA SMITH, RELATED TO AN APPROVED COMPREHENSIVE PLAN LAND USE MAP AMENDMENT (PL-COMP-15-0001) FROM EMPLOYMENT CENTER (EC), COMMERCIAL/BUSINESS (C/B), AND RESIDENTIAL LOW (RL) TO RESIDENTIAL MEDIUM (RM); APPLYING TO 16.71 ACRES OF PROPERTY, GENERALLY LOCATED ALONG BURNHAM DRIVE AND 112TH STREET NW IN THE CITY OF GIG HARBOR, PIERCE COUNTY, WASHINGTON.

WHEREAS, RCW 36.70B.170 authorizes a local government and a person having ownership or control of real property within its jurisdiction to enter into a development agreement; and

WHEREAS, a development agreement must set forth the development standards and other provisions that shall apply to, govern and vest the development, use and mitigation of the development of the real property for the duration specified in the agreement (RCW 36.70B.170(1)); and

WHEREAS, a development agreement must be consistent with the applicable development regulations adopted by a local government planning under chapter 36.70A RCW (RCW 36.70B.170(1)); and

WHEREAS, the City of Gig Harbor has adopted development regulations for development agreements in Chapter 19.08 of the Gig Harbor Municipal Code; and

WHEREAS, the City requires processing of development agreements related to legislative actions under GHMC 18.08.040(A) such as a comprehensive plan amendment, to have a recommendation from the Planning Commission; and

WHEREAS, the Developer has a fee simple or other substantial beneficial interest in the real property totaling 16.71 acres generally located on the 6300 block of 112th Street NW in the City of Gig Harbor, Pierce County, Washington, which is legally described in Exhibit A of the Development Agreement, attached hereto and incorporated herein by this reference; and

WHEREAS, on July 21, 2016, the Planning Commission held a public hearing on the Development Agreement; and

WHEREAS, on August 18, September 1, and September 15, 2016 the Planning Commission considered amendments and additions to the Development Agreement and added additional criteria in order to meet GHMC 19.09.170 relating to the associated Comprehensive Plan Land Use Map Amendment; and

WHEREAS, on September 15, 2016 the Planning Commission recommended approval to the Council; and

WHEREAS, the City's SEPA Responsible Official issued a Determination of Non-Significance (DNS) on August 25, 2016 for the Comprehensive Plan Amendment Package and associated Development Agreement; and

WHEREAS, on October 24, 2016, the City Council held a public hearing on the Development Agreement; and

WHEREAS, on November 14, 2016 the City Council considered the resolution for the Development Agreement during a regular public meeting; and

WHEREAS, on November 28, 2016 after considering the application, the staff report and all public testimony presented, City Council approved the Development Agreement attached hereto as Exhibit A; Now, Therefore,

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

Section 1. The City Council hereby authorizes the Mayor to execute the Development Agreement attached hereto as Exhibit A, with Walter H. Smith and Norma K. Smith.

Section 2. The City Council hereby directs the Planning Director to record the Development Agreement against the Property legally described in Exhibit A to the Development Agreement, at the cost of the applicant, pursuant to RCW 36.70B.190, on or immediately following the effective date of the Development Agreement.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor this 28th day of November, 2016.

CITY OF GIG HARBOR

Mayor Jill Guernsey

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Angela G. Summerfield

FILED WITH THE CITY CLERK: 11/22/16
PASSED BY THE CITY COUNCIL: 11/28/16
RESOLUTION NO. 1056

Exhibit A - Legal Description

Old Business - 1
RECEIVED BY 30 of 42

MAY 18 2016

CITY OF GIG HARBOR

LEGAL DESCRIPTION

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 22 EAST, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON LYING NORTHERLY OF 112TH STREET NW AND LYING NORTHERLY, EASTERLY, AND SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 25; THENCE NORTH 88°14'09" WEST, ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, 493.13 FEET TO THE SOUTHEAST CORNER OF PLAT ALTERATION OF HORIZON WEST AS SHOWN ON THE PLAT THEREOF RECORDED UNDER AFN 200602085007;

THENCE NORTH 02°16'29" EAST 150.82 FEET;

THENCE SOUTH 86°50'41" EAST 11.32 FEET;

THENCE NORTH 02°16'29" EAST 55.50 FEET;

THENCE SOUTH 86°50'41" EAST 48.54 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 54°16'31" WEST 62.70 FEET;

THENCE NORTH 88°39'04" WEST 159.07 FEET;

THENCE NORTH 02°26'35" EAST 16.26 FEET;

THENCE NORTH 88°14'09" WEST 93.21 FEET;

THENCE NORTH 02°16'41" EAST 10.00 FEET TO AN ANGLE POINT IN TRACT C OF THE AFOREMENTIONED PLAT ALTERATION OF HORIZON WEST;

THENCE ALONG THE BOUNDARY OF SAID PLAT THE FOLLOWING COURSES:

NORTH 02°16'41" EAST 686.83 FEET;

NORTH 48°02'05" EAST 336.42 FEET;

SOUTH 58°38'37" EAST 227.14 FEET;

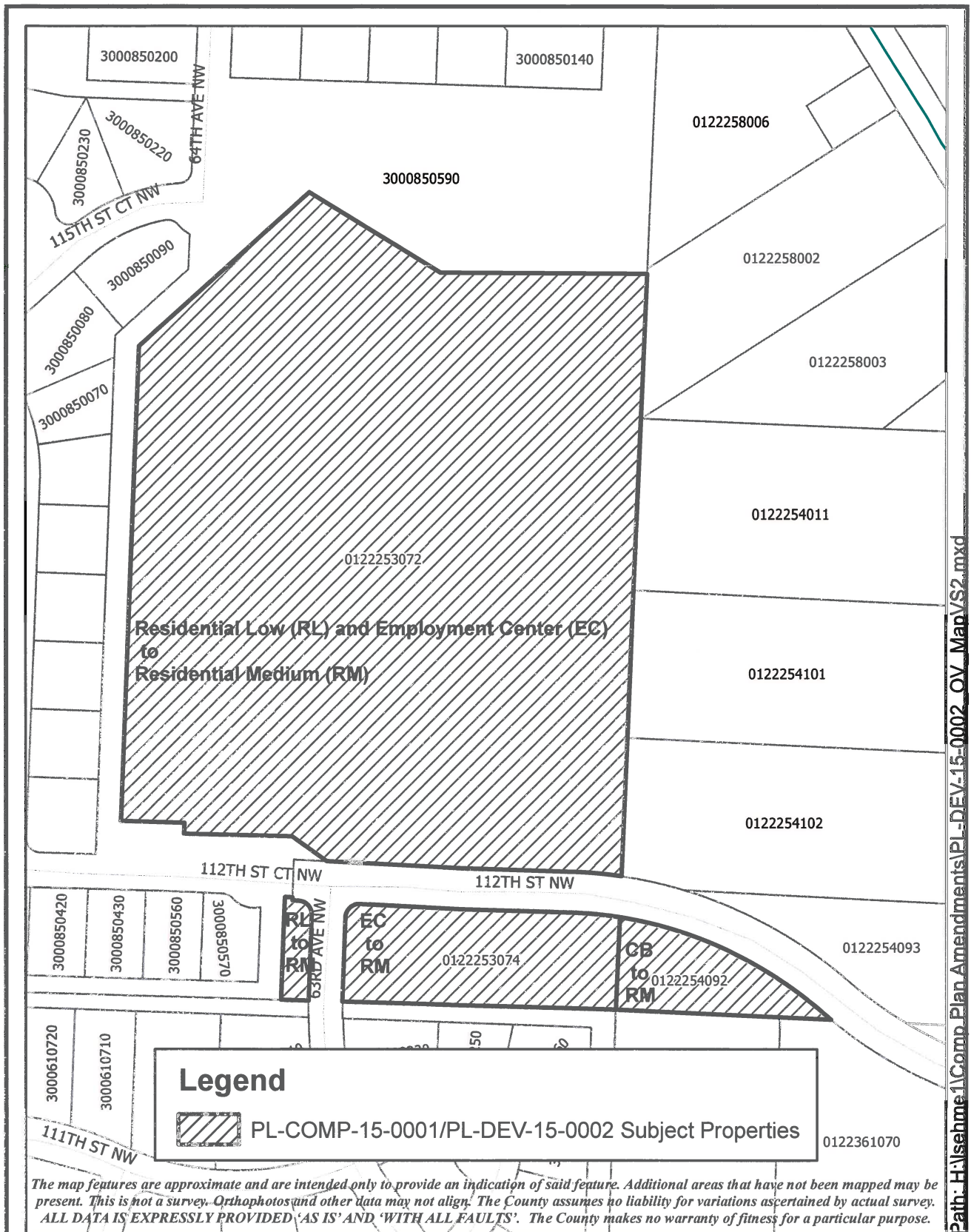
SOUTH 89°33'05" EAST 302.68 FEET TO THE NORTH-SOUTH CENTERLINE OF SAID SECTION 25 AND THE TERMINUS OF THIS LINE DESCRIPTION.

TOGETHER WITH:


THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 22 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON LYING SOUTHERLY OF 112TH STREET WEST NW AND EASTERLY OF 63RD AVENUE N.W.

TOGETHER WITH:

THAT PORTION OF THE SOUTH 165 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 22 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN LYING SOUTHERLY AND WESTERLY OF 112TH STREET N.W., PIERCE COUNTY, WASHINGTON.



Legend

 PL-COMP-15-0001/PL-DEV-15-0002 Subject Properties

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

"EXHIBIT B"
PL-COMP-15-0001: Smith Land Use Map Amendment
PL-DEV-15-0002: Smith Land Use Development Agreement



Path: H:\Ishme\1Comp Plan Amendments\PL-DEV-15-0002_OV_Map\52.mxd

SMITH PROPERTY PROPOSED SITE PLAN

LEGEND
BUFFER AREA
FINISHED GRADE

TOPOGRAPHY NOTE:
EASEL 012225027
EASEL 012225028
OBTAINED FROM BROWARD COUNTY
APR 2010
EASEL 012225029
EASEL 012225030
OBTAINED FROM PERDUE COUNTY GIS



GRAPHIC SCALE
1 inch = 100' ft.

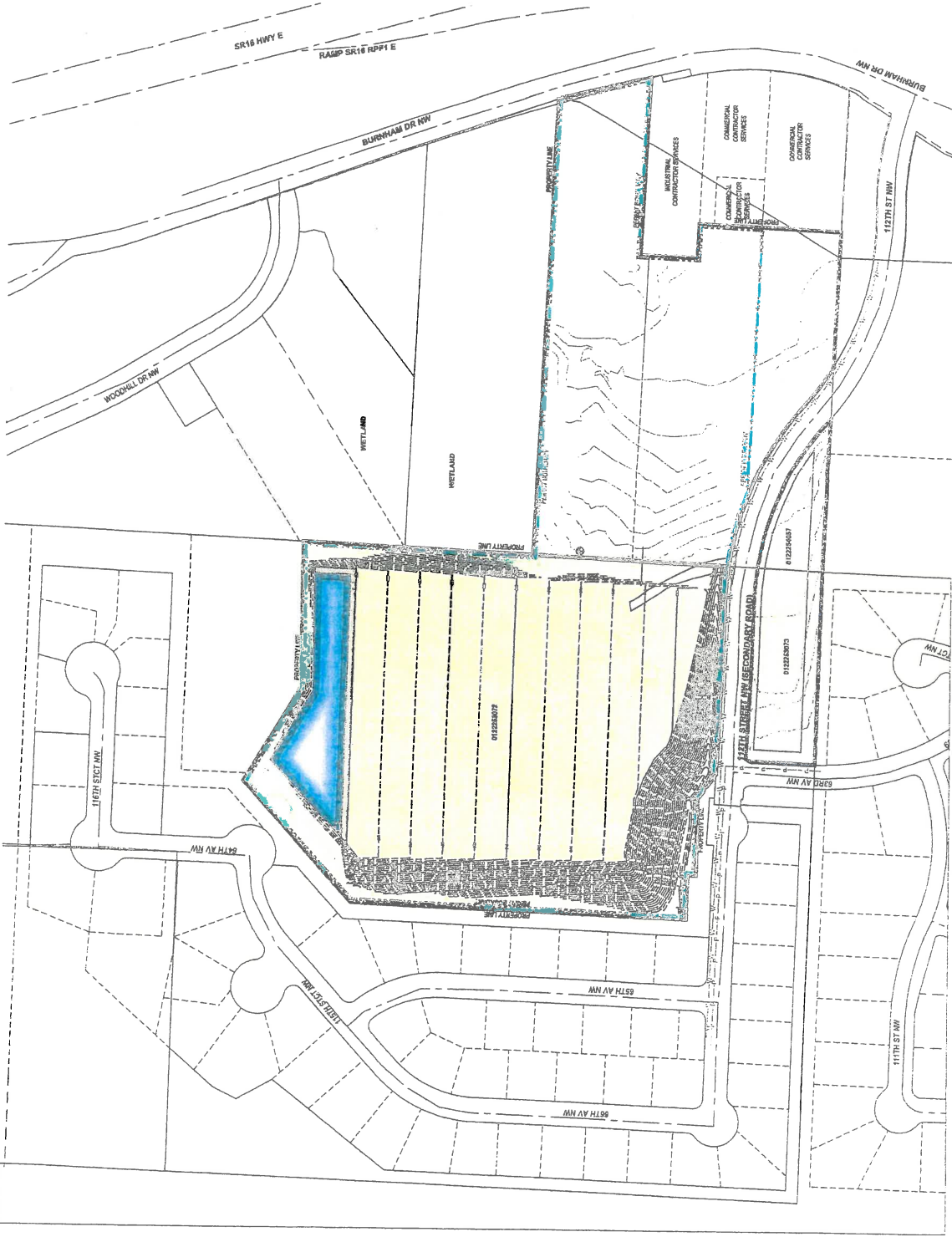


Exhibit C - Site Plan

**DEVELOPMENT AGREEMENT
BY AND BETWEEN
CITY OF GIG HARBOR, WALTER H. SMITH, AND NORMA K. SMITH
FOR THE SMITH COMPREHENSIVE PLAN LAND USE MAP AMENDMENT**

THIS DEVELOPMENT AGREEMENT is made and entered into this ____ day of _____, _____, by and between the CITY OF GIG HARBOR, a Washington municipal corporation, hereinafter the “City”; and WALTER H. SMITH and NORMA K. SMITH, as tenants-in-common, each as to a 50% interest, referred to collectively as the “Developer.”

RECITALS

WHEREAS, RCW 36.70B.170 authorizes the execution of a development agreement between a local government and a person having ownership or control of real property within its jurisdiction; and

WHEREAS, a development agreement must set forth the development standards and other provisions that shall apply to, govern and vest the development, use and mitigation of the development of the real property for the duration specified in the agreement; and

WHEREAS, the Developer has made application, known as the Smith Comprehensive Plan Land Use Map Amendment to change the land use designation of the subject property from Employment Center (EC), Commercial/Business (C/B), and Residential Low (RL) to Residential Medium (RM) for the property located at the 6300 block of 112th Street (Parcel Numbers 01-22-25-3072, 01-22-25-3074, and 01-22-25-4092), legally described on Exhibit A and shown on Exhibit B (the “Property”), both of which exhibits are attached hereto and incorporated herein; and

WHEREAS, after holding a public hearing on the Application on July 1, 2016, and further consideration on September 15, 2016, the Planning Commission recommended approval of the Application subject to a development agreement of 20 years limiting any future rezone proposal of the Property to the Residential High (R-3) zoning district, providing for buffering, limiting the Project to no more than 100 dwelling units, limiting the future PM Peak Traffic Trip Count to 102, requiring the landowner to attend a pre-application meeting with the Design Review Board prior to submission of a future development project, and limiting the Parcel No. 01-22-25-3072 to one access point along 112th Street; and

WHEREAS, on October 24, 2016, the City Council held a public hearing on this Development Agreement and made a recommendation to change the future land use designation to Residential Medium and implementing zoning district to Medium-Density Residential (R-2), additionally allowing single family dwellings; and

WHEREAS, on November 14, 2016, the City Council held a public hearing on the revised Development Agreement and made a recommendation to reduce the future dwelling units from the proposed 100 to a total count of 85;

WHEREAS, on November 14, 2016, the City Council adopted the recommendations of the Planning Commission not inconsistent with this resolution, approving the Application, subject to approval of this Development Agreement; and

NOW, THEREFORE, in consideration of the City changing the land use designation of the Property from EC, C/B, and RL to RM, the parties agree and the Owner further covenants for itself, its heirs, successors and assigns, as follows:

Section 1. *The Project.* The Project is the development and use of the Property, consisting of 16.71 acres in the City of Gig Harbor. The Comprehensive Plan Amendment will amend the land use designation from Employment Center, Commercial/Business, and Residential Low to Residential Medium.

Section 2. *The Subject Property.* The Project site is legally described in Exhibit “A”, attached hereto and incorporated herein by this reference.

Section 3. *Definitions.* As used in this Development Agreement, the following terms, phrases and words shall have the meanings and be interpreted as set forth in this Section.

- a) “Adopting Resolution” means the Resolution which approves this Development Agreement, as required by RCW 36.70B.200.
- b) “Certificate of occupancy” means either a certificate issued after inspections by the City authorizing a person(s) in possession of property to dwell or otherwise use a specified building or dwelling unit, or the final inspection if a formal certificate is not issued.
- d) “Council” means the duly elected legislative body governing the City of Gig Harbor.
- e) “Design Guidelines” means the Gig Harbor Design Manual, as adopted by the City.
- f) “Director” means the City’s Community Development Director or Director of Planning.
- g) “Effective Date” means the effective date of the Ordinance approving the Smith Land Use Map Amendment, PL-COMP-15-0001.

h) “Existing Land Use Regulations” means the ordinances adopted by the City Council of Gig Harbor in effect on the Effective Date, including the adopting ordinances that govern the permitted uses of land, the density and intensity of use, and the design, improvement, construction standards and specifications applicable to the development of the Subject Property, including, but not limited to the Comprehensive Plan, the City’s Official Zoning Map and development standards, the Design Manual, the Public Works Standards, SEPA, Concurrency Ordinance, and all other ordinances, codes, rules and regulations of the City establishing subdivision standards, park regulations, building standards. Existing Land Use Regulation does not include non-land use regulations, which includes taxes and impact fees.

i) “Landowner” is the party who has acquired any portion of the Subject Property from the Developer who, unless otherwise released as provided in this Agreement, shall be subject to the applicable provisions of this Agreement. The “Developer” is identified in Section 5 of this Agreement.

j) “Project” means the anticipated development of the Subject Property, as specified in Section 1 and as provided for in all associated permits/approvals, and all incorporated exhibits.

Section 4. *Exhibits.* Exhibits to this Agreement are as follows:

- a) Exhibit A – Legal Description of the Property
- b) Exhibit B – Land Use Map
- c) Exhibit C – Site Plan

Section 5. *Parties to Development Agreement.* The parties to this Agreement are:

a) The “City” is the City of Gig Harbor, 3510 Grandview Street, Gig Harbor, WA 98335.

b) The “Developer” or Owner consists of two private individuals which own the Subject Property together in fee, and whose principal mailing address is PO Box 1272, Gig Harbor, WA 98335.

c) The “Landowner.” From time to time, as provided in this Agreement, the Developer may sell or otherwise lawfully dispose of a portion of the Subject Property to a Landowner who, unless otherwise released, shall be subject to the applicable provisions of this Agreement related to such portion of the Subject Property.

Section 6. *Project is a Private Undertaking.* It is agreed among the parties that the Project is a private development and that the City has no interest therein except as authorized in the exercise of its governmental functions.

Section 7. *Term of Agreement.* This Agreement shall commence upon the effective date of the Adopting Resolution approving this Agreement, and shall continue in force for a period of twenty (20) years unless extended or terminated as provided herein. Following the expiration of the term or extension thereof, or if sooner terminated, this Agreement shall have no force and effect, subject however, to post-termination obligations of the Developer or Landowner.

Section 8. *Vested Rights of Developer.* During the term of this Agreement, unless sooner terminated in accordance with the terms hereof, in developing the Subject Property consistent with the Project described herein, Developer is assured, and the City agrees, that the development rights, obligations, terms and conditions specified in this Agreement, are fully vested in the Developer and may not be changed or modified by the City, except as may be expressly permitted by, and in accordance with, the terms and conditions of this Agreement, including the Exhibits hereto, or as expressly consented to by the Developer. However, the Developer acknowledges that this Agreement only describes the conditions imposed on the Developer's comprehensive plan amendment for the Property. This Agreement does not provide any vested right or approval of any rezone or project permit application for the Property, whether or not such rezone or application is described in or contemplated by this Agreement.

Section 9. *Development Standards and Covenants regarding Rezone Limitations.*

A. **Limitations on Rezone.** Within five years of the effective date of the approval of the Comprehensive Plan Amendment, the Developer may submit application to the City for rezone of the project site to R-2. Nothing in this Agreement is intended to guarantee approval of a future rezone, and the City retains its authority to approve or deny any such application for rezone based on criteria in existence at the time of consideration. Along with the rezone application, the Developer may also submit project permit applications for development of the Property to the City. These project permit applications shall be consistent with the City's code in effect at that time, and also include the provisions set forth below.

B. **Dwelling Units.** No more than 85 total dwelling units may be constructed on the Property.

C. **Buffering.** Developer shall maintain buffers as shown on Exhibit C.

D. **Access.** Parcel No. 01-22-25-3072 will be limited to a single access point onto 112th Street as shown on Exhibit C.

E. **Traffic.** Total development on the Property shall not exceed 102 PM Peak Hour Trips.

F. Design Review Board. Prior to submission of a development project permit application, the Landowner shall attend a pre-application meeting with the City's Design Review Board at no cost to the Landowner.

Section 10. Minor Modifications. Minor modifications from the approved exhibits attached hereto may be approved in accordance with the provisions of the City's code, and shall not require an amendment to this Agreement.

Section 11. Further Discretionary Actions. Developer acknowledges that the Existing Land Use Regulations contemplate the exercise of further discretionary powers by the City. These powers include, but are not limited to, review of additional permit applications under SEPA. Nothing in this Agreement shall be construed to limit the authority or the obligation of the City to hold legally required public hearings, or to limit the discretion of the City and any of its officers or officials in complying with or applying Existing Land Use Regulations.

Section 12. Existing Land Use Fees and Impact Fees.

A. Land Use Fees. Land use fees adopted by the City by ordinance as of the Effective Date of this Agreement may be increased by the City from time to time, and applicable to permits and approvals for the Subject Property, as long as such fees apply to similar applications and projects in the City.

B. Impact Fees. All impact fees shall be paid as set forth in the approved permit or approval, or as addressed in chapter 19.12 of the Gig Harbor Municipal Code.

Section 13. Default.

A. Subject to extensions of time by mutual consent in writing, failure or delay by either party or Landowner not released from this Agreement, to perform any term or provision of this Agreement shall constitute a default. In the event of alleged default or breach of any terms or conditions of this Agreement, the party alleging such default or breach shall give the other party or Landowner not less than thirty (30) days notice in writing, specifying the nature of the alleged default and the manner in which said default may be cured. During this thirty (30) day period, the party or Landowner charged shall not be considered in default for purposes of termination or institution of legal proceedings.

B. After notice and expiration of the thirty (30) day period, if such default has not been cured or is not being diligently cured in the manner set forth in the notice, the other party or Landowner to this Agreement may, at its option, institute legal proceedings pursuant to this Agreement. In addition, the City may decide to file an action to enforce the City's Codes, and to obtain penalties and costs as provided in the Gig Harbor Municipal Code for violations of this Development Agreement and the Code.

Section 14. Termination.

A. This Agreement shall terminate upon the first to occur: (i) the expiration of the term identified in Section 7, or (ii) upon the City's redesignation of the Property by way of amendment to the Comprehensive Plan Land Use Map as set forth in subsection 17(B) below. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City Attorney that the Agreement has been terminated.

B. If the Developer does not submit an application for rezone of the Property within five years from the effective date of this Agreement, then: (i) all provisions of this Agreement relating to the development contemplated herein shall terminate, except the limitation and prohibition on rezones set forth in Section 9 shall remain in full force and effect for the term of this Agreement identified in Section 7; and (ii) the City may amend the Comprehensive Land Use Map designation of the Property to Residential Low (RL) or other designation(s) in its discretion.

Section 15. Effect upon Termination on Developer Obligations. Termination of this Agreement as to the Developer of the Subject Property or any portion thereof shall not affect any of the Developer's obligations to comply with the City Comprehensive Plan and the terms and conditions or any applicable zoning code(s) or subdivision map or other land use entitlements approved with respect to the Subject Property, any other conditions of any other development specified in the Agreement to continue after the termination of this Agreement or obligations to pay assessments, liens, fees or taxes.

Section 16. Effects upon Termination on City. Upon any termination of this Agreement as to the Developer of the Subject Property, or any portion thereof, the entitlements, conditions of development, limitations on fees and all other terms and conditions of this Agreement shall no longer be vested hereby with respect to the property affected by such termination (provided that vesting of such entitlements, conditions or fees may then be established for such property pursuant to then existing planning and zoning laws).

Section 17. Assignment and Assumption. The Developer shall have the right to sell, assign or transfer this Agreement with all their rights, title and interests therein to any person, firm or corporation at any time during the term of this Agreement. Developer shall provide the City with written notice of any intent to sell, assign, or transfer all or a portion of the Subject Property, at least 30 days in advance of such action.

Section 18. Covenants Running with the Land. The conditions and covenants set forth in this Agreement and incorporated herein by the Exhibits shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. The Developer, Landowner and every purchaser, assignee or transferee of an interest in the Subject Property, or any portion thereof, shall be obligated and bound by the terms and

conditions of this Agreement, and shall be the beneficiary thereof and a party thereto, but only with respect to the Subject Property, or such portion thereof, sold, assigned or transferred to it. Any such purchaser, assignee or transferee shall observe and fully perform all of the duties and obligations of a Developer contained in this Agreement, as such duties and obligations pertain to the portion of the Subject Property sold, assigned or transferred to it.

Section 19. Amendment to Agreement; Effect of Agreement on Future Actions. This Agreement may be amended by mutual consent of all of the parties, provided that any such amendment shall follow the process established by law for the adoption of a development agreement (*see*, RCW 36.70B.200). However, nothing in this Agreement shall prevent the City Council from making any amendment to its Comprehensive Plan, Zoning Code, Official Zoning Map or development regulations affecting the Subject Property during the term of this Agreement, as the City Council may deem necessary to the extent required by a serious threat to public health and safety. Nothing in this Development Agreement shall prevent the City Council from making any amendments of any type to the Comprehensive Plan, Zoning Code, Official Zoning Map or development regulations relating to the Subject Property after termination or expiration of this Agreement.

Section 20. Releases. Developer, and any subsequent Landowner, may free itself from further obligations relating to the sold, assigned, or transferred property, provided that the buyer, assignee or transferee expressly assumes the obligations under this Agreement as provided herein.

Section 21. Notices. Notices, demands, correspondence to the City and Developer shall be sufficiently given if dispatched by pre-paid first-class mail to the addresses of the parties as designated in Section 5. Notice to the City shall be to the attention of both the City Administrator and the City Attorney. Notices to subsequent Landowners shall be required to be given by the City only for those Landowners who have given the City written notice of their address for such notice. The parties hereto may, from time to time, advise the other of new addresses for such notices, demands or correspondence.

Section 22. Reimbursement for Agreement Expenses of the City. Developer agrees to reimburse the City for actual expenses incurred over and above fees paid by Developer as an applicant incurred by the City directly relating to this Agreement, including recording fees, publishing fees and reasonable staff and consultant costs not otherwise included within application fees. Upon payment of all expenses, the Developer may request written acknowledgement of all fees. Such payment of all fees shall be paid, at the latest, within thirty (30) days from the City's presentation of a written statement of charges to the Developer.

Section 23. Applicable Law and Attorneys' Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. If

litigation is initiated to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party. Venue for any action shall lie in Pierce County Superior Court or the U.S. District Court for Western Washington.

Section 24. Third Party Legal Challenge. In the event any legal action or special proceeding is commenced by any person or entity other than a party or a Landowner to challenge this Agreement or any provision herein, the City may elect to tender the defense of such lawsuit or individual claims in the lawsuit to Developer and/or Landowner(s). In such event, Developer and/or such Landowners shall hold the City harmless from and defend the City from all costs and expenses incurred in the defense of such lawsuit or individual claims in the lawsuit, including but not limited to, attorneys' fees and expenses of litigation, and damages awarded to the prevailing party or parties in such litigation. The Developer and/or Landowner shall not settle any lawsuit without the consent of the City. The City shall act in good faith and shall not unreasonably withhold consent to settle.

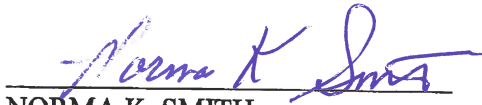
Section 25. Specific Performance. The parties specifically agree that damages are not an adequate remedy for breach of this Agreement, and that the parties are entitled to compel specific performance of all material terms of this Development Agreement by any party in default hereof.

Section 26. Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein

Section 27. Entire Agreement. This Agreement represents the entire integrated agreement between the City and the Developer, superseding all prior negotiations, representations or agreements, written or oral.

IN WITNESS WHEREOF, the parties hereto have caused this Development Agreement to be executed as of the dates set forth below:


WALTER H. SMITH


NORMA K. SMITH

CITY OF GIG HARBOR

By _____
Mayor

ATTEST:

City Clerk

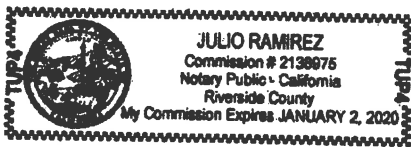
APPROVED AS TO FORM:

California
STATE OF WASHINGTON)
Riverside) ss.
COUNTY OF ~~PIERCE~~ *JK*)

City Attorney

I certify that I know or have satisfactory evidence that Walter H. Smith 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 and acknowledged it to be a free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: November 18, 2016

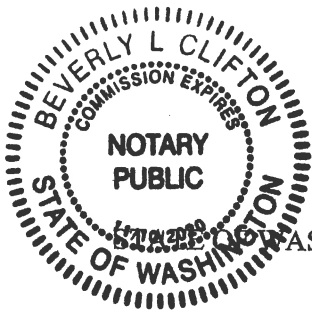


[Signature]
Printed: Julio Ramirez
NOTARY PUBLIC in and for ~~Washington California~~
Residing at: Palm Desert CA
My appointment expires: January 2, 2020

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that Norma K. Smith is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute and acknowledged it to be a free and voluntary act of such party for the uses and purposes mentioned in the instrument

DATED: November 22, 2016



[Signature]
Printed: Beverly L. Clifton
NOTARY PUBLIC in and for Washington
Residing at: Allyn, WA
My appointment expires: 11-10-2020

STATE OF WASHINGTON)
) ss.

COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she 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: _____

Printed: _____
NOTARY PUBLIC in and for Washington
Residing at: _____
My appointment expires: _____



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

Subject: Resolution 1057 – Rust Street Vacation – David and Jayme Jones.

Proposed Council Action:

Move to adopt Resolution 1057 setting a public hearing for the vacation of a portion of Rust Street.

Dept. Origin: Public Works

Prepared by: Stephen Misiurak P.E.
City Engineer

For Agenda of: November 28, 2016

Exhibits:

- Resolution 1057
- Letter of Request dated October 18, 2016
- Legal Description and Survey dated August 31, 2016
- Location and Vicinity Maps
- Checklist dated Nov 17, 2016

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Initial & Date
 JM 11/21/16
 P.M.W. 11/21/16
 Via email
 N/A
 11-21-16

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

The City received a letter from David Jones, the owner of vacant land (Parcel Numbers 2260000220 and 2260000230) adjacent to 9502 Wheeler Avenue, petitioning the City to vacate a portion of Harborview Drive in accordance with GHMC 12.14.002.

The proposed Right-of-Way area contains a sewer line and will require an easement to the City that has been addressed in the legal description and shown on the survey map. The 30' Right-of-Way is situated in the Town of Ardena Plat recorded August 23, 1890. This portion of Rust Street lies within a Non-User Statute area as described in GHMC 12.14.018C. All City departments have reviewed the proposed street vacation, and have no exceptions to the vacation.

FISCAL CONSIDERATION

The processing fee has been paid in accordance with GHMC 12.14.004.

BOARD OR COMMITTEE RECOMMENDATION

RECOMMENDATION/MOTION

Move to adopt Resolution 1057 setting a public hearing for the vacation of a portion of Rust Street.

RESOLUTION NO. 1057

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, SETTING A PUBLIC HEARING FOR THE VACATION OF A PORTION OF RUST STREET.

WHEREAS, David S. and Jayme L. Jones desire to initiate the procedure for the vacation of a portion of Rust Street, a portion of the original August 23, 1890 plat of the Town of Artena addition to Gig Harbor;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Gig Harbor, Washington:

Section 1. A public hearing upon said street vacation shall be held in the council chambers of Gig Harbor Civic Center on Monday, January 9, 2017 at 5:30 p.m., at which hearing all persons interested in said street vacation are invited to appear.

Section 2. The City Clerk is directed to post notices of the hearing in three public places and on the street to be vacated and to mail notices to all owners of any property abutting the portion of street to be vacated, pursuant to RCW 35.79.020.

PASSED this 28th day of November, 2016.

Jill Guernsey, Mayor

ATTEST:

Molly M. Towslee, City Clerk

FILED WITH THE CITY CLERK: 11/17/16
PASSED BY THE CITY COUNCIL: 11/28/16
RESOLUTION NO. 1057

8815 North Harborview Drive, Apt. A
Gig Harbor, WA 98332

October 18, 2016

Mr. William Hendrickson
Engineering Technician
3510 Grandview Street
Gig Harbor, WA 98335

**Re: Vacation of Portion of Parcel Nos. 226000-022-0 & 226000-023-0
Lots 8 & 9
Our File No.: 14-1575**

Dear Mr. Hendrickson:

This letter serves as an official request to vacate a 30 foot wide strip of Rust Street abutting my properties at Parcel Nos. 226000-022-0 & 226000-023-0 (Lots 8 & 9) in the City of Gig Harbor. This Right-of-Way along with my properties created from the plat called Town of Ardena. These portions of Rust Street abutting my property at parcel numbers stated above have never been used as a street, nor has it be constructed.

Under the City of Gig Harbor's Municipal Code 12.14.018.C, which sites the "vacations of streets and alleys subject to 1889-90 Laws of Washington, Chapter 19, Sections 32 (Non-user statute)", that portion of Rust Street Right-of-Way's abutting my parcels has adversely, by operation of law, become mine legally since these Right-of-Way's were never opened nor used for their original purpose.

In light of this information, I wish to request those portions of the Rust Street abutting my properties be vacated. See attached drawings depicting the original location of the subject portion of Rust Street Right-of-Way's in relation to my parcels.

The other portions of the Right-of-Way for Rust Street have already been vacated in the past few years as seen on Exhibit 1. There is a sewer easement on the edge of the property to be maintained as depicted on the survey.

Because this 30 by 50 parcel of land has no value realistically, being land-locked, never with the hope of doing anything we ask that the \$500 survey cost be waived.

Thank you for your assistance. I have enclosed a check in the amount of \$150.00 as required.

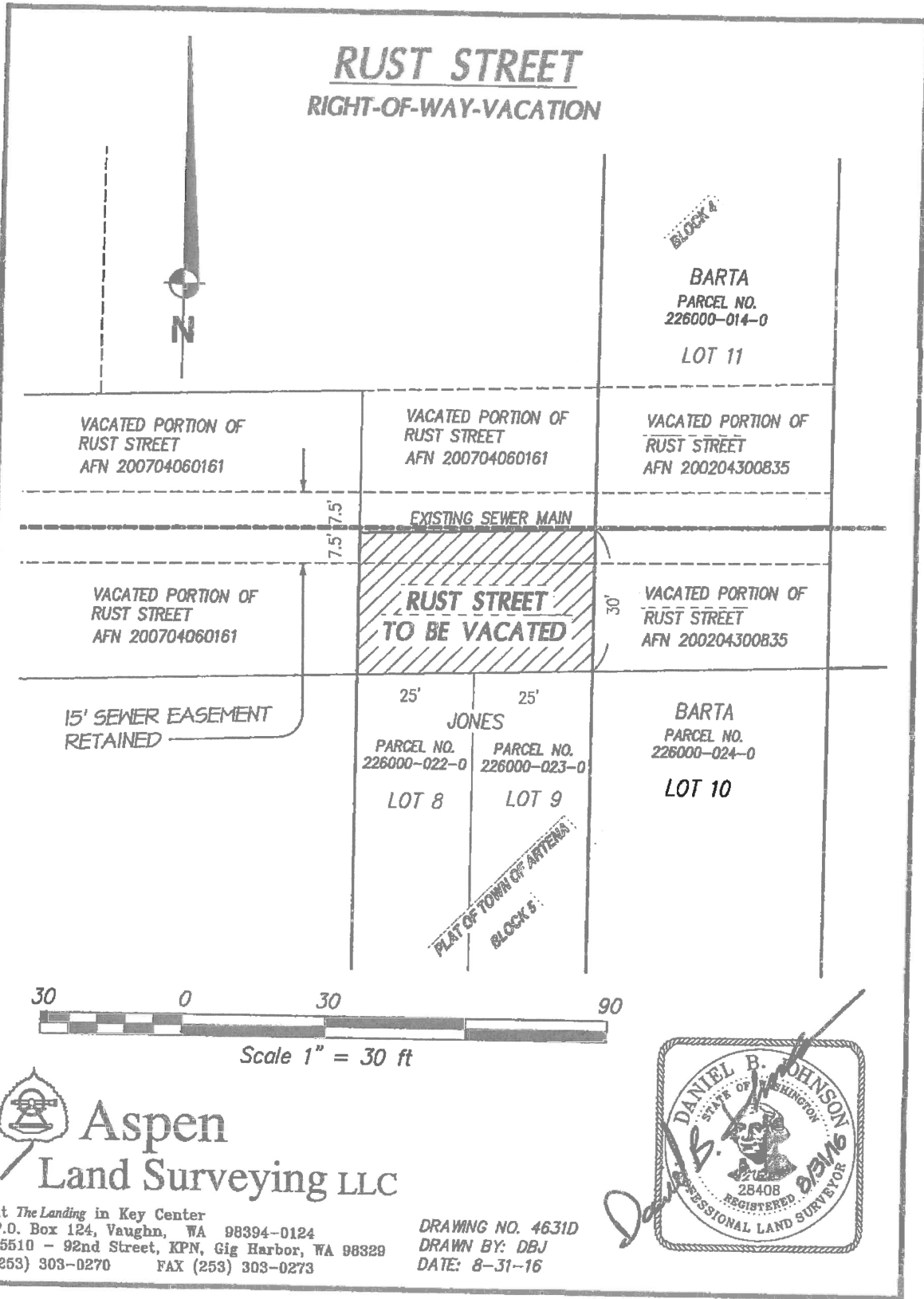
Sincerely yours,

David Jones

**LEGAL DESCRIPTION OF A PORTION OF RUST STREET
TO BE VACATED**

THAT PORTION OF RUST STREET ABUTTING LOTS 8 AND 9, BLOCK 5, IN THE PLAT OF ARTENA, ACCORDING TO THE PLAT THEREOF ON FILE IN VOLUME 5 OF PLATS, PAGE 68, RECORDS OF PIERCE COUNTY, WASHINGTON.

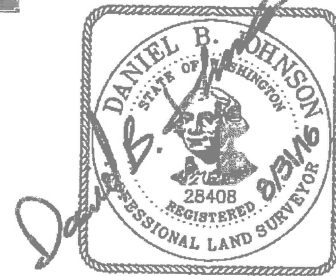
RESERVING UNTO THE CITY OF GIG HARBOR A 15-FOOT-WIDE SANITARY SEWER EASEMENT, 7.5 FEET ON EITHER SIDE OF THE EXISTING SEWER MAIN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 8; THENCE N 0°01'31" W, 31.06 FEET TO THE CENTERLINE OF SAID SEWER MAIN AND THE TRUE POINT OF BEGINNING; THENCE N 89°07'17" E ALONG SAID SEWER MAIN, 50 FEET.



 **Aspen**
Land Surveying LLC

at The Landing in Key Center
P.O. Box 124, Vaughn, WA 98394-0124
15510 - 92nd Street, KPN, Gig Harbor, WA 98329
(253) 303-0270 FAX (253) 303-0273

DRAWING NO. 4631D
DRAWN BY: DBJ
DATE: 8-31-16

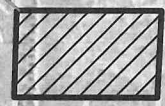


**STREET VACATION
LOCATION**

CRESCENT COVE PL

WHEELER AVE

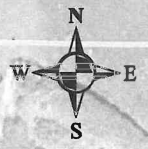
RUST ST



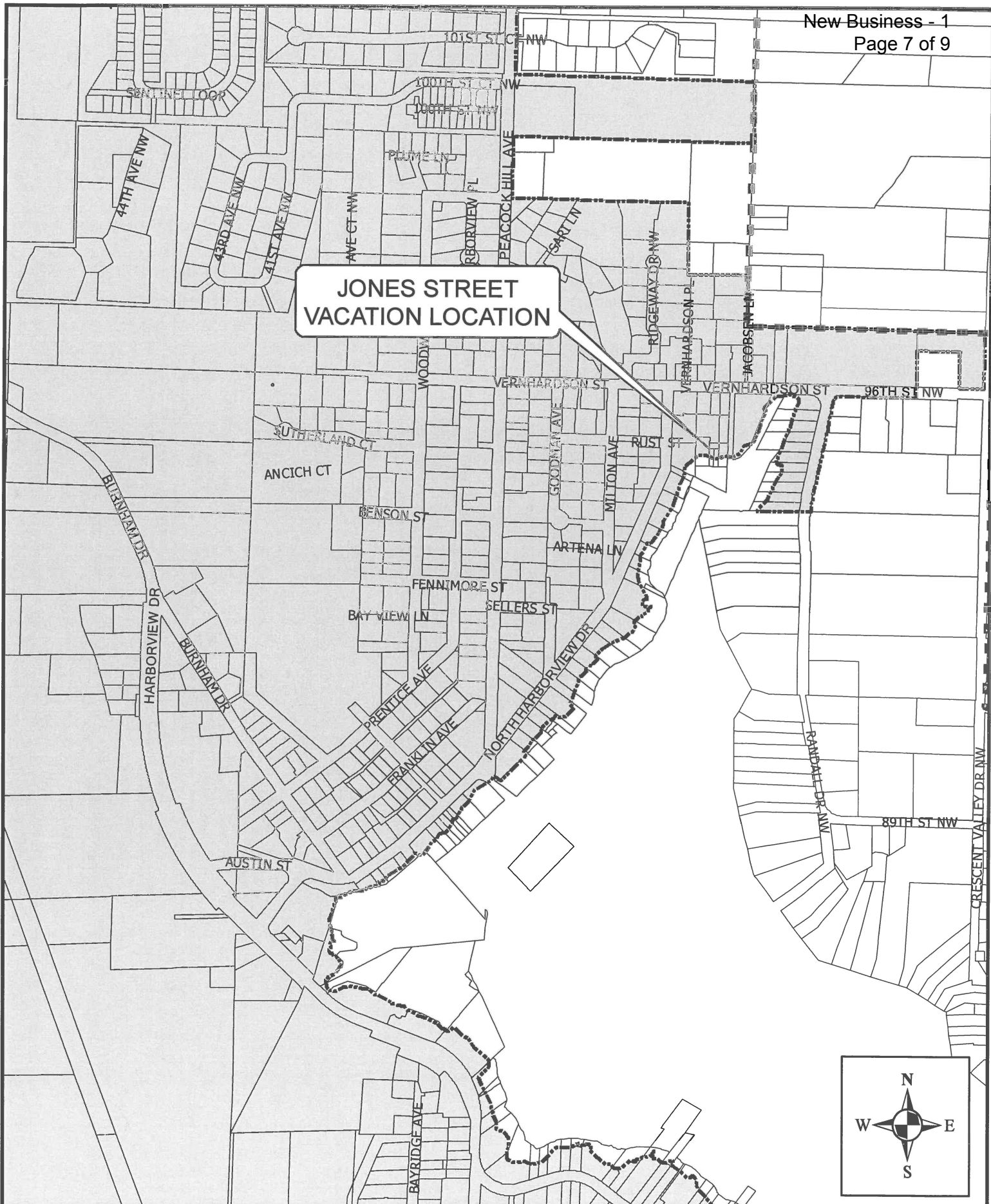
XXX RUST ST

9502 WHEELER AV

NORTH HARBOR VIEW DR



JONES STREET
VACATION LOCATION



Jones Street Vacation - Parcel No's. 2260000220 and 2260000230
VICINITY MAP



VACATION OF STREETS AND ALLEYS

GIG HARBOR MUNICIPAL CODE CHAPTER 12.14

Name: David and Jayme Jones Date: November 17, 2016

Site address: 9502 Wheeler Ave. and XXX Rust Street

Phone Number: 253-279-7749 Parcel Number(s): 2260000220 and 2260000230

OWNER REQUIREMENTS

- ✓ The petition or resolution shall be filed with the city clerk, and the petition shall be signed by the owners of more than two-thirds of the property abutting upon the part of such street or alley sought to be vacated. [GHMC § 12.14.002 (c)]. **Received**
- ✓ Nonrefundable payment to the City of a pre-hearing fee of \$150.00, to defray the administrative cost incurred in processing such vacation petitions [GHMC § 12.14.004 (a)]. **Received**
- ✓ Legal description prepared by a Licensed Surveyor of area to be vacated [GHMC § 12.14.002 (b)]. **Received**
- ✓ Location map showing surrounding street network, existing utilities, and adjacent properties labeled with ownership, site addresses, and parcel numbers. **Received**
- ✓ Site map prepared by a Licensed Surveyor showing the existing property and street vacation areas with dimensions (using bearings and distances), calculated square footage, two-foot contours, existing easements, wetlands and trails or other relevant information. **Received**
- ✓ At the time the City Council recommends granting a vacation petition, the petitioner shall deposit a \$500.00 appraisal fee with the Public Works Director [GHMC § 12.14.004 (b)]. Appraisal fee not required if qualified under the Non-user Statute [GHMC § 12.14.018 (c)]. **N/A**
- ✓ Compensation to the City for vacation if applicable [GHMC § 12.14.018]. Compensation not required if qualified under the Non-user Statute [GHMC § 12.14.018 (c)]. **N/A**

CITY REVIEW

- ✓ Determine Non-user Statute application. **Qualifies as Non-user Statute**
- ✓ Verify all information provided in the petition, legal description, location map, and site map. **OK**
- ✓ Describe topography and vegetation (forested, cleared, etc.) using GIS aerial and digital camera photos of site. **Trees and brush.**
- ✓ Verify existing utilities or call One Call Locate to determine what utilities are on the property. **Sewer**
- ✓ Determine proposed vacation's consistency with City of Gig Harbor Comprehensive Plan (i.e. transportation element). **N/A**
- ✓ Determine current extent of public use of area proposed to be vacated as a Prescriptive Easement. **Sewer easement required**
- ✓ Determine possible retention for future public uses: Roadway, water, sewer, storm drainage, parking facilities, parks, view areas, and access to waterfront. **None required**

**VACATION OF STREETS AND ALLEYS
GIG HARBOR MUNICIPAL CODE CHAPTER 12.14
PAGE 2**

- ✓ Develop history of area proposed to be vacated including when area was purchased, dedicated, or otherwise acquired. **Town of Artena Plat recorded August 23, 1890**
- ✓ Determine compensation for vacation as described in GHMC § 12.14.018 if applicable. **N/A**
- ✓ Verify payment of pre-hearing \$150 fee and \$500 appraisal fee. **\$150 paid - receipt no. 244020**
- ✓ Prepare aerial vicinity map. **Completed**
- ✓ Prepare Council Resolution. **Completed**
- ✓ Post notices of Public Hearing. **Following passage of Resolution 1057**
- ✓ Determine hearing date. **January 9, 2017**
- ✓ Legal Review **Approved via email**



Subject: First Reading of Ordinance
Harbor Hill S2-S6 Rezone to PRD Zone
(PL-FPRD-16-0002)

Proposed Council Action: Adopt ordinance
No. 1351 at first reading, as allowed by GHMC
1.08.020.C

Dept. Origin: Planning Department

Prepared by: Carl de Simas, Associate Planner

For Agenda of: November 28, 2016

Exhibits: Ordinance
Final Plat Map

Initial & Date

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Handwritten initials and dates:
11-22-16
R.W. 11/22/16
By Email 11/24/16
N/A
JK 11/21/16

Table with 5 columns: Expenditure Required, Amount Budgeted, Appropriation Required. Values are 0, 0, 0.

INFORMATION/BACKGROUND

Attached for your consideration is an ordinance directing the Planning Director to amend the official City Zoning Map to reflect the approval of the Final Planned Residential Development for Harbor Hill Division S2-S6 as required by GHMC 17.89.130.

The approval of the Harbor Hill S2-S6 Final Plat and Final PRD is a closed record decision and a separate agenda item has been placed on the consent agenda for November 28, 2016 to approve the Final PRD. However an ordinance is required for the related zoning map amendment. This map amendment will document that the future development of this site will be governed by the provisions of the Final PRD and not the provisions of the underlying zoning code.

POLICY CONSIDERATIONS

The ordinance is needed to officially amend the City's Zoning Map to reflect the Final PRD as required by GHMC 17.89.130. Ordinances for site specific rezones, such as this one, may be adopted at first reading as allowed by GHMC 1.08.020.C.

FISCAL CONSIDERATION

There are no adverse fiscal impacts associated with this map amendment.

BOARD OR COMMITTEE RECOMMENDATION

No board or committee was required to review this application.

RECOMMENDATION / MOTION

Move to: Adopt ordinance No. 1351 at first reading, as allowed by GHMC 1.08.020.C

ORDINANCE NO. 1351

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, REZONING 31.74 ACRES FROM PCD-RLD ZONING DISTRICT TO PRD (PLANNED RESIDENTIAL DEVELOPMENT), LOCATED SOUTH OF BORGEN BOULEVARD, ADJACENT TO AND WEST OF PEACOCK HILL AVENUE NW; PIERCE COUNTY ASSESSOR-TREASURER PARCEL NUMBER(S) 4003210290, AND CITY OF GIG HARBOR FILE NO. PL-FPRD-16-0002, AND AMENDING THE OFFICIAL ZONING MAP TO BE CONSISTENT THEREWITH.

WHEREAS, Harbor Hill LLC requested Final PRD Approval for Division S2-S6 of the Harbor Hill Plat located south of Borgen Blvd., adjacent to and west of the plat of Peacock Hill Ave. NW; Pierce County Assessor-Treasurer Parcel Number 4003210290; and

WHEREAS, the land use designation in the Comprehensive Plan for the subject site is PCD-Residential Low; and

WHEREAS, the existing zoning district on the Official Zoning Map of the City for the subject site is PCD-RLD (Planned Community District – Residential Low); and

WHEREAS, on December 2, 2008 Olympic Property Group LLC requested Preliminary Planned Residential Development (PRD) approval of 200 acres, comprised of three parcels, into 554 single family lots and two multiple family lots that would be developed with a total of 270 units on the subject site; and

WHEREAS, a SEPA threshold determination of Mitigated Determination of Nonsignificance was issued on November 17, 2010; and

WHEREAS, the SEPA threshold decision was not appealed; and

WHEREAS, the preliminary PRD is a Type III-A action as defined in GHMC 19.01.003(B); and

WHEREAS, a final decision for a Type III-A application shall be rendered by the Hearing Examiner as per GHMC 19.01.003(A); and

WHEREAS, a public hearing on the preliminary PRD was held before the Hearing Examiner on December 16, 2010, at which time the Hearing Examiner heard public testimony on the preliminary PRD; and

WHEREAS, the Hearing Examiner approved the Preliminary PRD in her decision dated December 30, 2010; and

WHEREAS, the appeal period expired on January 23, 2011; and

WHEREAS, no appeals of the decision were filed; and

WHEREAS, Olympic Property Group LLC requested a Revision to the Approved Preliminary Planned Residential Development (PRD) for all portions of the Harbor Hill Residential Plat/PRD except Division 1A on March 13, 2013; and

WHEREAS, a SEPA addendum was issued on July 31, 2013; and

WHEREAS, Amendment 1 to the Harbor Hill Development Agreement recorded on December 4, 2012 authorizes the Planning Director to approve modifications to the Approved Preliminary PRD as a Type 2 Decision; and

WHEREAS, the Planning Director approved the Revised Preliminary PRD in her decision dated August 2, 2013; and

WHEREAS, the appeal period expired on August 19, 2013; and

WHEREAS, no appeals of the decision were filed; and

WHEREAS, Olympic Property Group LLC quitclaimed the subject property to Harbor Hill LLC on August 6, 2013, as Auditor Filing Number 201308130540; and

WHEREAS, on July 14, 2014 the Planning Director approved the North Revision modifications to the Harbor Hill Preliminary Plat and PRD to modify setbacks, impervious surface calculations and grading; and

WHEREAS, on July 29, 2014 the Planning Director approved the South Revision modifications to the Harbor Hill Preliminary Plat and PRD to increase the size of the M2 lot, remove excess lots and allow minor modifications to open space tracts, grading and phase lines; and

WHEREAS, an application for final PRD approval was submitted to the City and deemed complete on September 20, 2016 for Division S2-S6, a portion of the approved preliminary PRD; and

WHEREAS, the Final PRD is a Type IV action as defined in GHMC 19.01.003(B); and

WHEREAS, a closed record decision for a Type IV application shall be rendered by the City Council as per GHMC 19.01.003(A); and

WHEREAS, the City Council approved the final PRD application under Resolution No. 1055 on November 28, 2016; and

WHEREAS, GHMC 17.89.130 requires that the property subject to the final PRD be designated on the official zoning map as PRD; and

WHEREAS, the change to the official zoning map must be adopted by ordinance as per GHMC 17.89.130; and

WHEREAS, the Gig Harbor City Council considered the Ordinance at first reading on November 28, 2016;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. The real property located south of Borgen Blvd., adjacent to and west of Peacock Hill Ave NW, Pierce County Assessor-Treasurer Parcel Number 4003210290 and legally described in Exhibit "A", is hereby rezoned from PCD-RLD (Planned Community District – Residential Low) to PRD (Planned Residential Development).

Section 2. The Planning Director is hereby instructed to effectuate the necessary changes to the Official Zoning Map of the City in accordance with the designation established by Section 1.

Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent

jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 4. Effective Date. This ordinance is not subject to referendum, and shall take effect (5) days after passage and publication of an approved summary thereof consisting of the title.

PASSED by the City Council and approved by the Mayor of the City of Gig Harbor this 28th day of November, 2016.

CITY OF GIG HARBOR

JILL GUERNSEY, MAYOR

ATTEST/AUTHENTICATED:

By: _____
MOLLY TOWSLEE, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
ANGELA G. SUMMERFIELD

FILED WITH THE CITY CLERK: 11/21/16
PASSED BY THE CITY COUNCIL: 11/28/16
PUBLISHED: 12/01/16
EFFECTIVE DATE: 12/06/16
ORDINANCE NO: 1351

EXHIBIT A
HARBOR HILL
LEGAL DESCRIPTION: DIVISION S2-S6

TRIAD JOB # 08-058
AUGUST 31, 2016

Tract X, Boundary Line Adjustment No. 201604145002, according to the map recorded April 14, 2016, records of Pierce County Auditor.

Situate in the City of Gig Harbor, County of Pierce, State of Washington.

Written by: ARJ
Checked by: MHM

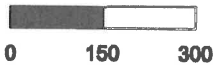


EXHIBIT B
HARBOR HILL
LEGAL EXHIBIT: DIVISION S2-S6

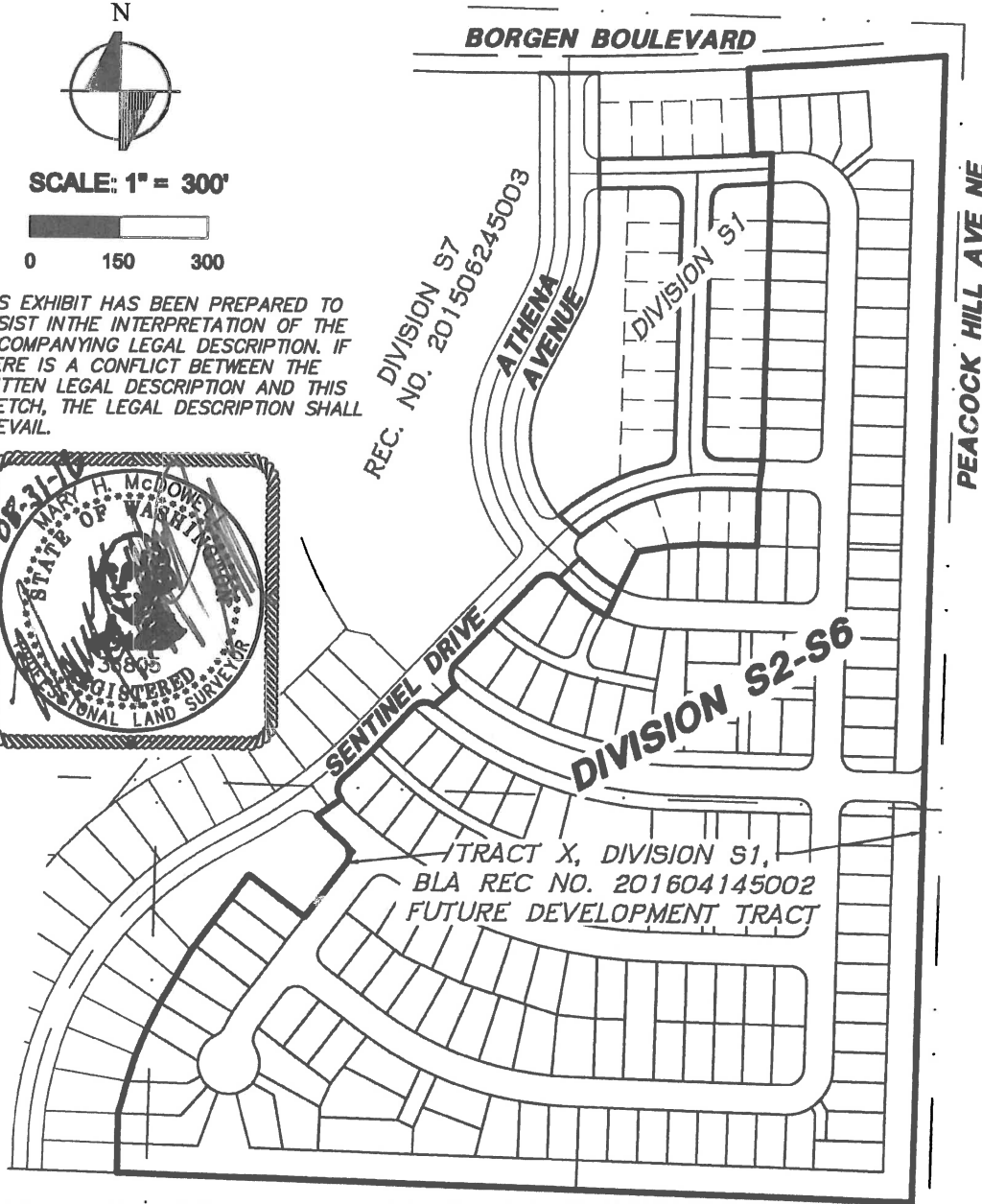
TRIAD JOB # 08-058
AUGUST 31, 2016



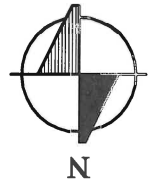
SCALE: 1" = 300'



THIS EXHIBIT HAS BEEN PREPARED TO ASSIST IN THE INTERPRETATION OF THE ACCOMPANYING LEGAL DESCRIPTION. IF THERE IS A CONFLICT BETWEEN THE WRITTEN LEGAL DESCRIPTION AND THIS SKETCH, THE LEGAL DESCRIPTION SHALL PREVAIL.



20300 Woodinville Snohomish Rd NE
Suite A • Woodinville, WA 98072
p: 425.415.2000 f: 425.486.5059
w: triadassociates.net
08058-EXH-S2-S6-LEGAL.dwg



SCALE: 1" = 600'



HARBOR HILL SITE PLAN

PREPARED BY TRIAD, A DIVISION OF DAVID EVANS AND ASSOCIATES, INC.
11/22/16

Subject: Public Hearing and first reading
- 2017-2018 biennial budget ordinance

Proposed Council Action: Hold public hearing and return for adoption at second reading

Dept. Origin: Finance

Prepared by: David Rodenbach, Finance Director

For Agenda of: November 28, 2016

Exhibits: Budget Ordinance

Initial & Date

Concurred by Mayor:

Approved by City Administrator

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

JG 11-21-16
Ron W 11/21/16
by e-mail
[Signature] 11/21/16

Expenditure	Amount	Appropriation
Required \$144,874,441	Budgeted 0	Required \$144,874,441

INFORMATION / BACKGROUND

The total city biennial budget, which includes all funds, is \$144,874,441. Total budgeted revenues for the 2017-2018 biennium are \$70.6 million, budgeted beginning fund balances total \$27.6 million and interfund transfers are \$36.7 million. Total budgeted expenditures, less internal transfers, are \$88.7 million and budgeted ending fund balances total \$12.1 million.

The General Fund accounts for 22 percent of total expenditures, while Special Revenue (Street, Street Capital, Drug Investigation (state and federal), Hotel - Motel, Public Art Capital Projects, Park Development, Civic Center Debt Reserve, Strategic Reserve, Equipment Replacement Reserve, General Government Capital Development, General Government Capital Improvement, Impact Fee Trust, Hospital Benefit Zone Revenue and Lighthouse Maintenance) and Enterprise Funds (Water, Sewer and Storm) are 38 percent and 36 percent respectively of total expenditures. General government debt service funds are four percent of budgeted expenditures.

FISCAL CONSIDERATION

Total budgeted uses and resources for the 2017-2018 biennium are \$144,874,441. This is a \$35.7 million increase over 2015-16. The table below shows where the large increases are expected to occur in the upcoming biennium.

USES	2017-18		Change	% Change
	2015-16 Year-end Estimate	Proposed Budget		
Salaries	15,071,972	17,349,655	2,277,683	15%
Benefits	6,646,854	8,316,400	1,669,546	25%
Supplies	2,296,034	3,172,539	876,505	38%
Services	8,093,791	12,346,961	4,253,170	53%
Intergov't Charges	1,032,665	1,307,068	274,403	27%
Capital Expenditures	19,052,550	46,224,410	27,171,860	143%
Other	7,138,729	7,385,002	246,273	3%
Transfers Out	22,306,020	36,682,207	14,376,187	64%
Ending Balance	27,583,379	12,090,199	(15,493,180)	-56%
Total Uses	109,221,994	144,874,441	35,652,447	33%

The 2017-2018 Biennial budget proposes the following staffing changes to be effective in 2017:

- Hire four Police Officers, three in 2017 and one in 2018
- Hire a 0.6 FTE Court Clerk position
- Hire a Planning Technician
- Hire a Building Inspector
- Hire a Laborer
- Increase seasonal help from six to eight positions
- Reclassify Human Resources Analyst to Human Resources Manager
- Reclassify Assistant City Clerk to Open Government Administrator
- Reclassify Planning Assistant to Planning Technician
- Reclassify two Building Inspector positions to Assistant Building/Fire Marshal positions
- Reclassify part-time Maintenance Technician to Facilities Maintenance Technician

BOARD OR COMMITTEE RECOMMENDATION

Listed below are changes resulting from Council Study sessions which were held October 17, 18 and November 17:

- The General Government funding for the Public Works Operations Building was changed from a mixture of Hospital Benefit Zone (HBZ) and General funds to a general obligation bond in the amount of \$2.6 million. The debt service (principal and interest payments) on this bond would be paid with Real Estate Excise Tax revenues.
- The Corrosion Protection objective for the Maritime and Eddon Boat Railway and Pier was removed.
- The Twawelkax Trail objective was removed.
- Funding for the Jerkovich Pier was increased from \$300,000 to \$600,000 and changed from General fund to the HBZ fund.
- The Ferry Landing study was deleted.

The General Fund ending balance in this budget is \$1,143,807. This is a bit shy of the **“ten percent of operating revenues”** target which is about \$1.4 million, however, the city does have significant reserves in other funds.

This budget also balances ongoing revenues with ongoing expenditures, with a slight \$243,000 surplus.

RECOMMENDATION / MOTION

Hold public hearing and return for adoption at second reading.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING THE 2017-2018 BIENNIAL BUDGET; ESTABLISHING APPROPRIATIONS OF FUNDS FOR THE 2017-2018 BIENNIUM; TRANSMITTING BUDGET COPIES TO THE STATE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Mayor of the City of Gig Harbor, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of the monies required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of the City for the 2017-2018 biennium; and

WHEREAS, the City of Gig Harbor published notice that the Gig Harbor City Council would meet on November 28, 2016 and December 5, 2016 at 5:30 p.m., in the Gig Harbor Council Chambers for the purpose of providing the public an opportunity to be heard on the proposed budget for the 2017-2018 biennium and to adopt the budget; and

WHEREAS, the City Council did meet at the dates and times so specified, and heard testimony of interested citizens and taxpayers; and

WHEREAS, the 2017-2018 proposed biennial budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Gig Harbor for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of Gig Harbor for the 2017-2018 biennium; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Budget Adopted. The budget for the City of Gig Harbor, Washington, for the 2017-2018 biennium, on file with the City Clerk, is hereby adopted in its final form and content.

Section 2. Funds Appropriated. Estimated resources, including beginning fund balances, for each separate fund of the City of Gig Harbor, and aggregate total for all funds combined, for the 2017-2018 biennium are set forth in summary form below, and are hereby appropriated for expenditure during the 2017-2018 biennium as set follows:

2017-2018 BUDGET APPROPRIATIONS

FUND / DEPARTMENT	AMOUNT
001 GENERAL GOVERNMENT	
01 Non-Departmental	\$10,140,376
02 Legislative	144,218
03 Municipal Court	1,030,617
04 Administrative / Financial / Legal	3,225,396
06 Police	8,413,880
14 Building & Fire Safety	1,859,500
14 Planning	2,482,800
15 Park Operating	2,650,735
16 Buildings	1,557,000
19 Ending Fund Balance	1,143,807
TOTAL GENERAL FUND - 001	\$32,648,329
101 STREET OPERATING	5,401,493
102 STREET CAPITAL	22,309,040
105 DRUG INVESTIGATION STATE	8,405
106 DRUG INVESTIGATION FEDERAL	19,416
107 HOTEL / MOTEL FUND	1,022,242
108 PUBLIC ART CAPITAL PROJECTS	109,023
109 PARK DEVELOPMENT FUND	7,845,101
110 CIVIC CENTER DEBT RESERVE	1,827,968
111 STRATEGIC RESERVE	745,079
112 EQUIPMENT REPLACEMENT RESERVE	322,723
208 LTGO BOND REDEMPTION	5,131,543
211 UTGO BOND REDEMPTION	786,126
301 CAPITAL DEVELOPMENT FUND	1,624,197
305 GENERAL GOVT. CAPITAL IMPROVEMENT	1,552,697
309 IMPACT TRUST FEE	3,897,316
310 HOSPITAL BENEFIT ZONE REVENUE	8,091,420
401 WATER OPERATING	5,306,391
402 SEWER OPERATING	12,325,131
403 SHORECREST RESERVE	174,163
407 UTILITY RESERVE	1,435,133
408 UTILITY BOND REDEMPTION FUND	12,104,029
410 SEWER CAPITAL CONSTRUCTION	8,801,923
411 STORM SEWER OPERATING	2,510,823
412 STORM SEWER CAPITAL	1,940,258
420 WATER CAPITAL ASSETS	6,934,022
TOTAL ALL FUNDS	\$144,874,441

Section 3. Salary Schedule. Attachment "A" is adopted as the 2017-2018 personnel salary schedule for all employees.

Section 4. Transmittal. The City Clerk is directed to transmit a certified copy of the 2017-2018 budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 5. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 6. Effective Date. This ordinance shall be in force and take effect five (5) days after its publication according to law.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a special meeting of the council held on this ___ day of December, 2016.

CITY OF GIG HARBOR

Mayor Jill Guernsey

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

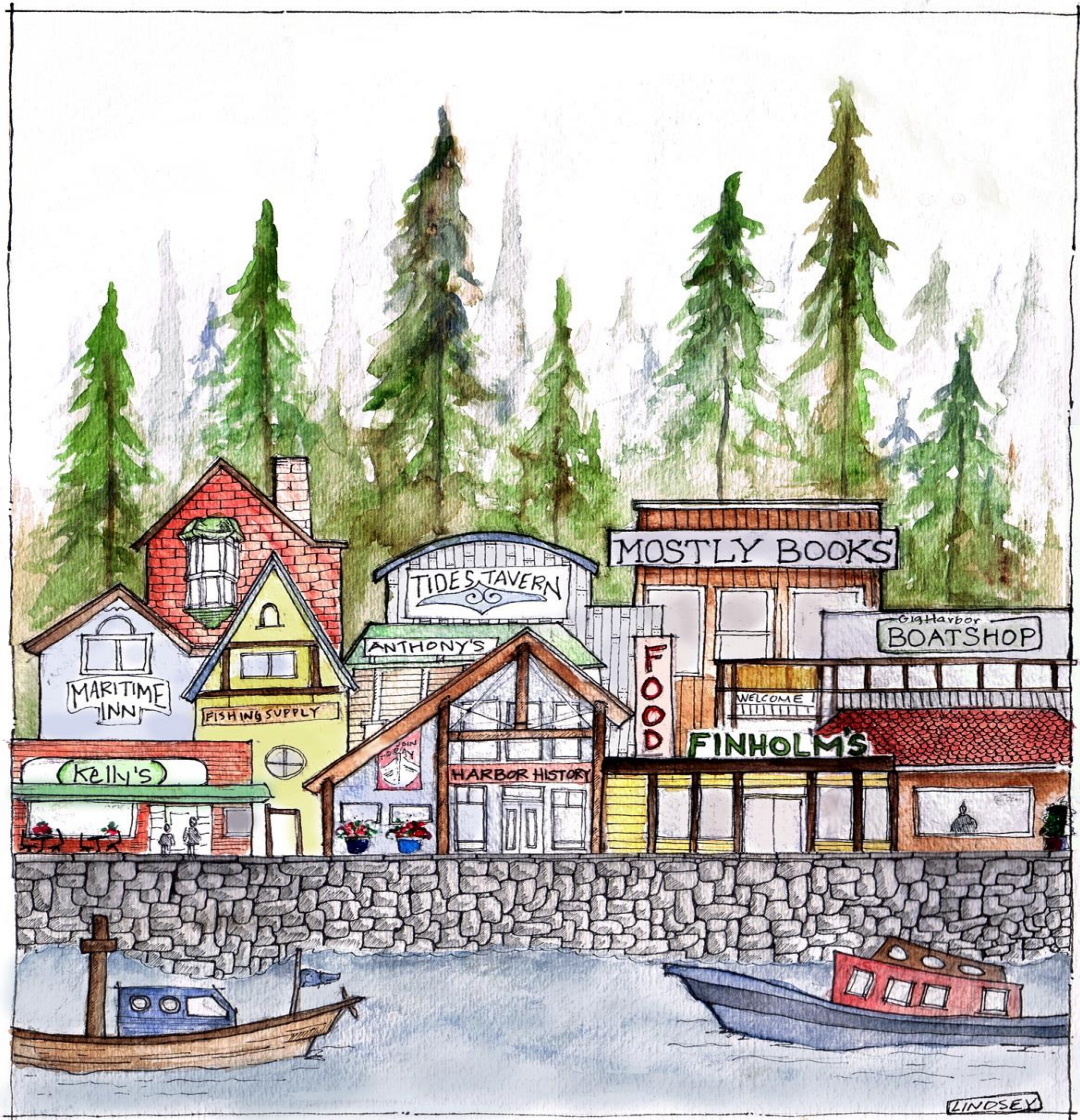
Angela G. Summerfield

FILED WITH THE CITY CLERK: 11/21/16
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.

Attachment A

POSITION	2017 RANGE	
	Minimum	Maximum
City Administrator	11,028	13,785
Chief of Police	9,476	11,845
Public Works Director	8,573	10,717
Finance Director	8,486	10,607
Police Lieutenant	7,695	9,619
City Engineer	7,460	9,325
Information Systems Manager	7,460	9,325
Planning Director	7,460	9,325
Building & Fire Safety Director	7,400	9,250
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<u>Laborer</u>	<u>3,420</u>	<u>4,275</u>

* Planner Classification Series



2017-18

Preliminary Biennial Budget

(Updated 11/21/2016)

City of Gig Harbor

COVER ART

Since 1984, the Peninsula Art League, a non-profit artist's organization, has sponsored the **Gig Harbor Arts Festival**. A competition for their annual event poster features the work of a local student. Proceeds from the festival fund scholarships for local artists.

In honor of the League's work and the work of the winning student, this artwork is featured on the cover of the City's biennial budget summary this year. The tradition began with the first poster in 2001 and continues each year.

This year's cover artwork was created by **Lindsay Shaw**, who will be a 2017 graduate of Gig Harbor High School. The theme represents the town's waterfront character.

CITY OFFICIALS

ELECTED

MAYOR

Jill Guernsey

COUNCILMEMBERS

Tim Payne
Steve Ekberg
Casey Arbenz
Rahna Lovrovich
Ken Malich
Michael Perrow
Paul Kadzik

APPOINTED

MUNICIPAL COURT JUDGE
CITY ATTORNEY

Michael Dunn
Angela Summerfield

MANAGEMENT STAFF

CITY ADMINISTRATOR

Ron Williams

POLICE CHIEF

Kelly Busey

PUBLIC WORKS DIRECTOR

Jeff Langhelm

FINANCE DIRECTOR

David Rodenbach

INFORMATION SYSTEMS MANAGER

Kay Johnson

BUILDING & FIRE SAFETY DIRECTOR

Paul Rice

PLANNING DIRECTOR

Jennifer Kester

CITY CLERK

Molly Towslee

COURT ADMINISTRATOR

Stacy Colberg

TOURISM & COMMUNICATIONS DIRECTOR

Karen Scott

HUMAN RESOURCES ANALYST

Mary Ann McCool

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Mayor's Note

On behalf of the hard working staff of the City of Gig Harbor, I am honored to present this two-year budget for 2017-2018.

This is a significant budget for the history of our City because we have seen remarkable growth in the past few years. As of this date, Gig Harbor is the fastest growing city in Pierce County. This growth provides us with many challenges and also many opportunities. This growth has placed a significant strain on our staff's ability to provide the same high level of services our citizens have come to expect.

Fortunately, the growth has also meant a growth in revenue. As an example, our sales tax revenue has increased steadily over the last several years, and has increased at a level of 15% year to date. This budget recognizes that growth and makes conservative assumptions as to the continuing revenue expected during this two-year budget cycle. As a result, we are able to add several key personnel in our police department, our permitting agencies, and other key positions in order to maintain the level of services Gig Harbor has provided in the past. Even with adding these new positions, this budget is balanced, sustainable, and leaves reserves and ending fund balances sufficient to protect against unforeseen negative circumstances. This budget also provides for a significant number of capital projects for parks, streets and infrastructure improvements.

I'm pleased to present this 2017-2018 budget to the citizens and City Council.

Jill Guernsey
Mayor

PERSONNEL CHANGES

These proposed changes in personnel are described in greater detail in the departmental and fund narratives.

Reclassifications

- **Human Resources Manager** (pages 65-67). A re-class of the Human Resource Analyst to a newly-created Human Resources Manager position will more accurately reflect the level and scope of duties and responsibilities of the current HR function.
- **Open Government Administrator / Asst. City Clerk** (pages 68-69). A re-class to the Assistant City Clerk position to facilitate the implementation of the Open Government Initiative.
- **Planning Technician** (page 92-93). A re-class of the Planning Assistant to a newly-created Planning Technician position will assist the Planning Department in handling increasing workloads.
- **Assistant Building/Fire Marshals (2)** (page 100). Re-class two Building Inspector positions to Assistant Building Official/Fire Marshal positions to support current and increasing workloads.
- **Facilities Maintenance Tech – Part-Time** (page 115-116). A re-class of one Maintenance Technician to a newly-created Facilities Maintenance Mechanic position will more accurately reflect the duties of this position.

Additional positions (total biennial increase of 7.6 FTEs plus seasonal help)

- **Court Clerk Position (.6 FTE)** (page 54-55). To manage the increased workload, meet the mandatory reporting deadlines and statutory reporting requirements, and stave off the need for an additional court day per week, an additional part time court clerk is needed in 2017.
- **Police Officers (4 FTEs)** (page 82). Add four new police officer positions to meet growth and activity demands which continue to expand in the city. Three in 2017 and one in 2018.
- **Planning Technician (1 FTE)** (page 92-93). Add an additional Planning Technician to handle the increased permit volume and the increased need for public outreach and information, and allow for workload re-distribution with additional duties.

- **Building Inspector (1 FTE)** (page 99). Add an additional Building Inspector to support current and increasing workloads due to growing residential and commercial development.
- **Laborer-Parks (1 FTE)** (page 112-113). Add an additional Maintenance Technician to support park operations.
- **Seasonal Help (increase from six to eight)** (page 114). Increase seasonal help positions from six to eight each year.

Salary Range Adjustments

- **Planner Classification Series** (page 91). Introduce a new classification series and step system for the Assistant Planner, Associate Planner and Senior Planner positions.
- In accordance with the Collective Bargaining Agreement (CBA) with the Gig Harbor Police Guild, the Gig Harbor Employees' Guild, and the Gig Harbor Supervisory Employees' Guild, a **2.0% COLA** will take effect January 1, 2017. Salaries for non-represented staff are presented in the salary schedule with a 2.0% COLA.

2017-2018 CAPITAL PROJECT EXPENDITURE HIGHLIGHTS

Public Works Shop – Metal Building. Install the metal building (72'x40") acquired from the History Museum property at the Public Works Shop for additional covered storage. **\$100,000; Pages 139 #1, 159 #6, 217 #6, 228 #3, 232 #3.**

Public Works Maintenance Facility Site Plan Design and Construction. Replace the antiquated maintenance facility with a functional facility. **\$5,200,000; Pages 139 #'s 2 & 3, 159 #'s 4 & 5, 228 #'s 1 & 2, 232 #'s 4 & 5.**

Harbor Hill Drive Extension. Complete the design, procure the necessary right of way and construct the Harbor Hill Drive extension to Burnham Drive. **\$12,760,000; Page 139 #4.**

Harborview Drive Sidewalk Improvement. Construct the sidewalk, curb and gutter along the east side of Harborview between North Harborview Drive and Burnham Drive. **\$735,000; Page 139 #5.**

Harborview Pedestrian Improvements (vicinity of Ancich Park). Complete the design, permitting, right of way acquisition, and construction to widened sidewalks on water side of Harborview Drive between Eddon Boat Park and Novak Street. **\$300,000 Page 139 #6.**

Stinson Avenue Pavement Overlay and Pedestrian Improvements (Grandview to Rosedale). Complete the design, permitting, right-of-way acquisition, and construction along Stinson Avenue between Rosedale Street and Pioneer Way. **\$1,935,000; Page 140 #7.**

Stinson / Rosedale Intersection Improvements. Complete the design, permitting, right-of-way acquisition, and construction a compact roundabout at this intersection. **\$520,000; Page 140 #8.**

Stinson / Harborview Intersection Improvements. Request funding for design only and pursue construction funding via available State and Federal grants. **\$150,000; Page 140 #9.**

Street Lights on Borgen Boulevard. Install fifteen – 30' street lights on Borgen Blvd. to existing streets up to 51st Ave. **\$157,500; Page 140 #'s 10, 11, & 12.**

Electric Vehicle Charging Station. Install two Level 2 electric vehicle charging stations. **\$25,000; Page 140 #13.**

Wagner Way/Wollochet Intersection Improvements. Complete the design and permitting for either a roundabout or traffic signal option at this intersection at Wollochet and Wagner Way. **\$175,000; Page 140 #14**

Roundabout Center Island Modifications (Point Fosdick/36th Street and Peacock Hill/Borgen). Remove the vertical curbing and modify the center island to be a truck mountable center island. **\$150,000; Page 140 #15.**

50th Street Improvement project. Complete the design, permitting and construct street improvements consisting of curb, gutter, sidewalk with planter strip and street lighting between KLM Park and 38th Street. **\$3,370,000; Page 140 #16.**

38th Avenue Improvement project – Phase 1. Update existing survey information and complete a conceptual design associated with the half-width street corridor improvements along 38th Avenue. **\$150,000; Page 141 #17.**

Soundview / Hunt Intersection Improvements. Design a roundabout (or traffic signal if a roundabout is not feasible) and pedestrian upgrades. **\$150,000; Page 141 #18.**

Olympic/Pt. Fosdick Drive Right Turn Lane. Construct the required Olympic Towne Centre mitigation right turn lane. **\$500,000; Page 141 #19.**

Large digital kiosk for the Welcome Plaza at Jerisich Dock. The outdoor digital signage directory will be located in the breezeway. **\$20,000; Page 152 #1.**

Wilkinson Farm Park – Trail System. Develop the approved trail and public access plan for Wilkinson Farm Park. **Leveraged Through Volunteer Resources; Page 159 #1.**

Harbor Hill Park Master Plan. Create a Harbor Hill Park Master Plan utilizing results from previous visioning exercises. The Master Plan will be undertaken by the City, but will include the YMCA, Olympic Property Group, Gig Harbor Little League and Peninsula School District as partners. Briarwood. Construct traffic calming features along a portion of Briarwood. **\$50,000; Page 159 #2.**

Cushman Trail Bridge Easements. The Pierce County and TPU right of way easement boundary limits that was provided to the City outlined the limits of the City's trail construction. The work will procure the necessary long term easements for those areas that the trail encroaches on private property. **\$65,000; Page 159 #3.**

Crescent Creek Park – Visioning and Master Plan. Conduct visioning and develop a master plan for Crescent Creek Park. **\$50,000; Page 160 #7.**

Ancich Waterfront Park Upland Development. Design finalization and construction will occur in 2017, and will include a street-level view plaza with lower level boat storage, an elevator for ADA access, improvements to the driveways to the Ancich Netshed and Jerkovich Pier as well as removal of dilapidated existing bulkhead replaced with a small toe wall and soft shoreline armoring. **\$2,700,000; Page 160 #8.**

Jerkovich Pier. The City-owned Jerkovich Pier is in need of repairs in order to maintain existing access and grant public access onto the pier as part of the Ancich Park project. **\$600,000; Page 160 #9.**

Ancich Netshed. This historic over-water structure is in need of replacement of the piling, decking, roof, and structural improvements to the pier and the netshed in order to preserve its structural integrity and to allow future uses for the site. **\$1,300,000; Page 160 #10.**

Wilkinson Farm Park – Barn Restoration. From the results of the structural report performed in 2014, complete the recommended structural improvements to the barn. **\$470,000; Page 160 #13.**

Cushman Trail Phase 5. Working with stakeholders, the City will complete a pre-planning study to identify the preferred route alignment and begin design on the trail extension to the City northern limits. **\$270,000; Page 160 #14.**

Eddon Boat Park – Brick House Remodel. Remodel and rehabilitate the historic Eddon Residence. **\$378,000; Page 161 #15.**

Grandview Forest Park – Tree Management Plan. Conduct tree risk assessment and develop Tree Risk Management Plan. **\$50,000; Page 161 #16.**

Lift Station No. 6 Replacement (Ryan Street). Verify right-of-way and complete final design and permitting for the replacement pump station at the existing site. **\$655,000; Page 217 #1.**

Welcome Plaza / Lift Station No. 4 Replacement (Jerisich Park). Complete the construction of the above ground replacement lift station/Welcome Plaza in accordance with the city's Comprehensive Plan. **\$4,500,000; Page 217 #2.**

Lift Station No. 17 Final Design and Permitting (Bujacich Dr.). Reserved for city procurement of the property or easement. **\$270,000; Page 217 #3.**

Rehabilitation of Lift Station #9 (Longacres Subdivision). This will be in conjunction with the replacement of the wet well. **\$306,573; Page 217 #4.**

Rehabilitation of Lift Station #1 (Crescent Creek Park). Replace existing pumps, electrical and mechanical equipment and coat wet well. **\$85,000; Page 217 #5.**

Blower Replacement. Replace a positive displacement blower with high efficiency Neuros Blower. **\$700,000; Page 217 #7.**

50th Street Force Main Replacement. In conjunction with the 50th St. improvement Project. **\$180,000; Page 217 #8.**

Wastewater Outfall Study at the Donkey Creek Delta. Perform a study of sediment deposition in the Donkey Creek delta related to the installation of the wastewater outfall pipe. **\$125,000; Page 217 #9.**

Harborview Drive Stormwater Conveyance Improvements. Disconnect the combined City-Harbor History Museum stormwater system and redirect the flow along another pipe configuration along Harborview Drive. **\$175,000; Page 228 #4.**

50th Street Box Culvert. Complete the design, permit, and construct a fish friendly box culvert under 50th Street east of 38th Avenue. **\$840,000; Page 228 #5.**

Stormwater Outfall Upgrade and Restoration. This project will upgrade the stormwater outfall and restore the surrounding habitat at one or more locations where the City discharges stormwater into Gig Harbor Bay. **\$100,000; Page 228 #6.**

Deep Aquifer Well Development (Well No. 11). Construct the new well house, water treatment facility, telemetry, and associated appurtenances at the location of the drilled Well No. 11 well casing and place this well into service. **\$3,000,000; Page 232 #1.**

Reuse and Reclaimed Water - Phase 2. Continue the development of a feasibility report to refine previous reuse and reclaimed water studies to explore specific recharge sites and reuse locations, sources of recharge water, as well as other potential benefits that may result from generating reclaimed water. **\$50,000; Page 232 #2.**

Stinson Avenue Asbestos Cement Water Main Replacement. Complete the design, permitting, right of way acquisition, and replace the existing asbestos cement (AC) water main with ductile iron water main. **\$1,285,000; Page 232 #6.**

1. BUDGET SUMMARY

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ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF GIG HARBOR,
WASHINGTON, ADOPTING THE 2017-2018 BIENNIAL
BUDGET; ESTABLISHING APPROPRIATIONS OF FUNDS
FOR THE 2017-2018 BIENNIUM; TRANSMITTING
BUDGET COPIES TO THE STATE; PROVIDING FOR
SEVERABILITY AND ESTABLISHING AN EFFECTIVE
DATE.**

WHEREAS, the Mayor of the City of Gig Harbor, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of the monies required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of the City for the 2017-2018 biennium; and

WHEREAS, the City of Gig Harbor published notice that the Gig Harbor City Council would meet on November 28, 2016 and December 5, 2016 at 5:30 p.m., in the Gig Harbor Council Chambers for the purpose of providing the public an opportunity to be heard on the proposed budget for the 2017-2018 biennium and to adopt the budget; and

WHEREAS, the City Council did meet at the dates and times so specified, and heard testimony of interested citizens and taxpayers; and

WHEREAS, the 2017-2018 proposed biennial budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Gig Harbor for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of Gig Harbor for the 2017-2018 biennium; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Budget Adopted. The budget for the City of Gig Harbor, Washington, for the 2017-2018 biennium, on file with the City Clerk, is hereby adopted in its final form and content.

Section 2. Funds Appropriated. Estimated resources, including beginning fund balances, for each separate fund of the City of Gig Harbor, and aggregate total for all funds combined, for the 2017-2018 biennium are set forth in summary form below, and are hereby appropriated for expenditure during the 2017-2018 biennium as set follows:

2017-2018 BUDGET APPROPRIATIONS

FUND / DEPARTMENT	AMOUNT
001 GENERAL GOVERNMENT	
01 Non-Departmental	\$10,140,376
02 Legislative	144,218
03 Municipal Court	1,030,617
04 Administrative / Financial / Legal	3,225,396
06 Police	8,413,880
14 Building & Fire Safety	1,859,500
14 Planning	2,482,800
15 Park Operating	2,650,735
16 Buildings	1,557,000
19 Ending Fund Balance	1,143,807
TOTAL GENERAL FUND - 001	\$32,648,329
101 STREET OPERATING	5,401,493
102 STREET CAPITAL	22,309,040
105 DRUG INVESTIGATION STATE	8,405
106 DRUG INVESTIGATION FEDERAL	19,416
107 HOTEL / MOTEL FUND	1,022,242
108 PUBLIC ART CAPITAL PROJECTS	109,023
109 PARK DEVELOPMENT FUND	7,845,101
110 CIVIC CENTER DEBT RESERVE	1,827,968
111 STRATEGIC RESERVE	745,079
112 EQUIPMENT REPLACEMENT RESERVE	322,723
208 LTGO BOND REDEMPTION	5,131,543
211 UTGO BOND REDEMPTION	786,126
301 CAPITAL DEVELOPMENT FUND	1,624,197
305 GENERAL GOVT. CAPITAL IMPROVEMENT	1,552,697
309 IMPACT TRUST FEE	3,897,316
310 HOSPITAL BENEFIT ZONE REVENUE	8,091,420
401 WATER OPERATING	5,306,391
402 SEWER OPERATING	12,325,131
403 SHORECREST RESERVE	174,163
407 UTILITY RESERVE	1,435,133
408 UTILITY BOND REDEMPTION FUND	12,104,029
410 SEWER CAPITAL CONSTRUCTION	8,801,923
411 STORM SEWER OPERATING	2,510,823
412 STORM SEWER CAPITAL	1,940,258
420 WATER CAPITAL ASSETS	6,934,022
TOTAL ALL FUNDS	\$144,874,441

Section 3. Salary Schedule. Attachment "A" is adopted as the 2017-2018 personnel salary schedule for all employees.

Section 4. Transmittal. The City Clerk is directed to transmit a certified copy of the 2017-2018 budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

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Section 6. Effective Date. This ordinance shall be in force and take effect five (5) days after its publication according to law.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this ____ day of December, 2016.

CITY OF GIG HARBOR

Mayor Jill Guernsey

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

Angela G. Summerfield

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.

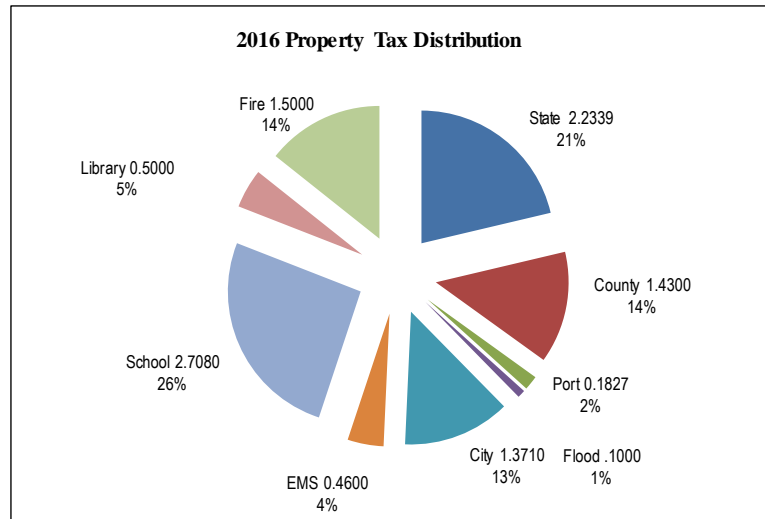
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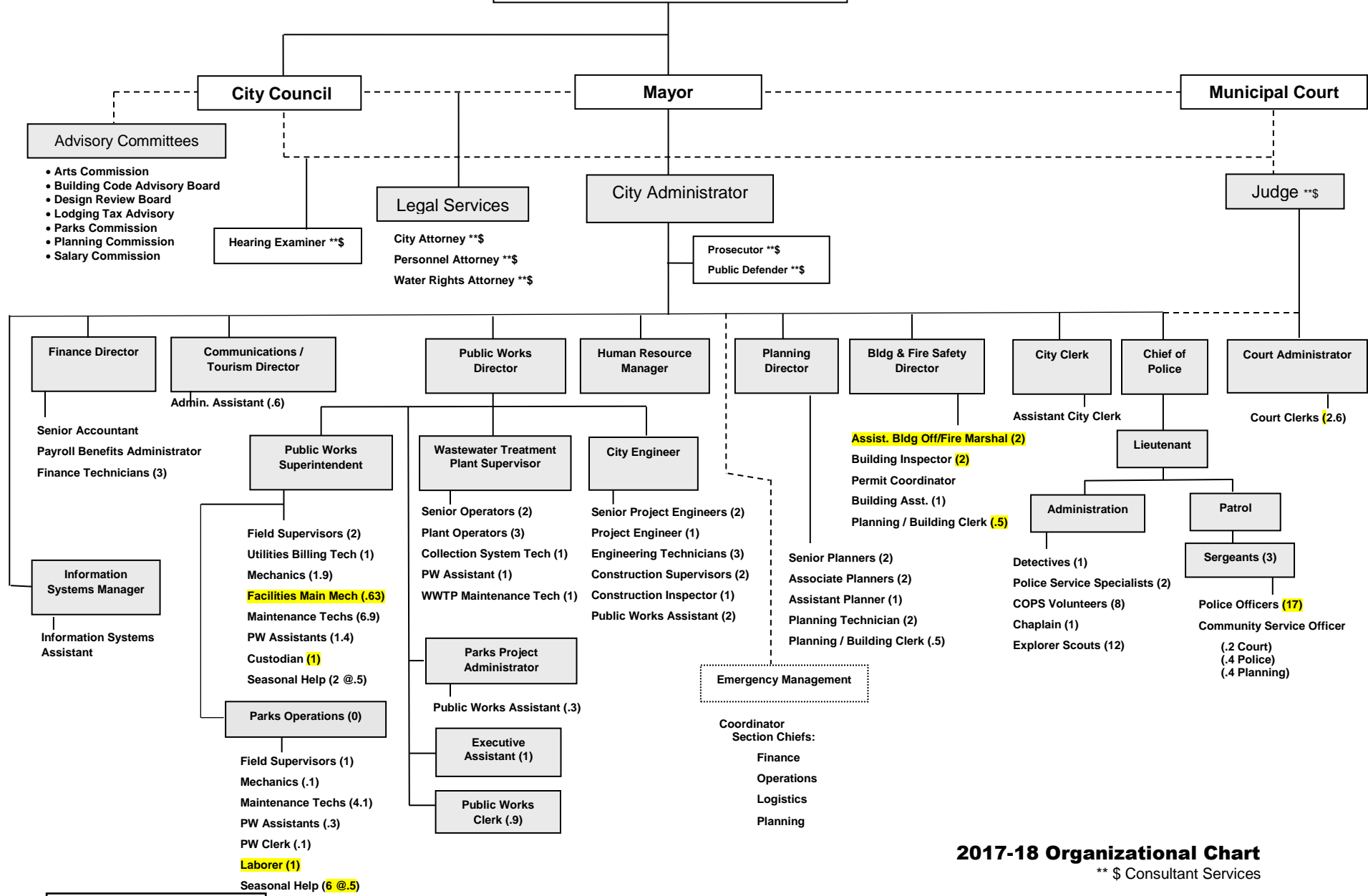
PROPERTY TAX HISTORY

Year of Collection	Assessed Valuation	% Increase from prior year	New Construction	Annexed Property	Statutory Limit	Regular Property Tax Levied	Regular Rate/\$1,000 Assessed Value	Excess Property Tax (Voted)	Voted Rate/\$1,000 Assessed Value	Total Rate/\$100 Assessed Value	Population
2017	2,315,932,984	17.34%	96,468,604	-	2,536,013	2,536,013	1.0950	300,000	0.1330	1.2280	9,065
2016	1,973,717,595	6.21%	62,122,312	-	2,404,765	2,404,765	1.2184	300,000	0.1526	1.3710	8,555
2015	1,858,377,519	8.87%	58,215,373	-	2,318,381	2,318,381	1.2475	300,000	0.1626	1.4102	7,985
2014	1,706,920,083	4.39%	29,662,688	-	2,207,695	2,207,695	1.2934	250,000	0.1480	1.4413	7,670
2013	1,635,210,037	-7.88%	41,515,643	-	2,323,520	2,323,520	1.4209	250,000	0.1540	1.5749	7,345
2012	1,775,067,329	-7.24%	25,388,148	-	2,315,501	2,285,574	1.2876	250,000	0.1418	1.4294	7,272
2011	1,913,676,160	-7.37%	25,321,152	-	1,979,125	1,960,146	1.0243	250,000	0.1314	1.1557	7,200
2010	2,065,862,608	4.98%	85,679,173	90,565,939	1,936,280	1,915,808	0.9274	250,000	0.1217	1.0491	7,126
2009	1,967,770,378	15.33%	130,865,054	-	1,757,674	1,737,590	0.8830	250,000	0.1277	1.0107	6,910
2008	1,706,193,620	45.54%	71,073,437	31,614,500	1,752,934	1,598,969	0.9372	250,000	0.1474	1.1248	6,780
2007	1,456,487,257	43.08%	18,861,901	2,657,500	1,483,819	1,481,386	1.0183	300,000	0.2074	1.2425	6,765
2006	1,167,739,135	26.07%	21,840,086	-	1,454,601	1,447,247	1.2394	258,000	0.2225	1.4618	6,765
2005	1,010,574,497	9.31%	22,521,939	3,879,395	1,403,379	1,400,330	1.3884	-	-	1.3884	6,680
2004	926,286,008	7.46%	27,273,884	-	1,349,668	1,346,098	1.4549	-	-	1.4549	6,655
2003	862,009,867	6.65%	33,119,492	1,409,500	1,296,643	1,291,808	1.4986	-	-	1.4986	6,540



2017-18

Citizens of Gig Harbor



2017-18 Organizational Chart
 ** \$ Consultant Services

Key: **\$ = Contracted Position

THE BUDGET AND BUDGET PROCESS

The budget is the legal authority to obligate public funds. It also provides policy direction by the City Council to the staff and community as well as a financial plan for the upcoming biennium.

Preparation of the biennial budget involves every city official and employee. Each member of the city team has the opportunity and responsibility to contribute suggestions for projects and processes that would improve the city or use the city's resources more efficiently. Budget preparation can sometimes be difficult, time consuming and even frustrating, yet in the end, valuable and rewarding. The end result is a collaborative, comprehensive set of plans and policy directives for the management of the city's activities and resources for the coming biennium and beyond.

The budget provides four functions:

1. The budget as a policy document

Budget and financial policies provide guidelines for the City's elected officials and staff to use in making sound financial decisions. These policies help ensure that the City's basic functions are maintained and the Mayor and City Council's vision for the community is achieved.

Decisions made during the budget process and documented herein reflect the general principles or plans that guide the actions taken for the future. The budget links desired goals and objectives - obtained from the city's comprehensive plan and previous budgetary six-year goals - and policy direction to the actual day-to-day activities of the city staff.

Budget and financial policy objectives

Gig Harbor's budget and financial policies are intended to provide a framework for the financial planning and management of the city. These policies are intended to provide a level of protection for the citizens and their tax dollars by establishing financial practices that are conservative, responsible, accountable, and savings-oriented. Most of these policies represent long-standing policies, procedures and practices that are already in practice and have worked well for the city. These policies express the following goals:

- Preserve financial assets in order to meet normal operating expenses, planned future obligations and to adjust to changes in the service requirements of the community;
- Take advantage of strategic opportunities as they arise;
- Operate water, sewer and storm utilities in a fiscally sound manner;
- Maintain existing infrastructure and capital assets in good repair, working order and condition;
- Provide insulation from fiscal crisis, revenue fluctuations, general economic disruption, and other contingencies; and
- Maintain a strong credit rating thus ensuring lower cost financing when needed. A

sound credit rating also demonstrates to taxpayers that the city is well managed and follows financially sound business practices.

Due to Gig Harbor's finite revenue base and the limited potential for future revenue growth, the City must prioritize its services in order to maintain the most important services should revenues become constrained. The following services are considered priorities in the following order:

- Public Life, Health and Safety: police; fire and emergency medical services (provided by Pierce County Fire District 5); emergency preparedness; building inspections; traffic control; water, sewer, storm drainage.
- Legal Mandates: Accounting/auditing/financial reporting; land-use planning; environmental regulations.
- City Facilities and Property: Maintenance of park land; buildings; streets and right of way; and equipment.
- Other City Council and Community goals.

In keeping with the above goals and priorities, the following budget policies have been established.

Budgeting

- The budget process will be scheduled and coordinated so that major policy issues are identified for City Council review and discussion at least two months prior to budget approval. Doing so will allow adequate time for public input and analysis of options.
- The City Council will utilize its vision, goals, and the *Comprehensive Plan* as the framework for adopting the biennial budget.
- To facilitate openness and public participation, the budget approval process will include noticed public hearings, Council study sessions that are open to the public, and multiple opportunities for public comment. The Mayor's proposed budget will be posted on the City's web page soon after it is made available to the City Council. The Mayor, City Council, City Administrator, and department heads will be available to respond to public inquiries and comments concerning the proposed budget.
- The budget shall balance recurring operating expenses to recurring operating revenue.
- Revenues shall be conservatively estimated and based upon the best information available.
- When appropriate, user charges and fees should reflect the full cost of providing the related service or the percentage of total service cost as determined by the city.
- One-time revenues are non-recurring in nature, and therefore, shall not be relied upon to fund regular operating budgets for ongoing programs. Cash balances in excess of the amount required to maintain reserves may be used to fund one-time or non-recurring costs.

- Enterprise funds will be self-supporting through user rates and charges.

Multi-Year Forecast

Each year the City will update expenditure and revenue forecasts for the next five years. The purpose of this forecast is to determine the long-term sustainability of operational and capital programs given limited revenue streams and resources. A multi-year forecast also facilitates budget decisions and strategic planning that go beyond biennial budget horizon.

Debt

- The City will only sell bonds for lasting capital projects and property acquisitions and not for funding ongoing operations.
- The maturity date for debt will not exceed the reasonable expected useful life of the asset or project so financed.
- The City will strive toward net operating revenues of an enterprise fund (water, sewer, or storm, for example) at 1.5 times (or more) the annual debt service requirements.
- Long-term borrowing (both general obligation and revenue) will only be used for capital improvements that cannot be financed from current revenues.
- The impact of proposed capital improvements on the operating budget shall be considered when deciding whether such projects are feasible.

In deciding whether to issue debt, the City should ask and answer the following questions:

- Alternative Funding Sources. Are there alternate sources of funding available that can be used to minimize the level of debt or avoid debt completely?
- Cost of Money. Given current interest rates and projected price inflation (or deflation) of construction materials and labor, does it make sense to issue bonds now or save up the funds and pay for the project in full in a future year?
- Revenue Source. Will the annual debt be serviced with a dedicated, stable revenue source for the full term of the bond? For example, if the City is going to fund its debt service payments with real estate excise tax (REET), is the City developing its annual REET projections with cyclical housing market downturns in mind?

Capital Projects and Purchases

Capital projects, from roads to parks to utilities, are among the core purposes of City government. The preservation, maintenance, retro-fitting, and eventual replacement of the City's capital infrastructure must be a top priority of the City. In City budgeting, there is constant tension between funding operating programs and capital projects and acquisitions. It is vital that neither be ignored and that operating programs do not, over

time, crowd out funding for the capital projects that are needed to preserve the City's core infrastructure and carry out essential functions.

The City should update its capital facilities element of the Comprehensive Plan annually. Using the Capital Facilities Element as a basis, the City should plan for and include capital projects in its multi-year financial forecasts.

- Capital projects that preserve existing infrastructure should take a higher priority over acquiring or constructing new assets. Preservation and/or replacement of capital infrastructure assets should be a high priority in the City's biennial budgeting and multi-year financial forecasting.
- When planning for and financing capital projects and acquisitions, ongoing maintenance and operation of new facilities should be built into the financing plan.
- The City's capital improvement plans should account for and include future growth. Growth-related capital projects should, when possible, be funded with impact fees, developer contributions, grants, and other outside sources.
- The City should depreciate its capital assets according to generally accepted accounting principles and plan for capital replacements accordingly.

Financial Compliance and Reporting

- The accounting system will maintain records on a basis consistent with generally accepted accounting standards for local government accounting and the State of Washington Budgeting, Accounting, and Reporting Systems.
- The City's financial policies, practices, and reporting will comply with State and Federal regulations and will be subject to an annual audit by the State Auditor's Office.
- The City's Finance Director will provide a quarterly financial report to the Mayor and City Council. This report will include information required in GHMC 3.01
- On at least a monthly basis, the Finance Director and City Administrator will review year-to-date revenues by source and expenditures by department. This monthly review will also include:
 - Analysis and explanations of revenue and expenditure trends and projections, including deviations from trends and projections;
 - Identification of one-time and/or cyclical revenues and expenditures (the construction component of sales tax on a large project, for example); and
 - Study and examination of economic trends on all levels (local, regional, etc.).

Fund Balances

- The City will maintain General Fund and Street Operating Fund undesignated balances at a level at least 10% of the total budgeted operating revenue.
- Because budgeted capital projects are established with a contingency amount, non-enterprise capital project funds (street capital and park capital, for example)

are not required to maintain a 10% undesignated fund balance. However, pro-rata contributions from developers for future public projects must be identified and accounted for either as reserved fund balance or a current year expense in the affected capital fund.

- Fund balances in enterprise funds shall be maintained at levels established through rate studies or at levels equal to a target of 60 days, with a minimum of 45 days, of operations and maintenance expenses that are necessary to meet operating, capital, and contingency requirements.
- Balances in other funds will comply with State law and/or debt service requirements.

Reserve Funds

This budget includes three distinct reserve funds (aside from reserve funds required for bond issues): Civic Center Debt Reserve Fund, Strategic Reserve Fund, and Equipment Replacement Reserve Fund. The Civic Center Debt Reserve Fund has been in place and accumulating since 2002, and the other two were newly established in 2011. The purposes and policies of these three reserve funds are described as follows:

Civic Center Debt Reserve Fund. The purpose of this fund is to build up a balance large enough to retire all or a significant portion of the Civic Center debt several years prior to maturity in 2026. The Civic Center bonds will be callable in 2020, at which time the City Council may wish to retire all or a portion of the bonds, depending on the accumulated balance in the reserve fund, cost of money at the time, and/or other priorities.

Strategic Reserve Fund. Establishing a Strategic Reserve fund allows the City to 1) take advantage of strategic opportunities as they arise (key land purchases or matching funds for capital grants, for example); and 2) insulate the City from revenue fluctuations, economic downturns (i.e., “rainy days”), and other contingencies such as:

- Emergencies and disasters
- Uninsured losses
- Tax refunds

The City may use General Fund operating revenues and undesignated fund balances to build up this fund. Each budget cycle, the City Council will establish a target amount for this fund based on a percentage of operating expenditures or some other method at the City Council’s discretion. If drawn down, the Strategic Reserve Fund should be replenished back to the targeted amount within three years. Spending from this fund shall not be done without City Council authorization.

Equipment Replacement Reserve Fund. Establishing a fund by which to save for significant purchases levels out the financial peaks and valleys that come from owning vehicles and equipment. This fund is not intended to be an equipment rental fund, nor is it intended to fully fund equipment or vehicle purchases at the time of acquisition. Rather, this fund is intended to establish a reserve that will fund at least a portion of vehicles and equipment as they are replaced, thereby reducing the expenditure spikes

that can otherwise occur. Only the General Fund will contribute to this Fund. Enterprise Funds will pay for their share of equipment and vehicles on a pay-as-you-go basis, as established and planned for in the utility rate studies. As part of the City's multi-year financial forecasting, the City Administrator will recommend a target amount for this Fund over multiple years, based on projected equipment and vehicle needs and life spans. Each year the City Council, at its discretion, will add to and/or spend from this fund, based on the needs of the City. No spending from this fund will be authorized without City Council approval. In extenuating and difficult financial times, the City Council may delay vehicle and equipment purchases and transfer money from this fund back into the General Fund.

2. The budget as a financial plan

Financial planning is the most basic aspect of the budget and is a requirement of state law. The budget must be adopted as a balanced budget and must be in place prior to the expenditure of any city funds. The budget is the legal authority to expend public monies, and controls those expenditures by limiting the amount of the appropriation at either the fund or department level. Revenues and beginning fund balances are estimated to determine resources available in each fund. Council and staff expenditure requests, other commitments such as debt service requirements, and desired ending fund balances are balanced against available resources to determine department and fund appropriations.

3. The budget as an operational guide

The functions and/or goals of each department and fund are described in the following sections, along with the objectives planned for the current biennium to perform those functions and meet those goals. To the extent practical, an estimate of the amount of expenditure or staff time to accomplish the objective is noted in the narratives. The expenditures are then summarized by department, fund and for the city as a whole. This process assists in maintaining an understanding of the various operations of the city and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

4. The budget as a communication device

The budget provides a unique opportunity to allow and encourage public review of city operations. The budget document describes the activities of the city, the reason or cause for those activities and future implications. The budget process invites individual citizens to provide direct input to the budget. Citizens are always welcome to discuss problems, desires and opportunities with the Mayor, City Council and staff. These discussions frequently lead to budget objectives. Additionally, the city holds two public hearings on the budget and another on revenue sources where the public is formally invited to participate in the budget process. The preliminary budget is available to the public throughout the budget process.

Basis of the budget

The budget is prepared on the modified accrual basis of accounting. This is substantially the same as the cash basis of accounting with the following significant exceptions: 1. Revenues are recognized when they are "measurable and available" which may be before they are collected; and, 2. Expenditures are recognized when the liability is incurred (i.e. when an item is purchased or a service is performed), rather than when payment is made.

The annual financial report of the city is prepared on the same basis for the governmental fund types (the general fund, special revenue funds and debt service funds). The budget can be directly compared to the operating reports in the annual financial report for these funds. The enterprise or proprietary funds are also budgeted on the modified accrual basis, but report on the accrual basis in the annual report. Therefore, the budget for these funds is not directly comparable to the annual report. The primary differences of the accrual basis are 1. Revenues are recognized when earned; 2. Collection of assessment principal is recognized as a reduction in receivables rather than as revenue; 3. Depreciation of capital assets is recognized as an expense; 4. Acquisition of capital assets is recognized as an increase in assets rather than as an expenditure; and, 5. Payment of debt principal is recognized as a decrease in liabilities rather than as an expenditure.

While these differences may be confusing, the basis for budgeting is consistent with state law and is practical both for preparing and managing the budget. The basis for reporting is consistent with generally accepted accounting principles (GAAP) and facilitates the management of the enterprise funds as self-supporting business-like entities.

BUDGET CALENDAR

Washington city budget procedures are mandated by Chapter 35A.33 RCW. These mandates are incorporated into the procedures described below:

- May - The City Administrator submits notice to department directors to file budget narratives (functions, goals, objectives, performance measures, and staffing requests). Department directors solicit suggestions from and conduct discussions with their staff. Completed narratives and forms are returned to Finance Department.
- June - The City Administrator submits notice to department directors to file budget requests and forms for funding levels and requests.
- August - Department directors return appropriation requests, revenue estimates, and forms, and meet with City Administrator to discuss budget requests and review department objectives/programs.
- September - City Administrator provides the Mayor with the proposed preliminary budget. The Mayor and City Council may hold a retreat to establish priorities for the upcoming budget.
- September 30 - The Mayor submits the proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by city departments during the preceding months, prioritized and balanced with revenue estimates made by the finance director.
- October 17 & 18 - The Council holds budget study sessions.
- November 14 & 28 - The Council conducts public hearings on the proposed budget.
- Prior to December 31 - The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget.

The budget is available to the public throughout the entire process.

The budget is adopted at the department level in the General Fund and at the fund level in all other funds. Any unexpended appropriation balances lapse at the end of the biennium. Any changes in staffing levels or composition and significant capital expenditures must also be included in this budget document or be specifically approved by council motion.

Amending the budget

The Mayor, City Administrator and Finance Director are authorized to transfer budget amounts between categories within funds or general fund departments; however, any revisions that alter the total expenditures of a department or fund, or affect the number of authorized employee positions or salary ranges must be approved by the City Council. When the City Council determines that it is in the best interest of the city to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by one more than the majority of the City Council.

BUDGET DOCUMENT ORGANIZATION

Following this summary is a section for each fund and department that includes a description of function, narratives of goals, objectives, capital outlay, and schedules of staff adjustments, revenues and expenditures, as appropriate.

Description of function: The description of function defines the fund or department's purpose and ongoing responsibilities.

Narrative of goals: The narrative of goals describes long-range accomplishments which the fund or department plans to achieve over a five to six-year period.

Narrative of objectives: The narrative of objectives describes more immediate targets that can be accomplished within the biennium. These may be isolated projects or steps toward fulfilling a long-term goal. Routine procedures accomplishing the department's function are generally not included.

Narrative of capital outlay: The narrative of capital outlay lists all significant capital purchases unless adequately described under objectives.

Staff adjustments: The staff adjustments schedule explains any additions, deletions or reclassification of positions.

Resource and expenditure schedules summarize the sources and uses of funds that accomplish these functions, goals, and objectives. The schedules are broken down by type of resource or use and show comparative amounts for 2015 and 2016. The General Fund section includes a schedule of budgeted and actual expenditures by department.

REVENUE ANALYSIS

Economic assumptions

The strong local economy is continuing through 2016. This is evidenced by record levels of permits being issued and soaring sales tax revenues.

Sales taxes through September are up 14 percent over the prior year and utility taxes are about even. The numbers of building permits issued are up from the previous year.

The September 2016 forecast from the State of Washington Economic and Revenue Forecast Council pegs growth in real GDP at about 2.0 percent throughout the 2017-18 biennium.

The downside risks to this forecast are:

- The potential for slower Chinese economic growth
- Weak global growth further weakening exports
- Global events (Russia/Ukraine, Middle East, European growth)
- Weaker than expected employment growth
- Real wage growth stagnates, leading to slower consumer spending

This forecast, coupled with local development activity leads us to believe that the current level of activity is likely to continue through 2016 and into and throughout the 2017-2018 biennium. The 2017-2018 biennial budget was developed with the assumption that this year's economic trends will continue through the end of the year and throughout the upcoming two-year budget cycle. Our assumption for sales tax growth is 6.0 percent increase over 2015 through 2016 year-end and 5.5 percent growth for both 2017 and 2018. It is important to note that the new development/construction portion of sales taxes traditionally runs at about 15 to 25 percent of total sales taxes received. This means that of the \$13.1 million in sales tax budgeted over the 2017-2018 period, as much as \$3.3 million may be one-time revenue.

City Revenues

The major revenue sources for the city's governmental activities are taxes and development fees; while the major sources of revenue for the utilities (water, sewer and storm) are charges for services and connection fees. The major tax sources are sales, property and public utility taxes, and, to a lesser extent real estate excise taxes.

The major revenue source for the city's utilities (Water/Sewer and Storm) are the monthly or bi-monthly service charges and connection fees also known as general facility charges. The monthly charges for water and sewer consist of a base fee and a commodity charge. The city collects a connection fee when a property is developed and will become a customer of a particular service.

Revenue summary

The major sources of revenue for the city's major funds are as follows:

Fund	Description	2017	2018	Total
General fund	Sales tax	6,391,312	6,742,834	13,134,146
	Property tax	2,567,414	2,721,459	5,288,873
	Utility tax & franchise fees	1,684,892	1,762,273	3,447,165
	Permit fees	1,907,060	2,038,402	3,945,462
Street Operating fund	General fund transfer	2,300,000	2,000,000	4,300,000
Water Operating fund	Customer charges	1,958,139	2,113,830	4,071,969
Sewer Operating fund	Customer charges	4,873,045	5,261,341	10,134,386
Storm Operating fund	Customer charges	900,148	958,625	1,858,773

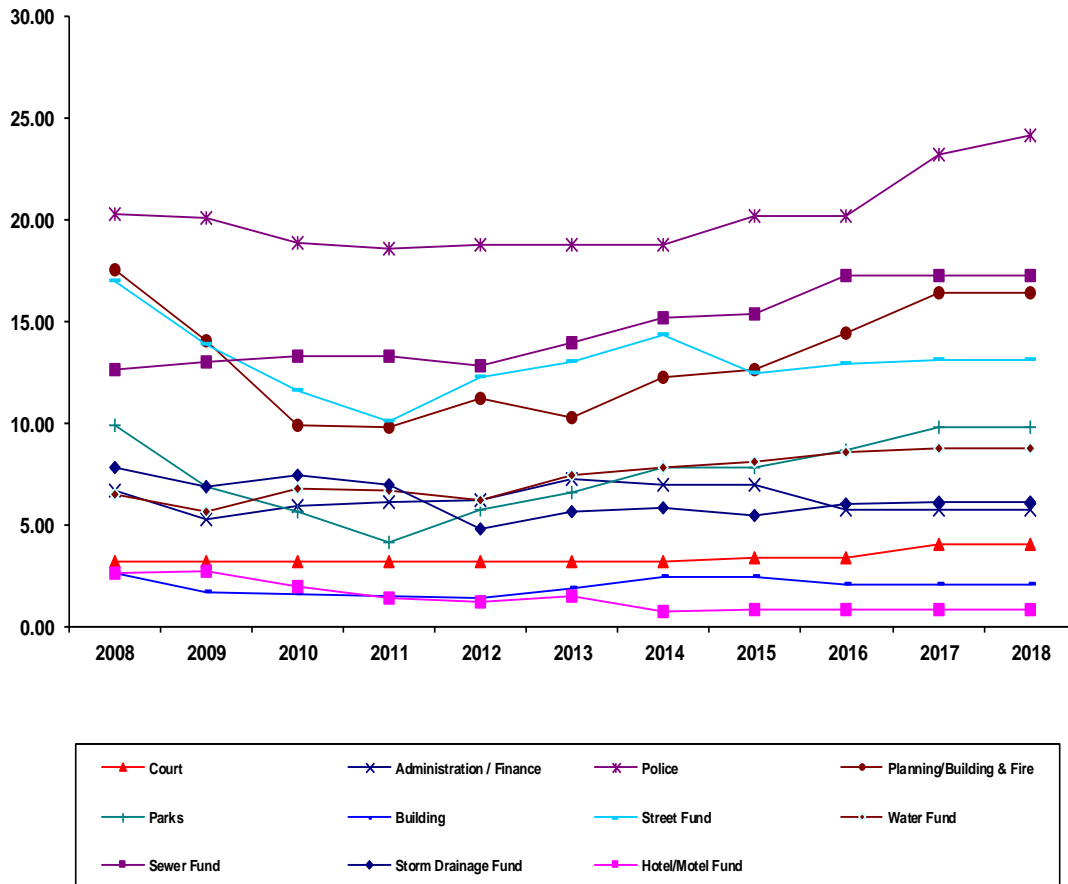
City of Gig Harbor
2017-18 Annual Budget

All Funds

Proposed Budgeted Staffing Levels
(In Full Time Equivalents)

General Fund By Department:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Court	3.23	3.20	3.20	3.20	3.20	3.20	3.20	3.40	3.40	4.00	4.00
Administration / Finance	6.72	5.30	5.96	6.08	6.20	7.25	6.95	6.95	5.75	5.75	5.75
Police	20.22	20.10	18.83	18.60	18.77	18.77	18.77	20.17	20.17	23.17	24.17
Planning/Building & Fire	17.56	14.00	9.85	9.75	11.25	10.25	12.25	12.65	14.41	16.40	16.40
Parks	9.92	6.88	5.62	4.17	5.77	6.62	7.77	7.77	8.62	9.78	9.78
Building	2.65	1.70	1.62	1.50	1.35	1.85	2.45	2.45	2.08	2.08	2.08
Total General Fund	60.30	51.18	45.08	43.30	46.54	47.94	51.39	53.39	54.43	61.18	62.18
Hotel/Motel Fund	2.60	2.75	1.98	1.37	1.25	1.45	0.75	0.85	0.85	0.85	0.85
Street Fund	16.93	13.89	11.62	10.12	12.27	12.97	14.29	12.44	12.89	13.05	13.05
Water Fund	6.45	5.68	6.77	6.70	6.18	7.43	7.83	8.13	8.58	8.74	8.74
Sewer Fund	12.64	13.05	13.26	13.30	12.85	13.93	15.13	15.35	17.21	17.21	17.21
Storm Drainage Fund	7.81	6.83	7.39	6.92	4.77	5.62	5.84	5.44	5.99	6.15	6.15
Total Budgeted Staffing	106.72	93.36	86.10	81.71	83.86	89.34	95.23	95.60	99.95	107.18	108.18

Budgeted Staffing Levels



Estimate of Ending Fund Balance By Fund Type

These tables show 2017-18 budgeted ending fund balances for each fund type.

2017-2018

Fund Type	Beginning Balance	Revenues	Expenditures	Transfers In (Out)	Ending Balance
General	\$ 4,307,349	\$ 27,748,980	\$ 22,759,522	\$ (8,153,000)	\$ 1,143,807
Special Revenue	12,514,577	21,626,543	35,959,671	8,229,300	6,410,749
Debt Service	192,569	3,201,400	3,062,859	(76,300)	254,810
Enterprise	10,568,885	28,031,931	34,319,983	-	4,280,833
Total	\$ 27,583,380	\$ 80,608,854	\$ 96,102,035	\$ -	\$ 12,090,199

MUNICIPAL DEBT

General Obligation Debt

General Obligation (GO) bonds are direct obligations of the city for which its full faith and credit is pledged. Under RCW 39.36.020, the public may vote to approve bond issues for general government purposes in an amount not to exceed 2.5% of the assessed valuation. Within the 2.5% limit, the City Council may approve bond issues (or other types of debt, including lease-purchase contracts) without a vote. These non-voted, or councilmanic, GO bonds may not exceed 1.5% of the city's assessed valuation.

Under RCW 39.36.030, the public may also vote to approve bond issues for utilities or park facilities, each of which is limited to 2.5% of the city's assessed valuation. GO bonds may be issued up to a maximum of 7.5% of the city's assessed valuation. All voted bonds require a 60% majority approval. To validate the election, the total votes cast must equal at least 40% of the total votes cast in the last general election.

Principal and interest payments on GO bonds, as well as the resources to pay them are accounted for in Debt Service Funds. Debt service for voted bond issues is funded with special (excess) property tax levies. Debt service for councilmanic bonds is funded with transfers of general revenues from the General Fund to the Debt Service Fund.

Municipal Debt Capacity					
	Assessed Valuation = 2,255,638,457 (as of September 9, 2016)				
Debt Type	Councilmanic (Non-voted)	Councilmanic & Voted	Utility Voted	Parks Voted	Total
Limit - percentage	1.5%	2.5%	2.5%	2.5%	7.5%
Limit - Amount	\$ 33,834,577	\$ 56,390,961	\$ 56,390,961	\$ 56,390,961	\$ 169,172,884
outstanding debt @ 1/1/2014	6,947,871	6,947,871	-	1,997,000	8,944,871
Available Capacity	\$ 26,886,706	\$ 49,443,090	\$ 56,390,961	\$ 54,393,961	\$ 160,228,013

Revenue Debt

Revenue debt is issued for the acquisition of utility facilities and is backed by system revenues. In 2016 outstanding revenue debt is as follows:

- In 2008 the city received a \$10 million Public Works Trust Fund loan. This is a 20 year loan carrying a 0.5 percent interest rate with final payment due July 1, 2028. Average annual principal and interest payments for the remaining years of this loan are about \$546,000.

- In June 2010 the city issued Water/Sewer revenue bonds in the amount of \$6,035,000. These bonds were issued to fund completion of the waste water treatment plant and to replace certain aging water mains in the city's water system. Responsibility for the debt service on the bonds is: Water – 31 percent and Sewer – 69 percent. The bonds are Build America Bonds (BABs). This means that the city receives a 35 percent subsidy on the interest payments over the life of the bonds. Average annual net debt service (net of BAB subsidy) over the remaining life of the bonds is \$442,000.
- In August 2010 the city issued Water/Sewer revenue bonds in the amount of \$8,190,000 finance construction of the waste water treatment plant outfall extension. The bonds are split between Build America Bonds (BABs) - \$5,580,000 and revenue bonds - \$2,610,000. Average annual net debt service over the remaining life of the bonds is \$618,000 (BABs) and \$423,350 (revenue).
- In 2012 the city received a \$4,845,850 Public Works Trust Fund loan. This is a 20 year loan carrying a 0.25 percent interest rate with final payment due June 1, 2032. Average annual principal and interest payments for the remaining years of this loan are about \$287,600.

State law does not limit revenue debt. It is limited by the bond covenants which are contained in the bond's enabling ordinance. The primary requirement is that "net revenue" of the water and sewer utilities (utility revenue less utility maintenance and operation costs, plus collection of connection fees) must be at least 125% of the succeeding year's debt service. The city's policies target a balance of 150%.

The following table is a calculation of the city's net revenue and debt coverage as budgeted for 2017 and 2018. It is important to note that the budgeted revenues include connection fees, which can fluctuate greatly from year to year.

**Parity Debt Service Coverage
City of Gig Harbor Water and Sewer Utility**

	<u>2015-16</u>	<u>2017-18</u>
Operating revenues:		
Charges for sales and services:		
Water sales	\$ 3,461,629	\$4,092,529
Sewer charges	8,656,082	10,133,227
Connection fees	6,306,373	3,307,273
Other fees and charges	29,685	1,171,107
Utility taxes	476,433	562,194
Total operating revenues	<u>18,930,203</u>	<u>19,266,330</u>
Operating expenses:		
Operations and maintenance	5,477,888	7,090,359
Administration	3,177,724	3,867,213
Utility taxes	328,215	367,227
Total operating expenses	<u>8,983,827</u>	<u>11,324,799</u>
Operating income (loss)	<u>9,946,376</u>	<u>7,941,531</u>
Nonoperating revenues (expenses):		
Investment interest revenue	78,238	129,548
Miscellaneous non-operating revenue	2,900	1,000
Total nonoperating revenues (expenses)	<u>81,138</u>	<u>130,548</u>
Revenue Available for Debt Service	<u>\$10,027,514</u>	<u>\$8,072,079</u>
Maximum principal and interest due in succeeding years	\$ 1,182,608	\$1,182,608
Coverage	8.48x	6.83x
Maximum with Junior Lien Obligations	\$ 1,677,620	\$1,677,620
Coverage with Junior Lien	5.98x	4.81x

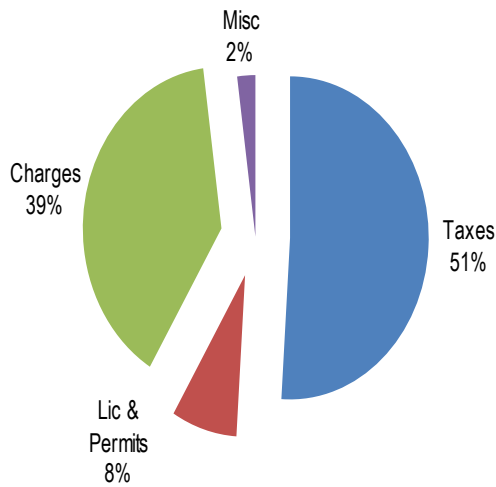
Expenditures By Fund

	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
General Fund	\$ 12,433,997	\$ 12,889,373	\$ 25,807,390	\$ 27,590,894	\$ 32,648,329
Special Revenue Funds					
Street Operating	2,043,976	2,192,385	4,065,289	4,074,383	5,401,493
Street Capital	3,947,436	1,761,983	4,090,621	4,497,285	22,309,040
Drug Investigation State	8,028	8,185	8,706	8,385	8,405
Drug Investigation Federal	28,242	21,552	18,594	19,900	19,416
Hotel - Motel	370,029	455,060	861,192	919,008	1,022,242
Public Art Capital Projects	92,195	92,268	87,377	88,823	109,023
Park Development	1,422,042	4,596,532	7,078,255	4,507,357	7,845,101
Civic Center Debt Res.	1,546,344	1,614,920	1,756,064	1,752,968	1,827,968
Strategic Reserve	1,090,606	941,034	577,988	581,079	745,079
Equipment Repl. Res.	150,394	200,577	221,302	221,723	322,723
Capital Development	513,143	635,037	1,202,367	1,309,797	1,624,197
Capital Improvement	457,295	574,515	1,108,917	1,242,297	1,552,697
Impact Fee Trust	1,397,607	1,436,334	1,993,811	2,933,316	3,897,316
Hospital Benefit Zone Revenue	4,628,179	4,947,293	7,276,797	6,706,290	8,091,420
Lighthouse Maintenance	2,116	1,215	1,214	-	-
Total Special Revenue	17,697,632	19,478,890	30,348,494	28,862,611	54,776,120
Debt Service Funds					
LTGO Bond Redemption	1,053,945	1,216,497	2,245,918	2,265,475	5,131,543
2000 Note Redemption	40,436	-	-	-	-
LID 99-1 Guaranty	95,660	-	-	-	-
UTGO Bond Redemption	442,449	424,210	781,519	717,472	786,126
Total Debt Service	1,632,490	1,640,707	3,027,437	2,982,947	5,917,669
Total General Gov.	31,764,119	34,008,970	59,183,321	59,436,452	93,342,118
Enterprise Funds					
Water Operating	1,897,365	1,969,662	3,690,757	4,344,237	5,306,391
Sewer Operating	4,769,782	5,308,464	9,534,533	10,503,980	12,325,131
Shorecrest Reserve	72,527	86,501	108,990	140,223	174,613
Utility Reserve	1,380,370	1,391,305	1,411,665	1,416,241	1,435,133
Utility Bond Redemption	2,106,512	1,877,292	10,136,630	8,563,246	12,104,029
Sewer Capital Const.	7,612,810	8,401,428	11,654,903	14,041,415	8,801,923
Storm Sewer Operating	1,157,967	1,482,460	2,582,952	2,829,745	2,510,823
Storm Sewer Capital	1,294,654	321,461	1,381,136	1,795,665	1,940,258
Water Capital Assets	2,826,126	2,246,378	4,407,519	4,228,065	6,934,022
Total Enterprise	23,118,113	23,084,951	44,909,085	47,862,817	51,532,323
Total Expenditures	\$ 54,882,231	\$ 57,093,920	\$ 104,092,408	\$ 107,299,269	\$ 144,874,441

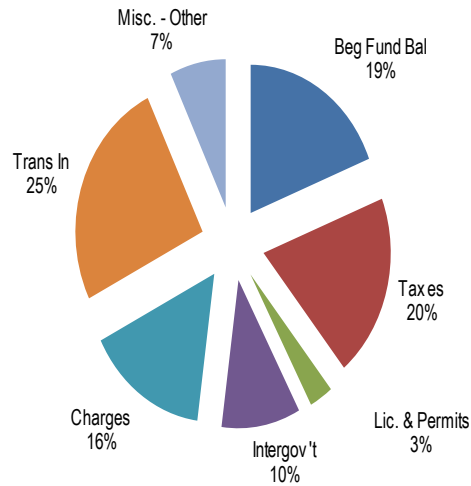
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning Fund Balance	\$ 18,182,077	\$ 19,697,905	\$ 23,158,701	\$ 23,321,174	\$ 27,583,380
Taxes	12,326,986	12,441,749	26,235,315	27,658,898	29,054,989
Licenses & Permits	1,171,754	1,414,234	2,763,695	4,278,465	4,352,454
Intergov't Revenues	3,219,804	3,281,046	4,423,804	3,201,471	14,535,007
Charges For Services	11,655,753	10,141,546	17,636,556	23,884,642	22,364,308
Fines & Forfeits	114,949	126,303	265,479	277,111	260,463
Miscellaneous	247,318	189,727	504,128	586,940	941,633
Transfers In	7,910,591	9,605,948	22,889,102	21,375,523	36,682,207
Other	53,000	195,463	6,215,626	4,637,770	9,100,000
Total Revenues	36,700,155	37,396,016	80,933,705	85,900,820	117,291,061
Total Resources	\$ 54,882,232	\$ 57,093,921	\$ 104,092,406	\$ 109,221,994	\$ 144,874,441

2017-18 Budget Operating Revenues

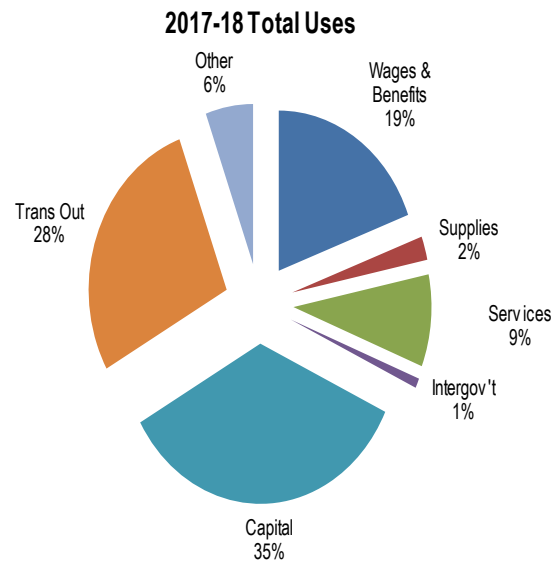
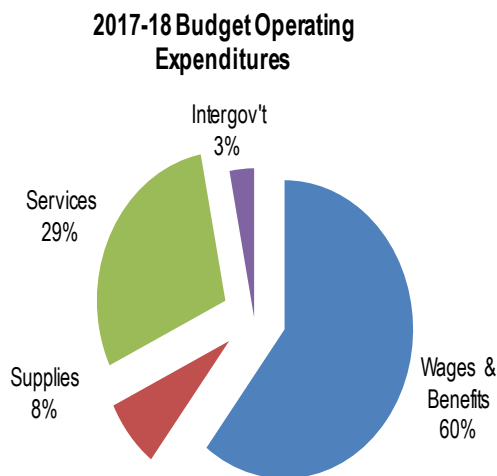


2017-18 Total Resources



Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 6,717,509	\$ 7,019,572	\$ 15,287,882	\$ 15,071,972	\$ 17,349,655
Benefits	2,804,631	2,952,975	6,997,091	6,646,854	8,316,400
Supplies	1,064,339	998,123	2,441,174	2,296,034	3,172,539
Services	3,855,509	3,529,188	9,075,896	8,093,791	12,346,961
Intergov't charges	419,607	448,732	868,139	1,032,665	1,307,068
Capital expenditures	9,106,692	7,205,974	25,835,224	19,052,550	46,224,410
Transfers out	7,780,155	8,849,270	22,887,544	22,306,020	36,682,207
Other	3,435,885	2,768,913	7,240,949	7,138,729	7,385,002
Total expenditures	35,184,327	33,772,747	90,633,899	81,638,615	132,784,242
Ending fund balance	19,697,905	23,321,174	13,458,507	27,583,379	12,090,199
Total uses	\$ 54,882,232	\$ 57,093,921	\$ 104,092,406	\$ 109,221,994	\$ 144,874,441



2. GENERAL FUND

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DESCRIPTION OF FUNCTION GENERAL FUND

The General Fund is the general operating fund of the city. It accounts for all financial resources and transactions except those that are required to be accounted for in another fund.

Resources include sales, property, utility and other taxes, fees from various permits, licenses and user charges, and shared revenues, grants and entitlements from the State of Washington.

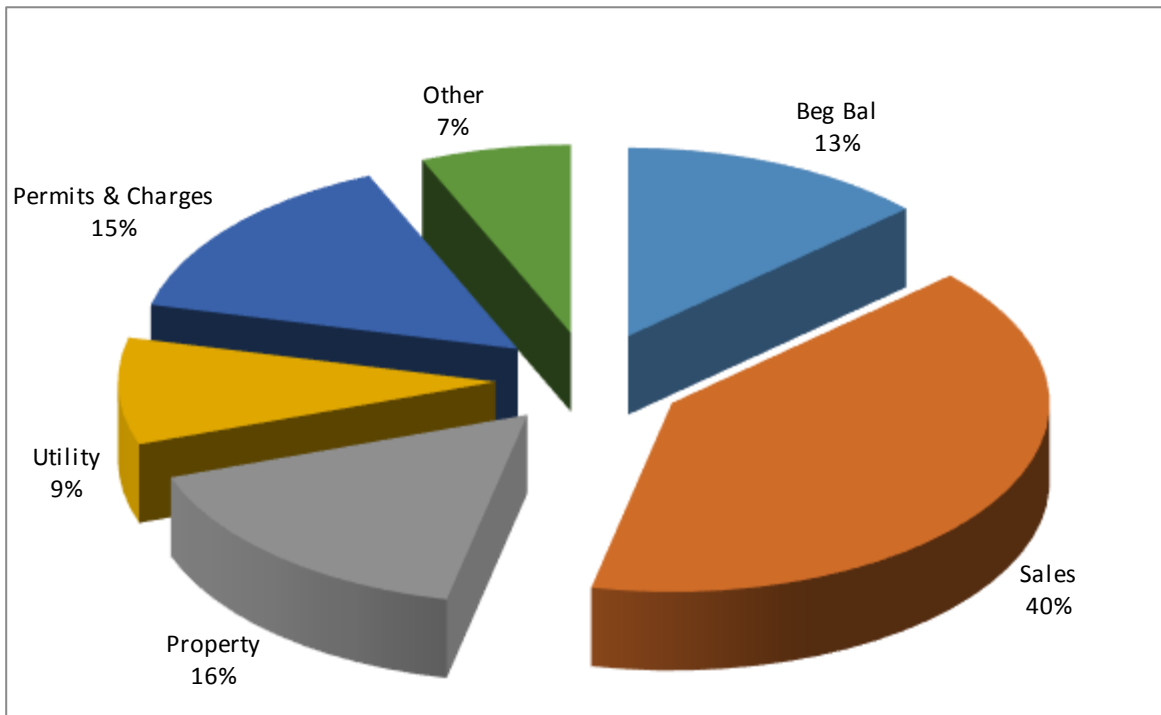
Most of the activities included in the City of Gig Harbor's General Fund are departmentalized and include legislative, municipal court, police, development services, parks, and overall administration. Other miscellaneous expenditures are included in the "non-departmental" department of the General Fund.

The General Fund accounts for 23 percent of 2017-2018 appropriations and more than half of the city's employees and budgeted salaries and benefits.

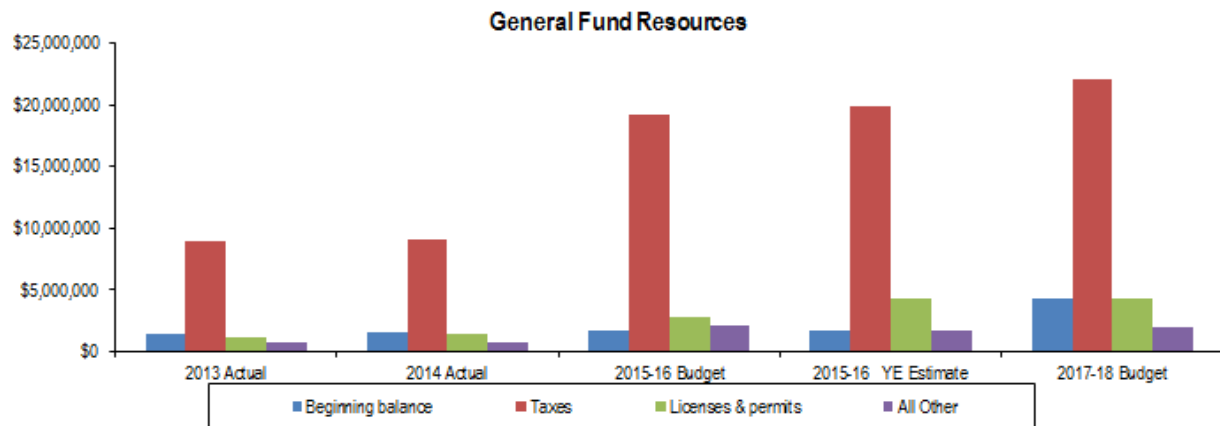
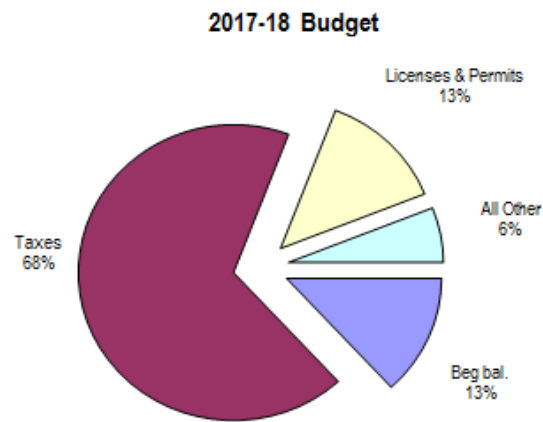
The General Fund also provides general city resources to other funds in the form of operating transfers.

General Fund Resource Summary

	<u>2015-16 Actual</u>	<u>2017-18 Budget</u>	<u>2017-18 Change</u>
Beginning Fund Balance	\$ 1,687,346	\$ 4,307,349	\$ 2,620,003
Taxes			
Sales	11,769,860	13,134,146	1,364,286
Property	4,765,916	5,288,873	522,957
Utility	2,774,032	2,987,722	213,690
Other Taxes	606,811	653,018	46,207
Total Taxes	19,916,619	22,063,759	2,147,140
Licenses and Permits	4,237,590	4,312,454	74,864
Intergovernmental	300,305	254,000	(46,305)
Charges for Services	545,190	511,304	(33,886)
Fines and Forfeits	276,958	260,463	(16,495)
Miscellaneous	261,481	347,000	85,519
Other	365,405	592,000	226,595
Total General Fund Revenues	\$ 25,903,548	\$ 28,340,980	\$ 2,437,432
Total General Fund Resources	\$ 27,590,894	\$ 32,648,329	\$ 5,057,435



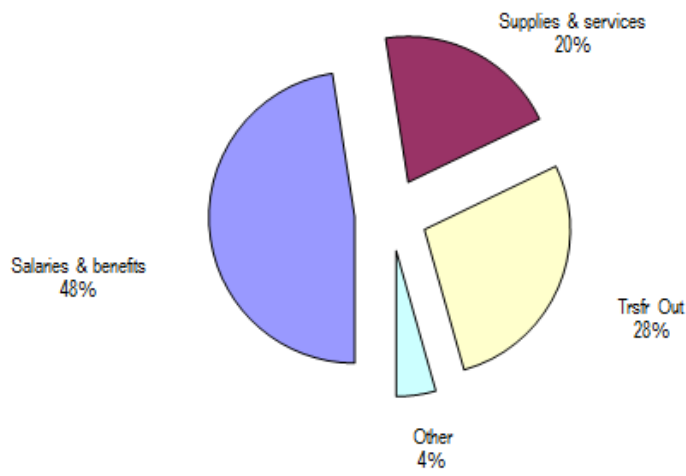
Category	Resources				
	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 1,484,782	\$ 1,612,337	\$ 1,687,345	\$ 1,687,346	\$ 4,307,349
Taxes	9,013,681	9,074,363	19,265,650	19,916,619	22,063,759
Licenses & permits	1,150,554	1,393,904	2,732,429	4,237,590	4,312,454
Intergov't revenues	198,715	156,622	314,532	300,305	254,000
Charges for services	321,902	253,954	591,125	545,190	511,304
Fines & forfeits	114,949	126,153	264,979	276,958	260,463
Miscellaneous	134,795	85,187	304,708	261,481	347,000
Transfers In	-	165,253	181,558	4,974	592,000
Other	14,619	21,600	465,064	360,431	-
Total Revenues	10,949,215	11,277,036	24,120,045	25,903,548	28,340,980
Total Resources	\$ 12,433,997	\$ 12,889,373	\$ 25,807,390	\$ 27,590,894	\$ 32,648,329



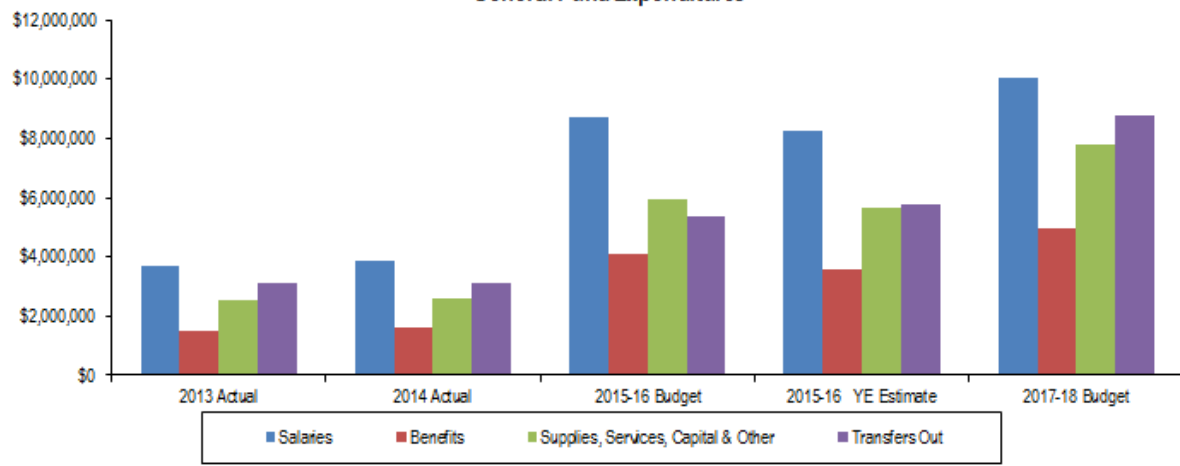
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 3,667,403	\$ 3,870,684	\$ 8,690,698	\$ 8,248,985	\$ 10,040,919
Benefits	1,507,529	1,627,459	4,084,079	3,602,278	4,934,026
Supplies	360,804	360,961	800,900	701,617	896,535
Services	1,841,605	1,844,036	4,297,900	3,967,878	5,506,475
Intergov't charges	217,170	227,200	466,147	579,757	822,717
Capital expenditures	90,069	182,281	363,900	404,032	558,850
Transfers Out	3,137,080	3,089,406	5,379,000	5,779,000	8,745,000
Total	10,821,660	11,202,027	24,082,624	23,283,547	31,504,522
Ending balance	1,612,337	1,687,346	1,724,766	4,307,347	1,143,807
Total uses	\$ 12,433,997	\$ 12,889,373	\$ 25,807,390	\$ 27,590,894	\$ 32,648,329

2017-18 Budget



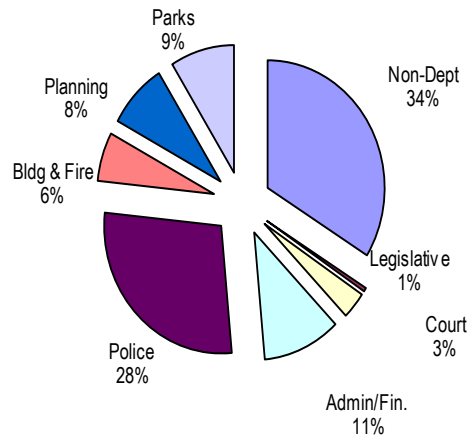
General Fund Expenditures



Departmental Expenditures

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Non-Departmental	\$3,849,209	\$ 3,726,743	\$ 6,884,811	\$ 7,087,571	\$ 10,140,376
Legislative	56,623	61,943	133,513	117,234	144,218
Municipal Court	354,713	389,863	846,200	841,337	1,030,617
Admin/Finance	1,346,495	1,476,701	3,030,100	2,884,619	3,225,396
Police	2,917,536	2,917,644	6,899,002	6,556,634	8,413,880
Buidling & Fire	450,632	557,050	1,431,235	1,310,417	1,859,500
Planning	820,593	909,637	2,058,000	2,067,231	2,482,800
Parks & Recreation	755,127	875,983	1,883,600	1,810,620	2,650,735
Building	270,732	286,463	916,163	607,883	1,557,000
Total	10,821,660	11,202,027	24,082,624	23,283,546	31,504,522
Ending balance	1,612,337	1,687,346	1,724,766	4,307,347	1,143,807
Total uses	\$ 12,433,997	\$ 12,889,373	\$ 25,807,390	\$ 27,590,893	\$ 32,648,329

2017-18 Budget



**DESCRIPTION OF FUNCTION
NON-DEPARTMENTAL**

General government expenditures that are not associated with a specific department are accounted for in the non-departmental department. Transfers of general government resources to other funds represent the largest portion of these expenditures. Also included are payments for property and liability insurance and the annual audit.

**NARRATIVE OF OBJECTIVES
NON-DEPARTMENTAL**

1. **Legislative.** The county auditor's office charges the city for voter registration and election services. **2017-18 - \$43,000.**
2. **Financial.** The annual audit performed by the state auditor's office: **2017-18 - \$69,000.** Insurance for General Governmental activities: **2017-18 - \$575,000.**
3. **Employee benefits.** Payments for LEOFF I retiree costs, workers' compensation and unemployment benefits for former employees. **2017-18 - \$148,000.**
4. **Unemployment benefits.** The city is self-insured; therefore unemployment benefit claims are fully funded by the city. Summer hires and temporary employees are also entitled to unemployment. **2017-18 - \$75,000.**
5. **Fire inspections.** Continue to work with Fire District No. 5 to operate the annual fire prevention inspection program. **2017-18 - \$122,000.**
6. **Operating transfers out.** General fund transfers to other funds for the 2017-18 biennium are as follows:

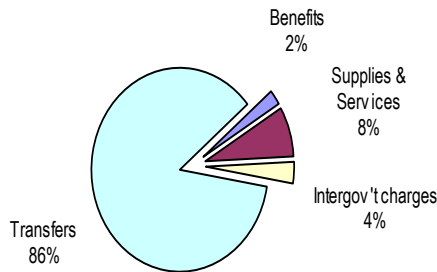
Fund	Amount
Street Operating	\$4,300,000
Street Capital	1,360,000
LTGO Debt	1,730,000
Park Development	1,010,000
Strategic Reserve	160,000
Equipment Reserve	100,000
Public Art	20,000
Total	<u>\$8,680,000</u>

7. **Mental Health Contribution.** Contribute for the establishment and building of a mental health building in cooperation with Franciscan Health and Multicare Health System. **2017 - \$40,000, 2018 - \$40,000**

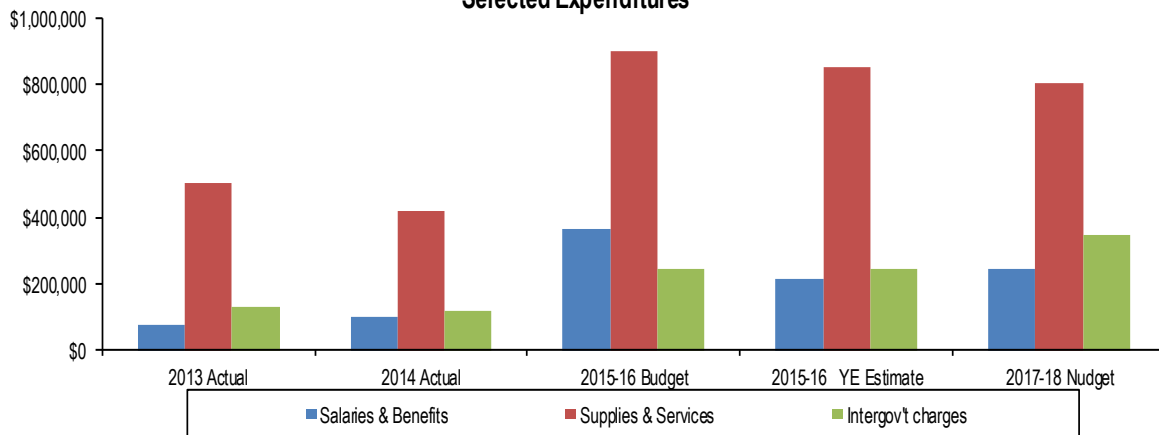
Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	76,746	99,991	363,773	212,300	244,090
Supplies	8,842	6,525	23,000	18,285	20,000
Services	494,900	410,446	876,891	832,372	785,569
Intergov't charges	131,641	120,375	242,147	245,614	345,717
Transfers	3,137,080	3,089,406	5,379,000	5,779,000	8,745,000
Total	\$ 3,849,209	\$ 3,726,743	\$ 6,884,811	\$ 7,087,571	\$ 10,140,376

2017-18 Budget



Selected Expenditures



DESCRIPTION OF FUNCTION LEGISLATIVE

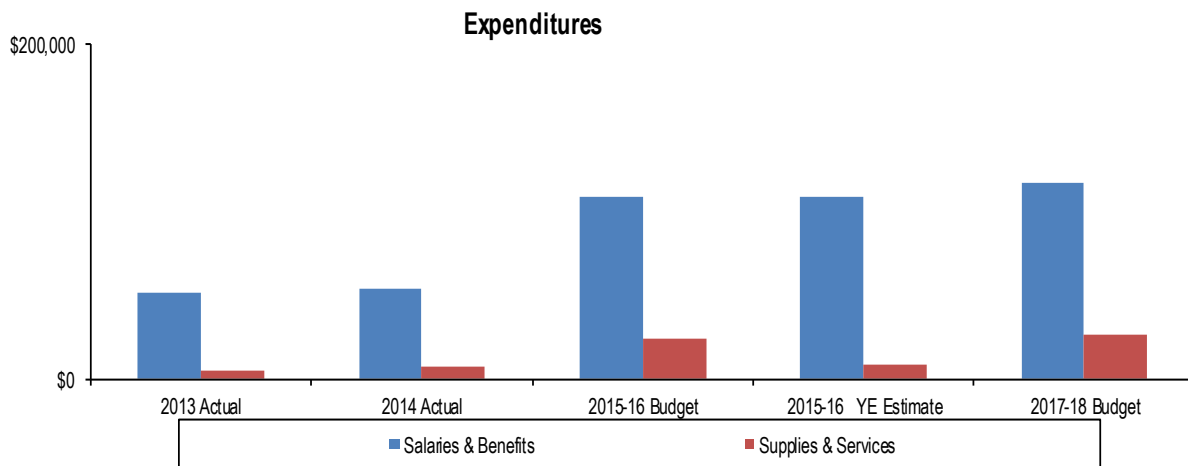
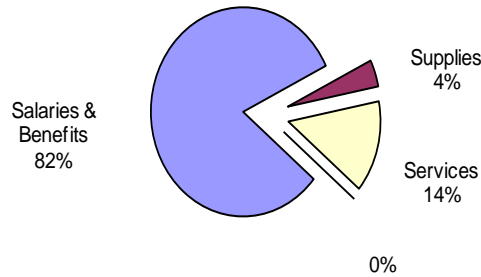
The Legislative Department accounts for the activities of the City Council. These activities include:

1. Sets the overall policy for the city.
2. Approves the city budget.
3. Organizes and regulates the internal affairs of the City Council.
4. Fixes compensation of city employees, and establishes civil service/merit systems and retirement systems.
5. Adopts ordinances relating to the good government of the city.
6. Exercises powers of eminent domain, borrowing, taxation, the grant of franchises, and other duties.
7. Performs the duties and responsibilities prescribed under Title 35A RCW and adopts long-range goals and objectives within a funding mechanism ensuring efficient and effective government.

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	Estimate	Budget
Salaries	\$ 47,978	\$ 50,400	\$100,800	\$ 100,800	\$109,200
Benefits	4,042	3,955	8,384	7,796	8,518
Supplies	841	3,898	5,200	610	6,000
Services	3,762	3,690	19,129	8,028	20,500
Total expenditures	\$ 56,623	\$ 61,943	\$133,513	\$ 117,234	\$144,218

2017-18 Budget



DESCRIPTION OF FUNCTION
JUDICIAL – MUNICIPAL COURT

Gig Harbor Municipal Court is committed to high quality service and strives to conduct business in a manner that balances effectiveness, efficiency, and productivity, and instills public trust and confidence by efficiently utilizing all court resources.

1. **Customer Service.** Provide access to justice and service to the public, attorneys, litigants, victims, law enforcement, etc. Process public records requests in accordance with court rules. Process and file all legal documents, pleadings, and evidence timely and in accordance to court rules. Assist customers with procedural questions both at the counter and via telephone.
2. **File Criminal and Infraction Citations.** File both paper and electronic criminal citations and civil infractions received from law enforcement and/or the prosecuting attorney within 48 hours. Compile case filing documentation including, but not limited to, arraignment hearing dates, accounts receivable information, victim information, and counsel information.
3. **Jury Management.** Obtain and manage master jury pool data from Superior Court. Summon jury pool three weeks prior to scheduled jury trial. Screen individual juror requests for excuse from service with timely confirmation by phone.
4. **Create and Maintain Case Files.** Create case files that are well marked, labeled, and organized according to set procedures. Close case files and follow archiving and retention rules. Aggressively manage case flow to ensure timely prosecution/resolution of cases, give prompt attention to infraction case flow for timely processing to the Department of Licensing, and aggressively track outstanding monies with the use of collections where warranted.
5. **Courtroom Bailiff.** Serve as bailiff and clerk by recording proceedings through data entry, written minute entries, and audio recording. Maintain court records regarding new hearing date, reasons for continuance, objections of counsel, release conditions, orders and dispositions. Operate audio system and troubleshoot malfunctions.
6. **Case Management.** Process warrants and probation compliance reports daily. Monitor and identify non-compliance issues such as law violations and treatment attendance, and delinquent legal financial obligations. Screen and process applications for Interstate Compact Transfer.
7. **Manage Trust Account Funds.** Perform monthly reconciliation of trust account through use of bail/bond summary reports. Monthly review of bail pending summary to confirm bail is posted and to ensure bail is returned properly and timely.

8. **Manage Payment Plans and Collections Accounts.** Weekly review court scheduled time-payment accounts for compliance as well as cases eligible for collections.
9. **Financial Reconciliations.** Perform daily reconciliation of receipted court payments received in person, by mail, and by credit card with city finance department. Reconcile court checking account monthly.
10. **Monthly Financial Reports.** Prepare and submit to the city finance department all monthly court financial reports for in-house audit review.
11. **Domestic Violence Kiosk.** Assist individuals at the domestic violence kiosk who are in need of a temporary protection order. This assistance should not extend beyond providing general information and help with the computer.
12. **Administer Community Service Program.** Direct eligible defendants to the Building & Maintenance Department for community service on the campus of the Gig Harbor Civic Center. These qualified defendants will perform minimal labor tasks including, but not limited to, sweeping, pulling weeds, general garden maintenance, police car washing, vacuuming, dusting, and recycling and garbage service. The program will continue to be supervised by the Building Maintenance Supervisor and Police Department under strict guidelines.
13. **Maintain Court Webpage.** Maintain the court's webpage on the city website on a regular basis to provide additional access to justice and up-to-date information about court officers, court procedures, forms, legislative updates, domestic violence, collections, inmates, and public records.

NARRATIVE OF GOALS 2017 – 2022
JUDICIAL – MUNICIPAL COURT

1. **Improve Collection of Accounts Receivables.** Continue to enhance customer service to increase payment methods for customers. Increase use of online payment system available to customers and defendants from the City website. This added service will increase our collection of revenue and reduce the need for postage and paper usage, such as reminder notices and collection /delinquent notices.
2. **Technology Improvement.** Use up-to-date technology to achieve greater efficiency and quality in an integrated way to effectively manage court business, inform and educate the public, provide additional access to justice, and improve public trust and confidence.
3. **Joint Service Programs.** Promote and implement joint service programs with the other local courts and Peninsula School District to better assist the citizens of Gig Harbor. Collaborate with other courts to improve access to justice and utilize shared resources and common goals. Continue the emergency and disaster COOP agreement with surrounding courts.
4. **Continue Community Outreach Program.** Continue to work with local schools to provide a working knowledge of the judicial system as presented through classroom visits, and mock trial projects. Continue to utilize student volunteers and interns with local high schools and colleges. Increase public awareness of the court by speaking at local engagements.
5. **Improve Customer Service.** Provide more interactive services via the internet. Translate court documents, forms, and orders into Spanish and Russian. Add live chat feature to court webpage for added customer service options.
6. **Migrate toward Paperless Court.** Continue to seek paperless technology and funding for increasing efficiencies, relieving workloads, providing more accessibility, reducing costs, and becoming more “green”. Scan court records for electronic storage and destroy paper version of closed court files, administrative records, and financial records, which reduces the need for paper storage.

**NARRATIVE OF OBJECTIVES 2017-2018
JUDICIAL – MUNICIPAL COURT**

1. **Continue Community Outreach Program.** Continue the partnership with Peninsula School District G.A.P.P. program. These special needs students perform general cleaning duties in the Civic Center to develop community transition and employment training.

Host a Law Day event for local students in recognition and celebration of National Law Day. In partnership with community organizations such as the Boys & Girls Club and the YMCA, this event encourages and promotes student interest and understanding of the law. The estimated cost for supplies, advertisement, and printing services for this event is \$500.00 per year plus the biennial cost of \$200.00 for renewal of the web domain access. **\$500 – 2017, \$700 - 2018.**

Recognize Juror Appreciation week and Domestic Violence Awareness Month with social media, local media, posters and display materials.

2. **Replace Computers.** Replace one failing computer and monitor (Court Administrator) and purchase a new computer and monitor for the third workstation (Court Clerk). **\$5,400 – 2017.**
3. **Website Enhancement.** Improve access to the Court via website. Create informational YouTube videos for the court webpage. Supplement customer service with live chat ability on the court website for public and court customers including attorneys, defendants, and jurors. Upgrades to the city website will allow the court to keep data current as well as provide auto-fill .pdf forms for customers.
4. **Add Court Clerk Position (.6 FTE).** To manage the increased workload, meet the mandatory reporting deadlines and statutory reporting requirements, and stave off the need for an additional court day per week, an additional part time court clerk is needed in 2017. **\$107,000 – 2017-18**

COURT
CAPITAL OUTLAY 2017 - 2018

Total capital outlay is \$0

2017
STAFF ADJUSTMENTS

- I. *Check One:* () *Request to delete position:*

 () *Request to add a position:*

Title: Court Clerk (.6 FTE)
Salary: \$2,168 - \$2,780(2017 Range @ 0.6 FTE)
Change Date: January 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

Due to increased caseload over the past three years and the potential for additional police officers in 2017 and 2018, there is a need to add a part time Court Clerk position to assist with daily operations of the court. DUI filings have increased 72% since 2013. Gig Harbor Municipal Court alone has 425% more DUI filings than courts of similar size. DUI filings will be even further increased with addition of new police officers. Public safety is paramount and must be given priority. The community safety demands do not decrease when growth slows.

The court is currently struggling to keep up with day-to-day tasks and at risk for needing to add an additional court date each week to manage the growth. Also, the legislature has and continues to increase each year, the mandated reporting requirements for DUI convictions, ignition interlock devices, firearm restrictions, and protection orders requiring court staff to process certain criminal cases in a shorter amount of time. Additionally, the legislature recently passed Initiative 1491 Extreme Risk Protection Orders, which addresses firearms access and will impact the workload in essentially every court in the state.

In an effort to keep the criminal docket limited to one day per week, the court has implemented a revised criminal court schedule and a new late arrival policy to improve docket flow and reduce gaps and down time when court is in session. The court has also made changes to prisoner transports schedules and arrival times to increase efficiency in the courtroom. However, these efforts will not be adequate should the caseload continue to grow as projected.

The new position will not only allow us to meet reporting deadlines and legislative mandates, but also reorganize and realign other work tasks that we currently struggle to complete such as scanning and archiving, public records requests, .pdf form conversions, website maintenance, assist the in-court clerk on court days, and provide coverage for vacations and sick leave. The court has not added a new Court Clerk position since 2004. Since 2004 the overall caseload has increased by 38%, however, the DUI caseload has increased by 281%.

While the city growth rate has an impact on police activity and court case filings, growth consideration should also include the greater peninsula and outlining areas as these residents come into the city for services, business, and pleasure. The residents and businesses that have/are moving to Gig Harbor and the greater peninsula area will still reside here even after the growth has flattened. The police and court will still have the same number of calls for service and court case filings even if growth stops. The additional staff requested will still be necessary to manage the increased workload regardless of changes in growth.

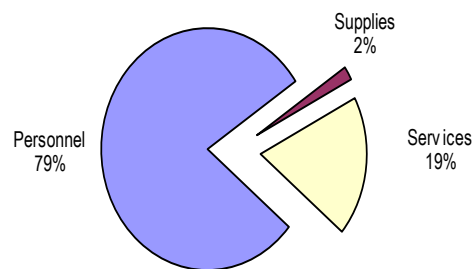
If additional officers are added to the police force and no additional staff is provided to the court, the following effects may occur.

1. Some crimes will not be prosecuted
2. Pay Staff Overtime
3. Add additional court day per week
4. Statutory reporting and auditing requirements not met resulting in loss of state and federal funding

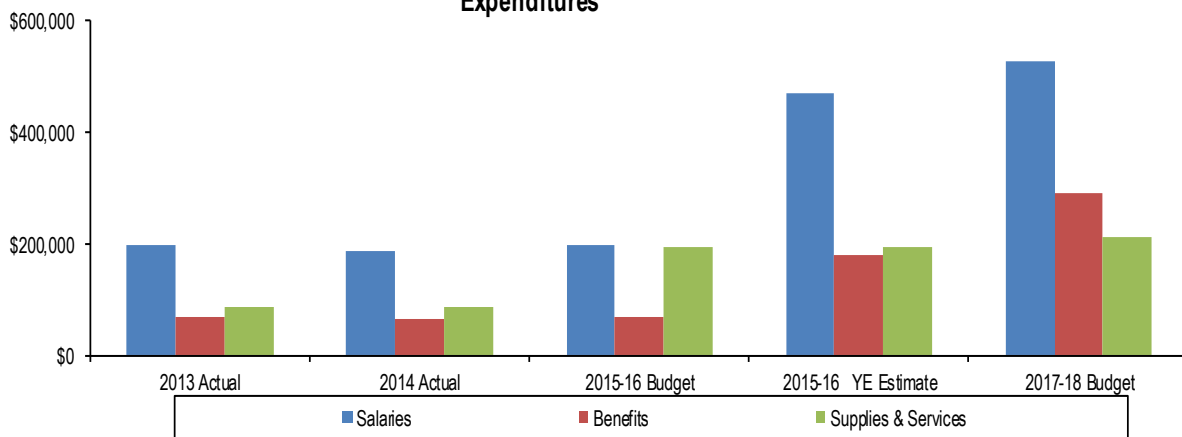
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 198,615	\$ 224,444	\$ 471,700	\$ 479,632	\$ 527,600
Benefits	70,093	79,144	180,700	168,532	290,800
Supplies	5,501	5,636	12,400	15,517	19,000
Services	80,504	80,639	181,400	177,656	193,217
Total expenditures	\$ 354,713	\$ 389,863	\$ 846,200	\$ 841,337	\$ 1,030,617

2017-18 Budget



Expenditures



DESCRIPTION OF FUNCTION

ADMINISTRATION

Administration

The City Administrator is responsible to the Mayor for implementing city policies, statutes, and goals through the directing the daily operations and capital projects of the City. The City Administrator also assists the Mayor and Council in developing policies and legislation. Intergovernmental relations, economic development, community information (neighborhood meetings, web page, informational publications, etc.), human resources, and general research and analysis are also part of the City Administrator's office.

City Clerk's Office

Support of city council, the public and internal customers. The city clerk's office is dedicated to the needs of our public and internal customers by providing them with quality services in a timely, positive, professional, and cooperative manner. Responsibilities of the city clerk and assistant city clerk include: management of the city's official records, website maintenance, public records requests and disclosure, city council support including agenda development, packets and preparation of official minutes, public noticing, risk and claims management, legal noticing, compliance with public records retention, recording of legal documents, boards and committees memberships, business licensing, parks structures and facility reservations, special events permitting, and fireworks stands permitting.

Human Resources

The Human Resource office is dedicated to serving the citizens of Gig Harbor, employees, and other customers by developing, implementing and supporting programs and policies that create value for the City and its employees. Responsibilities of the Human Resource office include planning, organizing and administering the City's human resource systems and services, including health benefits, employee safety, worker's compensation, labor relations, and compliance with employment regulations and guidelines as dictated by federal, state, and municipal laws. This position also manages recruitment and selection; job classification and compensation plans; the random drug testing program; the wellness program, the Title VI program, and training and development. The Human Resource Manager serves as the Civil Service Secretary/Chief Examiner for the Civil Service Commission.

Information Systems

Information Technology Management. I.T. governs the policies, processes, practices and tools used to align the most appropriate and cost effective technology infrastructure. Information Services manages, acquires, develops, tests and deploys

applications, data, hardware, and software resources. The primary focus is to retain 100% uptime for resource availability.

Information Technology Procurement. Responsible for the procurement of all computer related hardware, software, telephony, licenses and coordination of city-wide system conversions and compatibility with industry standards. Performs the surplus of expired and obsolete computer related equipment and software through strict accounting and environmental principles. Negotiates contracts and multiyear maintenance agreements with vendors such as Centurylink, DELL, Netmotion, SouthSound911, Verizon, and CISCO for City acquisitions, upgrades and services. Maintains proper licensing protocols comprised of Microsoft's and Adobe's volume licensing agreements with Washington State's Department of Enterprise Services.

Telephony Services. I.T. handles all administrative, financial and contractual functions of all telephony products and services for all city departments. I.T. manages contractual costs as related to Telephony Services and G.I.S.

Confidential Data & FBI audits. Works in conjunction with SouthSound911 to utilize the Computer Aided Dispatch (CAD) records/case management system in accordance with CJIS FBI security auditing standards. Acquires and utilizes up-to-date information across associative agencies and works in conjunction with Washington State Patrol for NCIC and WACIC (National and Washington State criminal access records). Security is maintained in a two-fold fashion with separate internet routings to the IGN cloud and two-factor login authentication for Police Department personnel.

Technical Liaison. I.T. performs as technical liaison for all City departments in the coordination of vendor services for networked applications and/or systems and database topologies.

Purchasing. I.T. performs all purchasing functions for all city departments for anything technology or telephony related.

NARRATIVE OF GOALS 2017 – 2022

ADMINISTRATION

Administration

1. Foster citizen involvement and engage the public through neighborhood meetings, surveys, website, informational publications, and other methods of communication.
2. Measure, evaluate and improve customer service and business processes through all departments of the city.
3. Promote economic development by 1) proactively attracting business growth in commercially zoned areas that will create environmentally sound, well-compensated jobs for local residents; 2) supporting existing businesses through quality infrastructure, events, and business friendly regulations that maintain the quality and character of the Harbor; 3) coordinate with and leverage the time and resources of the Gig Harbor Chamber of Commerce, Economic Development Board, Downtown Waterfront Alliance and other agencies to attract and retain businesses in the city.
4. Research, review, and assess grant opportunities for the city.
5. Maintain quality personnel systems through up-to-date personnel regulations, effective recruitment practices and tools, competitive total compensation, and collaborative labor relations.
6. Ensure employees are given the resources, leadership, and direction they need to do their jobs effectively and efficiently.
7. Facilitate and direct the development of the capital improvement program in order to keep up with growth as well as existing infrastructure needs within the constraints of our capacities.
8. Support downtown businesses in developing a comprehensive downtown traffic and parking strategy.

City Clerk's Office

1. Provide quality support for the Mayor, City Council, City Administrator's office, and public and internal customers.
2. Provide citizens open access to information through the city's website and other web-based hosting services that meets basic open data standards.
3. Ensure timely, comprehensive responses to public records requests.
4. Maintain effective risk and claims management programs.
5. Administer records management program. Streamline social media records

capture.

6. Compliance for business licensing, special events permitting, and fireworks stands permitting.
7. Administer facilities use and reservations.
8. Assist with the employee wellness program. Provide backup for the Human Resources Manager.
9. Complete mission critical functions for department.

Human Resources

1. Provide excellent customer service to all citizens, employees, elected officials, and stakeholders through effective and efficient recruitment and retention best practices, evaluating and updating total rewards system as needed and continuing to foster a collaborative labor relations environment.
2. Complete and implement the personnel regulations/employee handbook update.
3. Continue building on the existing Employee Wellness Program to enhance and expand employee involvement. Continue to earn the AWC Well City designation annually, which will retain the 2% medical premium reduction earned for our 2016 Well City designation.
4. Design and deliver pertinent and timely employee training, ensuring compliance by scheduling required training.
5. Implement Employee Self Service (ESS) to enable employees to view and print their paystubs (ACH) online, as well as W-2's.
6. Recruit an unpaid intern or volunteer to assist with routine HR administrative functions such as filing, file set-up, archiving, etc.

Information Systems

1. Move the city off of the dependency (and limitations) of SS911 email and onto Microsoft Hosted Services.
2. Eliminating hardware and implementing SaaS (software as a service). Subscription based platform. No software or hardware to purchase, install or maintain thereby reducing workload on a small and frequently overburdened I.T. department.
3. Website and mobile apps.
4. Office 365 subscription based software implementation.

NARRATIVE OF OBJECTIVES 2017 – 2018 ADMINISTRATION

Administration

1. **Policies and Procedures.** Complete and implement the personnel policies update; develop and/or update other administrative procedures, including a purchasing policy, travel policy, accident prevention policy, and information systems policy (use electronic communications, internet, etc.).
2. **Economic Development.** Support local businesses by engaging the appropriate stake holders and assessing the needs of the various economic and employment centers in the city. Some recommended components of the economic development strategy are as follows:
 - Downtown Waterfront Alliance. Provide limited funding for the Gig Harbor Downtown Waterfront Alliance and its continued activities to promote downtown businesses. **\$35,000 - 2017, \$35,000- 2018.**
 - Chamber of Commerce. Continue involvement with the Gig Harbor Chamber of Commerce, including City representation on the Chamber Board of Directors and also maintaining the City's membership in the Chamber. **\$550 - 2017, \$550 – 2018.**
 - Tacoma-Pierce County Economic Development Board (EDB). Continue City involvement as an EDB investor, furthering the goal of local and regional economic development and primary employer retention and recruitment. **\$20,000 - 2017, \$20,000 - 2018.**
 - Downtown Traffic and Parking Strategy. Support downtown businesses in developing a downtown traffic and parking strategy. (See Public Works budget detail).
3. **State and Federal Lobbying Efforts.** In accordance with the city, state and federal legislation agendas, carry on state and federal lobbying efforts to advocate for capital project funding as well as legislation that would benefit the city.

Maintain contract with a lobbying firm at the state level. **\$40,000- 2017, \$40,000 - 2018.**

Continue the federal lobbying contract through December 31, 2018. **\$80,000 – 2017, \$80,000 - 2018.**

4. **State and Federal Grants.** Continue to seek, pursue, and apply for state and federal grants, as well as grants from the non-profit and private sectors on a balanced basis according to our capacity to complete such grants.
5. **Capital Improvement Plan.** Implement and further develop the capital improvement plan for streets, parks, and utilities.
6. **Gig Harbor North.** Continue to implement the Harbor Hill development agreement. Work with Olympic Property Group and other property owners to promote and realize more shopping, commercial, recreational, and residential opportunities.
7. **Potential Downtown Development.** Work to respond to and implement any downtown development agreements council approves.

City Clerk's Office

1. **Public Records Requests.** Continue to facilitate the appropriate and timely response to the increasing volume of public records requests in order to be more open, accountable, and responsive to citizens. **January – December.**
2. **Open Government Program.** Continue to implement an open data portal. Open data can facilitate government transparency, accountability, and public participation. **January – December.**
3. **Claims Recovery.** Continue an aggressive approach for reimbursement of costs for damage to city property. **January – December.**
4. **Risk Management.** Continue the Employee Safety Committee as required by the Accident Prevention Policy adopted in 2011. Work with all departments to address concerns and solutions. The goal is to prevent employee and citizen injury and property damage. **January - December.**
5. **Records Program.** Work for continued compliance with document and electronic records retention and ways to facilitate record retrieval. **January – December.**

Human Resources

1. **Policies and Procedures.** Complete and implement the personnel regulations and policies update; and develop an information systems policy (use of electronic communications, internet, etc.).
2. **Benefits.** Review and evaluate medical plan options available from AWC to strategically plan for the 2018 Affordable Care Act (ACA) Cadillac tax.
3. **Drug and Alcohol Program.** Continue to effectively manage the City's drug and alcohol program, ensuring adherence to Federal Motor Carrier and Department of Transportation regulations and guidelines.
4. **Compliance Training.** Ensure employee compliance by scheduling any necessary training. **January - December.**

5. **AWC Well City Designation.** Continuing efforts to earn this award annually, with a desired result of retaining the City's 2% discount to premium costs. **January - December.**

Information Systems

1. **Deploy Microsoft Hosted Exchange (Email) services.** Cloud based hosting with large 50 GB email boxes for each user's primary mailbox. The service also includes Unlimited storage in the "In-place archiving" solution. **\$20,000 – 2017**
2. **Office 365 business subscription software.** Due to the limitations of SS911 exchange email server we have been unable to upgrade to office 2016 and are stuck at office 2013. Therefore once this limitation has been removed, we can transition to office 365 subscriptions which allows for on-demand upgrading at no additional cost and reduces I.T. workload of upgrading software individually. **\$15,000 - 2017**
3. **Website design, hosting, and Gig Harbor mobile app.** Improve citizen engagement, increase functionality and usability. A robust search engine optimization (SEO) with CivicPlus. Includes a new redesign biennially and all costs including the Gig Harbor mobile app. **\$9,900 – 2017 (annual)**

ADMINISTRATION
CAPITAL OUTLAY 2017 - 2018

Total Capital Outlay is \$0

2017
STAFF ADJUSTMENTS

- I. *Check One:* () *Request to delete position:*
 Human Resource Analyst
- () *Request to reclassify a position*
- Salary: \$5153 – 6441 (2017 range)*
 Change Date: January 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

Request to delete the Human Resource Analyst position. The Human Resource Analyst job classification does not encompass the full scope and range of the duties required of the current Human Resources function for the City of Gig Harbor. The HR Analyst job classification is a journey-level position that is typically responsible for a portion of HR services and usually reports to a Human Resource Manager or Director. An HR Analyst position usually requires a four year degree and two years' of professional level HR experience.

When the City of Gig Harbor's Human Resource Analyst position was created and approved in 2013, it was not yet known how the position would develop, as it was a new position for the City. Additionally, the HR duties for the City were spread across four different positions with varying levels of responsibility, prior to the addition of the HR Analyst position.

III. *Explanation for adding new/reclassifying existing position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

2017
STAFF ADJUSTMENTS

I. *Check One:* () *Request to delete position:*

 () *Request to add a position:*

 Human Resources Manager
 Salary: \$6310 - \$7888 (2017 range)
 Change Date: January 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

Request to add a Human Resources Manager position, to more accurately reflect the level and scope of duties and responsibilities of the current HR function for the City of Gig Harbor. The HR position for the City is responsible for the full range of complex administrative, technical, and professional-level work in managing the human resources function for the City, including, but not limited to, classification, benefits, compensation, recruitment and selection, worker's compensation, equal employment opportunity, drug and alcohol testing program, labor and employee relations, and workforce development and training. The level and complexity of analysis and decision making required of this position could potentially expose the City to a high probability of liability if done poorly. Typically, an HR Manager position reports directly to a chief administrative officer. This position reports to the City Administrator, who is the chief administrative officer for the City. The requirements are generally a four year degree, five to eight years of professional-level HR experience, including some supervisory or management experience, and a professional Human Resources certification, such as a PHR or SPHR.

Essential Duties & Responsibilities of the HR position for the City of Gig Harbor:

- Manages the overall human resources function of the City to achieve HR goals within available resources. Gathers, interprets, and prepares data for studies, reports and recommendations.
- Provides professional-level advice and consultation to the City Administrator, department heads, managers, and supervisors; makes recommendations and presentations to City Council, Civil Service Commission, Finance and Safety Council Committee, and employee and/or community groups.
- Advises managerial and supervisory staff, Mayor and City Administrator on personnel issues, to include consulting with department heads to prepare action plans to resolve performance management issues, acting as mediator in conflict

- situations, and participating in counseling and disciplinary hearings as needed.
- Conducts workplace investigations, prepares employee discipline and termination notices and related documentation, and conducts exit interviews. Consults with legal counsel as needed.
 - Represents City at personnel-related hearings and investigations. May serve as conduit for information between employees and members of management.
 - Manages the recruitment and selection process for filling new or vacant positions, to include screening employment applications for minimum qualifications, scheduling applicants for interviews, coordinating interview panels and administering a variety of selection instruments to interview committee and candidates. Participates in interview panels as a panelist or monitor.
 - Reviews, writes and develops job descriptions in consultation with department heads, City Administrator and guild representatives. Makes determinations on position reclassification requests.
 - Manages labor relations activities, to include assisting the City Administrator with guild contract negotiations; conducting research, preparing data and scheduling labor/management meetings, and drafts labor contract changes. May act as Chief Negotiator as needed.
 - Consults with departments in the resolution of grievances and administration of collective bargaining agreements. Prepares memorandums of understanding and/or letters of agreement as needed. Coordinates grievance and/or arbitration hearings and prepares briefs for submission to the Public Employees' Relations Commission (PERC) for such cases as needed.
 - Analyzes benefits, wage and salary reports and data to determine competitive total compensation plan; recommends benefit plan changes to management and notifies employees and guild representatives of changes in benefits programs.
 - Develops human resources policies and procedures for review and approval. Administers adopted HR policies and procedures.
 - Manages the City's drug and alcohol testing program.
 - Manages the City's Title VI Program in accordance with WSDOT standards.
 - Manages the City's Commute Trip Reduction (CTR) Program in accordance with the 2006 CTR Efficiency Act and PierceTrips guidelines.
 - Coordinates and facilitates the City's Employee Wellness program, ensuring standards are met to maintain AWC Well City designation from year to year.
 - Coordinates with outside vendors to provide employee services, such as training and outplacement services.
 - Prepares and submits annual and quarterly reports to various outside agencies as required by law or policy.

2017
STAFF ADJUSTMENTS

- I. *Check One:* Request to add a position:
 Request to delete position:
 Request to reclassify a position:

Open Government Administrator / Asst. City Clerk

Salary: From \$4783 – 5978

To \$5721 - 6756

Change Date: January 1, 2017

II. *Explanation for reclassifying position(s) (include description of positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

Currently, the Assistant City Clerk assists the Mayor, City Council, City Administrator, City Clerk, and staff with day to day functions of the city. This position performs at a high level of competency and initiative.

Council has requested improved communication with the public and increased availability of information digitally. Our Open Government process has begun with research into a better platform for sharing information via the city's website and mobile applications to assist the public and streamline processes.

The Assistant City Clerk has been working with the I.T. Manager to develop the Open Government platform. A new website design will implement a mobile application for ease of access to information and services. Integration of permitting software and other data portals will enhance the ability to share timely and pertinent information in our community. This will improve the way we communicate with the public enhancing public outreach.

Moving forward with this project requires a position that will take the lead on the development, implementation, and management of various programs and policies regarding Open Government. This classification is distinguished by the degree and level of contact with the vendor, staff, the public, elected officials, and community leaders.

We propose this reclassification to the Assistant City Clerk position to facilitate the implementation of the Open Government Initiative. Open Government is a newer concept and our comparable cities do not reflect the position. We used Bremerton and Camas as examples of jurisdictions that have implemented this initiative. The proposed salary range increase is nominal but reflects the added

job responsibilities. The reclassification would result in an \$888 increase in the Administration Salary Budget for 2017. The funding for this increase will come from the General Fund Budget.

DESCRIPTION OF FUNCTION
FINANCE

Finance

The Finance Department is responsible for managing the city's financial resources. This involves keeping the books and managing taxpayers' money from the time it is collected until it is spent on programs funded by the City Council. The Finance Department provides the following services for city government:

1. **Cash management.** Receive and deposit monies into the city's bank accounts; record and reconcile all receipts to bank statements; contract with financial institutions for banking services; ensure the unimpeded inflow of monies to the city's bank accounts and the timely outflow of monies to vendors, claimants and employees; and effectively invest the city's short-term cash reserves.
2. **Investments.** Invest the city's temporary cash reserves in accordance with the city's investment policy, which provides emphasis on safety and liquidity. Maintain the official records of ownership and accounting for investment transactions.
3. **Debt management.** Provide financing recommendations and services to the City Council, which is responsible for the authorization and issuance of all debt. Administer the city's debt program by providing financing for capital projects through the sale of bonds or arranging other long-term financing; refinancing existing bonds when sufficient debt service savings can be achieved; and monitor city compliance with federal tax code and bond covenants.
4. **Budget preparation and administration.** Prepare the biennial budget and provide budgetary reports to the City Council, City Administrator and departments throughout the year.
5. **Accounting services.** Prepare the city's annual financial reports and manage the city's financial accounting system; prepare the payroll; provide departmental accounting support; process accounts payable and audit vouchers; prepare utility billing invoices; monitor grant expenditures and prepare grant reimbursement requests, local improvement district accounting; monitor city revenue sources; fixed asset accounting; and maintain the city's internal control systems.

NARRATIVE OF GOALS 2017 – 2022

FINANCE

Finance

1. **Coordinate the budget and the capital improvement plan.** Combining a realistic capital improvement plan with a long-range forecast of revenue and expenditure trends will change the budget process from an annual snapshot to a continually evolving projection. It will also facilitate the dedication of current resources to future projects through the accumulation of reserves or the dedication of future resources to current projects through the issuance of debt. **2017 - 2022.**
2. **Equipment rental fund.** The city may be required to establish an equipment rental and revolving fund. This fund will be used as a revolving fund for salaries, wages and operations required for the repair, replacement, purchase, and operation of equipment, and for the purchase of equipment, materials, and supplies needed for the administration and operation of the fund. **2017 - 2022.**
3. **Indirect Cost Allocation.** Develop an indirect cost allocation plan in order to equitably distribute costs among benefitted departments. **2017-2018.**

NARRATIVE OF OBJECTIVES 2017 – 2018

FINANCE

1. **Indirect Cost Allocation.** Develop an indirect cost allocation plan in order to equitably distribute costs among benefitted departments. **2017-2018.**
2. **Extended Budgeting.** Continue to coordinate with Accela to consider installing the extended budgeting module to our financial accounting system. If installed, this will facilitate smoother flow of financial information between departments. **2017-2018.**
3. **Long Term Debt Continuing Disclosure Policy.** Develop a policy governing continuing disclosure for the City's outstanding long term debt to assist compliance with the related continuing disclosure requirements. **2017-2018.**

FINANCE

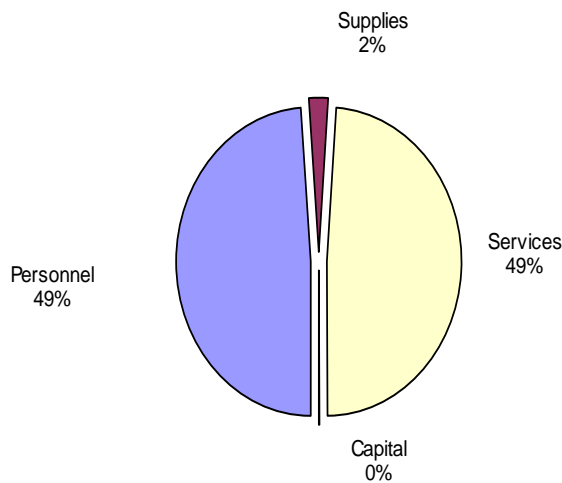
CAPITAL OUTLAY 2017 – 2018

Total Capital Outlay is \$0.

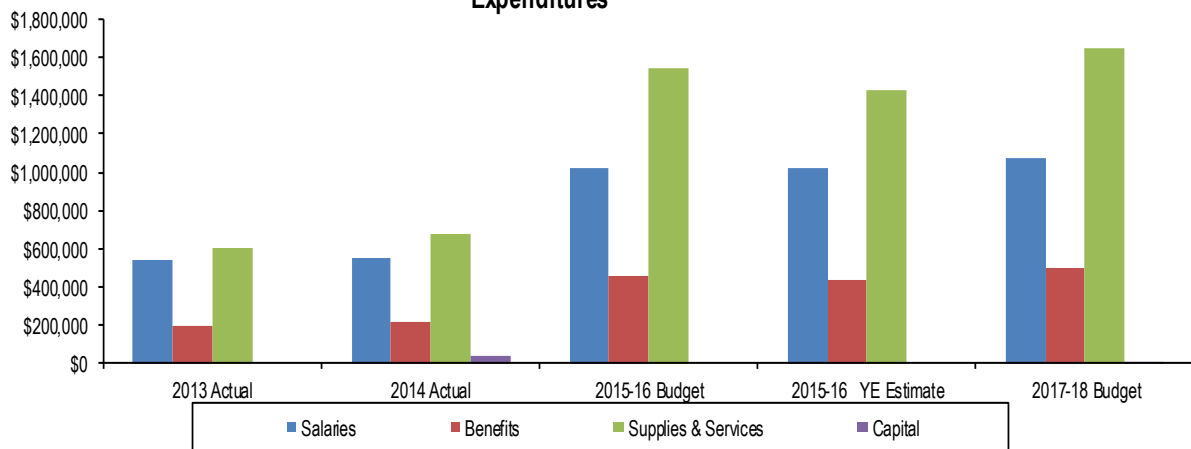
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 541,390	\$ 548,963	\$ 1,024,500	\$ 1,017,904	\$ 1,076,939
Benefits	200,760	217,575	456,400	439,192	497,598
Supplies	56,109	41,455	93,000	66,377	74,000
Services	548,236	630,136	1,456,200	1,361,145	1,574,459
Capital expenditures	-	38,572	-	-	2,400
Total expenditures	\$ 1,346,495	\$ 1,476,701	\$ 3,030,100	\$ 2,884,619	\$ 3,225,396

2017-18 Budget



Expenditures



DESCRIPTION OF FUNCTION

POLICE

Our mission is to continually provide exceptional law enforcement services to our citizens, always looking for ways to improve our performance through strong partnerships with our community.

ADMINISTRATION

The Administration Section is headed by the Chief of Police who is assisted by a Lieutenant. This unit is tasked with providing leadership, direction and support to the agency. This includes short and long-range planning and forecasting, resource acquisition, responsible budget formulation and administration, operational planning and employee development through ongoing training and performance reviews. Additionally, two Police Services Specialists provide support services which include information management, retention and dissemination and the provision of direct citizen services such as general inquiries, fingerprinting, background checks, and the issuance of concealed pistol licenses. Property room operations fall within the scope of the Administration Section.

OPERATIONS

The Operations Section is responsible for the majority of direct police services throughout the city. This includes patrol, traffic enforcement, drug control, and other community support duties. The patrol function provides police visibility, responds to calls for service, interacts collaboratively with citizens, and performs the initial investigation of crimes. Bicycle and motorcycle patrol are utilized to add another dimension to the patrol function serving as an excellent public interaction tool when assigned to business areas or other locations with high volumes of pedestrian traffic and specific traffic problems. Two Sergeants provide direct supervision of the operations personnel while also performing patrol and administrative duties.

INVESTIGATIONS

The Investigations Section is currently staffed by one detective who reports to the Lieutenant. This section is responsible for follow-up of cases beyond the normal responses by the patrol personnel.

MARINE SERVICES UNIT

The city is responsible for ensuring the safety of navigable waters within our jurisdiction and to provide boating safety education. The Marine Services Unit (MSU) is an additional police service provided through scheduled patrols during periods of high boating traffic and on an as-needed basis to achieve this mission. The MSU is utilized primarily throughout the summer months, but is available at other times for emergency

response or special events. Per a Memorandum of Understanding (MOU) with the Washington State Parks and Recreation Department, the MSU is also involved in boating safety education throughout the year. A large portion of the personnel costs incurred by the MSU are covered through receipt of statewide vessel registration fees which is distributed to the city via Pierce County and boating safety grants as available. The MSU is also tasked with the enforcement of derelict vessel laws in all of Gig Harbor. Ninety percent of the potential costs incurred in the removal of abandoned or derelict vessels is reimbursed from the State Derelict Vessel Fund via the Department of Natural Resources. The remaining ten percent of costs can come in the form of in-kind services.

NARRATIVE OF GOALS 2017-2022 POLICE

Our Vision: The Gig Harbor Police Department will proudly be known by our citizens to be a skilled, effective, strong, compassionate and progressive police department while maintaining a personal connection and partnership with the community we protect and serve.

1. **Implement new and continually update departmental policies.** Introduce updated comprehensive policy manual, train personnel to standards and seek to maintain currency of policies and procedures. A draft policy manual is near completion and will likely be in place before 2017. **2017 – Ongoing.**
2. **Increase staffing.** During the previous budget cycle, the police department recovered two positions that had been unfilled since 2008 due to budget considerations. Since that time, the city population has grown by more than 2,000 residents and the retail core has expanded greatly. Calls for service are up significantly, with projections for both population and police responses indicating continued growth. The police department has adapted to its present state by eliminating the Traffic Officer position and by reducing staffing to one Detective (reassigning this position to the patrol division). Response times are increasing and the quality of law enforcement services that has been offered is at risk.
3. **Continue to upgrade technology to improve police efficiency and accountability.** Police Officers rely on in-car computers to receive dispatched information, perform records inquiries, and communicate with surrounding officers. During the last budget cycle, several of our mobile data computers (MDC) installed in the cars became obsolete due to an FBI software requirement. At that time, we began to replace the existing laptop style MDCs with tablet computers which, after installation hardware is mounted, results in greater flexibility and reduced cost for subsequent MDCs. The police department has already replaced 10 of our MDC units, with three more due for replacement over the next biennium. Additionally, we would need to purchase three additional systems in 2017 and two additional systems in 2018 for new FTE.

Additionally, in June 2016, the police department implemented a pilot program to test the use of body-worn cameras (BWC). Three BWCs were purchased and we are currently evaluating their field performance (which appears favorable). BWCs offer an additional layer of officer and citizen accountability in complaint or use of force situations. By necessity, the BWCs function through a dashboard-mounted camera system and digital video recorder, which coincidentally replaced older models that had been in use but had subsequently stopped functioning.

To continue expanding the program of BWCs and to replace the non-functioning dash camera systems that remain in the fleet, the police department would need to purchase 13 additional systems. **2017 – Ongoing.**

**NARRATIVE OF OBJECTIVES 2017-2018
POLICE**

1. **Increase Police Officer staffing by 3 positions in 2017 and 1 positions in 2018.** To meet the public safety needs of our growing city, a projection of three police officer positions (with one of these creating a second Detective position) is needed in 2017 and one more police officer positions is needed in 2018.
2. **Continue to expand the use of available technology.** Implementing additional body-worn cameras (BWC) and replacing many failed dash camera systems (as part of a single package) is needed to continue/expand the use of video technology and increase officer/citizen accountability. **\$86,000 – 2017, \$18,000 – 2018.**
3. **Increase training budget per officer.** Certain state mandates require a specific amount of in-service training hours per officer/year (24). Our risk managers also require specific recurring training. To meet this statutory requirement and address the rising cost of some courses offered, an adjustment of the current training budget from \$10,000 per year to \$18,000 (based on \$1000/officer/year). **\$18,000 – 2017, \$20,000 – 2018.**
4. **Improve emergency response capabilities through partnerships with other agencies.** Sharing resources and expertise with other public safety agencies will become a higher priority. Upgrade and add additional emergency response equipment. Opportunities to participate in regional training and Incident Management consortiums will insure that our staff will receive the most cost effective and up-to-date training and exposure to emergency response. **2017 – Ongoing.**
5. **Seek grants and other outside funding options.** Research and secure funding sources outside normal city revenue sources to support police department initiatives. **2017 – 2018.**
6. **Sustain our marine patrol coverage.** As funding becomes available, we will maintain the hours of marine patrol time and increase the number of hours of public education provided to the community on boating safety topics. This would also include emergency response and continued enforcement of derelict vessel laws. **2017 – Ongoing.**
7. **Support our volunteer programs.** Our C.O.P.S. Volunteer and Police Explorer programs benefit the police department in a number of ways. Examples of this include running errands, disabled parking enforcement, and assisting with crowd/traffic control for large community events. The Police Explorers largely fund themselves and the C.O.P.S. program requires occasional uniform and

equipment items. **\$1,500 – 2017, \$1,500 – 2018.**

8. **Provide financial support for the community youth programs.** Each year, a portion of Motor Vehicle Excise Tax funds is returned to the city for distribution to local youth programs that assist at-risk youth. Historically, this money is divided between the YMCA and the Boys and Girls Club. **\$4,000 - 2017, \$4,000 – 2018.**
9. **Partnership with Pierce County DEM.** Continue our financial support to Pierce County DEM to ensure we continue our collaborative relationship. Pierce County DEM assists with our Emergency Management Response Plan among other tasks. The cost is based on a fee of \$0.85 per capita. **\$7,650 – 2017, \$8,075 – 2018.**
10. **KGHP Radio.** Continue our financial contribution to our local KGHP radio station in return for public service announcements and emergency warnings and notifications. **\$3,000 – 2017, \$3,000 – 2018.**
11. **Fund the provision of specialized services from the Pierce County Sheriff's Department (PCSD).** This special services contract allows the Gig Harbor Police Department unlimited access to the PCSO Special Weapons and Tactics (SWAT), Investigative and Forensic Unit. We will look to add the Officer-Involved Shooting Team services as part of this contract. **\$8,000 – 2017, \$10,000 – 2018.**
12. **Continue to contract dispatch and radio services through South Sound 911 and the Combined Communications Network.** The police department contracts with South Sound 911 from all emergency telephone answering and police dispatching services. We also receive nighttime law enforcement records support through this agency. Additionally, in 2015, the police department was required to migrate to a new digital 700MHz radio system that is owned by the Combined Communications Network (CCN - a consortium of Pierce County Department of Emergency Management and Pierce Transit). The CCN has implemented a system access fee (a charge per radio) that resulted in a cost of approximately \$12,000 in 2016. This fee was a reduced amount based on a one-time contribution from South Sound 911. A budget figure of \$18,000 for CCN was used in this projection. **\$260,990 – 2017, \$274,040 – 2018.**
13. **Upgrade Tasers that are over 5 years old.** The projected life span of a Taser electronic control device is 5 years. Several of these devices are due for replacement during the upcoming budget cycle. The projection is to replace seven in 2017. The current cost of a Taser X26P is \$875.00. **\$6,125 – 2017.**

14. **Replace existing handgun inventory via trade-in.** The police department issued handguns are all over 10 years old and in need of significant maintenance (i.e. springs, night sights, etc.). A trade-in program is available that would result in a net cost of \$164 per gun. The department currently owns 23 handguns. **\$3,772 – 2017.**

15. **Implement additional less-lethal force option.** To provide an additional use of force option below the level of deadly force, a 40mm sponge round launcher with training rounds, field rounds and related maintenance supplies will be added to the department inventory. **\$1,815 - 2017**

POLICE
CAPITAL OUTLAY 2017 - 2018

1. **Upgrade Jail Transportation Van** The police department is responsible for the transportation of court defendants who are incarcerated at one of our two primary jail facilities to the Gig Harbor Municipal Court each Wednesday. As arrest levels continue to climb, the number of jail transports increases correspondingly. The police department now routinely transports greater than five inmates from either jail and if the number exceeds five, additional round-trips are required.

Additionally, the current transport vehicle is a 1999 van that was formerly used by a construction inspector for the city. When the number of inmates exceeds two, this presents a considerable officer safety predicament for the police officer performing the transport duty. A larger and more appropriate transport vehicle that is actually designed for this duty will allow for the greater number of inmate transports and significantly address the obvious officer safety considerations. **\$50,000 – 2017.**

2. **Replace older patrol vehicles in 2017.** The police department is still using three 2007/2008 patrol vehicles that have well in excess of 100,000 miles and are in need of replacement. One additional 2008 patrol vehicle can be retained for at least this biennium. **\$156,000 – 2017.**
3. **Add additional patrol vehicles per FTE.** Each new fully-outfitted patrol car (Ford Utility) costs approximately \$52,000 (including radios, emergency equipment, graphics, and dash/BWC camera systems). Only two new patrol cars would be required in 2017, as the third position would create a second Detective assignment. The police department has an unmarked vehicle that can be utilized by this Detective during the upcoming budget cycle. **\$104,000 – 2017, 104,000 – 2018.**

Total Capital Outlay is \$414,000.

2017-18
STAFF ADJUSTMENTS

I. *Check One:* Request to add a position:

2017 – 3 FTE Police Officers

2018 – 1 FTE Police Officers

Request to delete position:

Request to reclassify a position:

Salary: From \$ 5,411

To \$ 6,765

Change Date: January 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

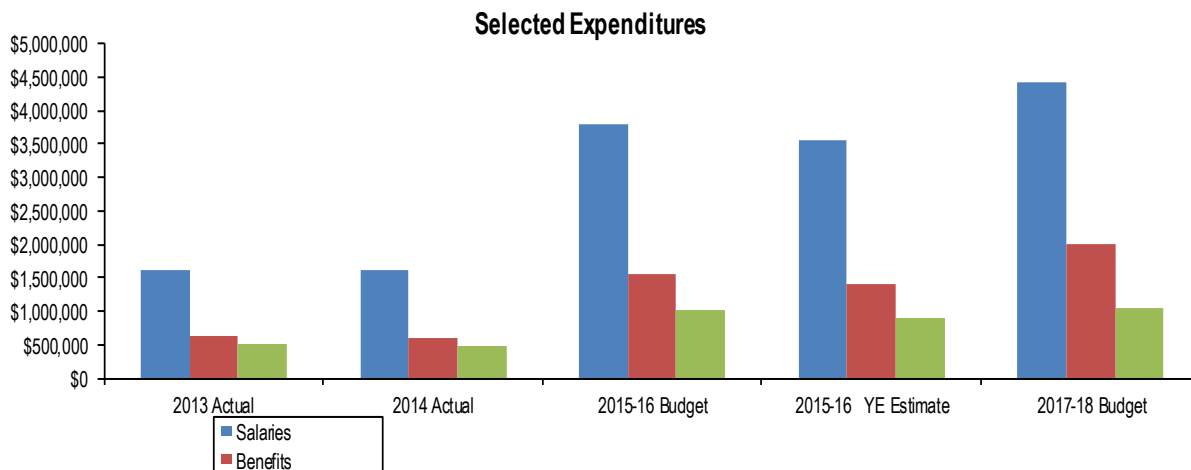
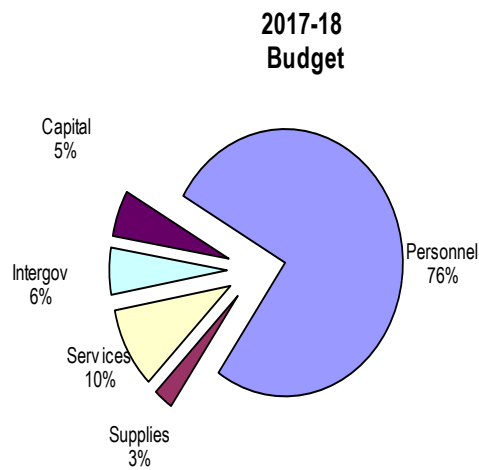
III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

2017 - Add three new police officer positions to meet growth and activity demands within city. One of these positions will create a second detective position. This will increase the officer population ratio to approximately 2.17. Police calls for service are up over 25% in past five years with additional housing and retail growth forthcoming. Arrest totals are increasing at an even faster rate. Calls per officer have increased from 491 (2011) to 558 (2015). More calls for service are requiring additional time spent by the officer (mostly due to changes in law).

2018 – Add one new police officer positions. Population and retail growth projections show continued expansion at a steady rate. Additional officers will be needed to match the corresponding activity levels and provide for effective public safety.

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 1,628,945	\$ 1,628,287	\$ 3,800,000	\$ 3,569,408	\$ 4,420,200
Benefits	618,905	611,570	1,569,500	1,398,652	1,996,100
Supplies	141,048	129,833	288,900	238,977	224,000
Services	361,327	340,308	727,102	668,417	824,880
Intergov't charges	85,529	106,825	224,000	334,141	477,000
Capital expenditures	81,782	100,821	289,500	347,039	471,700
Total expenditures	\$ 2,917,536	\$ 2,917,644	\$ 6,899,002	\$ 6,556,634	\$ 8,413,880



DESCRIPTION OF FUNCTION
PLANNING

1. **Professional policy guidance.** Provide professional policy guidance to the Mayor, City Council, Planning and Building Committee, Planning Commission, Design Review Board and other city departments on all matters related to land use and long range comprehensive planning within the city and its unincorporated urban growth area (UGA).
2. **Community planning activities.** Provide direction for community planning efforts, including the downtown and shoreline planning efforts, economic and community development, future capital facility needs and facilitation of community participation in city planning efforts.
3. **Land use permit process.** Administer the City of Gig Harbor's land use permit process.
4. **Hearing Examiner.** Provide administrative services for the office of the Hearing Examiner. Prepare staff reports for hearings.
5. **Urban growth area project review.** Review applications and environmental assessment reports on projects within unincorporated Pierce County lying within the city's urban growth area in order to provide comment on the impacts and recommended mitigation measures to the Pierce County Department of Planning and Land Services.
6. **Development Agreements.** Administer the process for review of development agreements related to land use permits.
7. **Long Range Planning.** Review and update city land use development codes and maps, as appropriate. Update the Gig Harbor Municipal Code to reflect changes in state law.
8. **Annexation guidance.** Provide guidance to landowners or interest groups who desire to annex unincorporated areas into the City of Gig Harbor, consistent with state law and the city's annexation policy. This includes conducting the required census of newly annexed areas and the submittal of data to the Office of Financial Management. Census for large areas will typically be contracted out to a professional team.
9. **Code enforcement.** Provide enforcement of the city's land-use development, environmental and nuisance codes in a fair, equitable and timely manner.
10. **Inter-governmental relations.** Act as liaison between city, county, regional, state, tribal and federal governmental organizations and agencies, representing the interests of the City of Gig Harbor and its citizens. This includes continued

involvement in inter-jurisdictional coordination under the Growth Management Act through participation and attendance at the Growth Management Coordinating Committee meetings, appropriate Puget Sound Regional Council committee meetings, and participation in the West Central Local Integrating Organization's salmon restoration planning efforts for WRIA 15.

11. **Annual population changes.** Annually evaluate and inventory population changes within the city and its urban growth area. Provide data to the state Office of Financial Management (OFM) and provide maps of annexed areas to the U. S. Census Bureau. **April.**
12. **Capital facility planning.** Work with the Public Works and Finance Departments to identify capital facility needs and funding mechanisms. As necessary, prepare amendments to the Capital Facilities Element for adoption with biennial budget. **Biennially.**
13. **Land use fees.** Review land use fees to determine if they are current. **Annually.**
14. **Historic Preservation.** Continue to implement the Certified Local Government (CLG) program under the Washington State Department of Archaeology and Preservation (DAHP) to identify, evaluate, designate and protect designated historic resources within the boundaries of the City of Gig Harbor for future generations including the implementation of special valuations, a property tax incentive, as provided in Chapter 84.26 RCW.
15. **Grants.** Track, apply for, and administer local, state, and federal grants specific to Planning's functions.

**NARRATIVE OF GOALS 2017 – 2022
PLANNING**

1. **Comprehensive Plan Full Certification - Small Cities Growth Allocation.** Technical review and analysis regarding growth allocations within the City of Gig Harbor Comprehensive Plan, specifically the Transportation Capacity Model and Transportation Element. The scheduled work program drafted with the Engineering Division outlines updates to the Transportation and potentially the Land Use and Economic Development Elements. This project will require continued attendance to working groups with the Pierce County Growth Management Coordinating Committee, Puget Sound Regional Council, and other working groups that may be formed beyond 2017. Planning Commission is scheduled to complete their review of the proposed amendments by end of September in order to provide for City Council review and final action by December 30, 2017. **2017.A**
2. **Annual Comprehensive Plan update.** Annually consider amendments needed to respond to changes in law, policy direction from City Council, and City infrastructure needs. Review privately initiated amendments through the annual docket process. **Annually.**
3. **Evaluation of population changes.** Submit development activity to Pierce County in preparation of future buildable lands reports, additionally work with Washington State Office of Financial Management reporting annual growth in order to have an accurate June 1 population assumption. **Annually.**
4. **Public involvement in the implementation of development regulations.** Explore new methods of encouraging and educating citizen and neighborhood groups so they may provide constructive input during comment periods. Develop a public outreach and engagement program which could include off-site Planning 101 presentations and focused topic seminars at the Civic Center. Continued use of www.gigharborplanning.com, bulk mailing companies, and email notification programs such as Constant Contact will allow more interested parties to find out about planning activities. **Ongoing.**
5. **Client relationships.** Continue to improve overall client relationship performance respective to permit application consultation, code familiarization, permit review and inspection services. Participate in refining permit-tracking processes to provide greater oversight and implementation of central permit coordination. Improve the efficiency of front counter assistance relative to the provision of accurate responses to inquiries and the receiving and organizing of permit applications. Update existing client assistance memos and develop additional client assistance memos on typical permit types and common planning questions. Consider electronic plan submittal and review as a way to increase efficiency in the permit review process. **Ongoing.**

6. **Future capital facility needs projections.** The planning staff will work closely with the Public Works and Finance departments to develop projections for needed capital facilities and financing mechanisms. If amendments to the Capital Facilities Element are necessary, planning will facilitate the processing of the amendment along with the adoption of the biennial budget. **Ongoing.**
7. **The Harbor Element.** Support the Transportation Element update and downtown transportation planning being conducted by Public Works. The outcome of the new transportation plan will provide the Planning Commission the background necessary to review and recommend zoning code and map amendments implementing the Harbor Element, which would occur in future years. **2017 – 2018.**
8. **Update File Management.** In coordination with other departments, continue to analyze filing needs, develop a proposal for, and estimate cost of a new filing system, including required copying onto electronic media, equipment to read and/or copy documents, and storage of existing hard copy files. Continue efforts to manage files based on the State-approved records retention schedule; archiving and purging files as allowed by the schedule and scanning files of historic importance. Consider electronic permit review to reduce on-site storage needs. **2017 - 2018.**
9. **Coordinate and communicate with Pierce County land use planners.** Continue to increase coordination and communication with Pierce County land use planners on the peninsula. Continue with the development of a joint planning agreement between the City Council and Pierce County Council that will address coordination of permit review. **Ongoing.**
10. **Code Enforcement.** Maintain integrity of development regulations through fair, equitable and reasonable enforcement of city standards. Code enforcement is centralized into one part-time code enforcement officer to handle nuisance, critical area, land use, shoreline, clearing and grading, dirty water and work-without-permit complaints for the Planning, Building/Fire Safety and Public Works departments. Along with responding to complaints, activities will include education to citizens, business owners and land owners on code requirements. **Ongoing.**
11. **Certified Local Government Program.** Continue to implement the CLG program under DAHP. Revitalization of historic downtowns and adaptive reuse of historic districts and buildings conserves resources, uses existing infrastructure, generates local jobs and purchasing, supports small business development and heritage tourism and enhances quality of life and community character. Use the results of the Dec-2008 CLG funded Cultural Resources Survey and future historic property surveys to refine the Historic District boundaries and characteristics for zoning and Design Review Guidelines, register city-owned historic properties, continue making application for county, state and federal pass-through grants under the CLG program. **Ongoing.**

**NARRATIVE OF OBJECTIVES 2017 – 2018
PLANNING**

1. **Comprehensive Plan Full Certification - Small Cities Growth Allocation.** As required by PSRC, in order to receive full certification of our Comprehensive Plan and remain eligible for federal transportation funding opportunities, the Planning department and Engineering division must amend the Transportation Element, update the Traffic Demand Model, and analyze the other elements of the Comprehensive Plan for consistency. Additionally, policy amendments are needed to direct the City to evaluate future plan and zoning amendments for consistency with the regional growth strategy. Additional Comprehensive Plan amendments are needed to clearly state the City's policy that growth pays for growth and to avoid any City incentives for additional growth above the adopted 20 year targets. Council passed Resolution No. 1037 addressing these conditional requirements and work program on May 23, 2016. This work must be complete by end of year 2017.

GHMC Amendments, Land Use, Housing, Economic Development, Parks and Recreation, and Capital Facilities Elements. \$25,000 (This does not include the Public Works department objectives that will inform the 2017 Comprehensive Plan Update, particularly the Transportation Element and Travel Demand Model).
2. **Annual Comprehensive Plan Amendments.** Review and process annual amendment docket. Amendments for each annual docket are due by the end of October the preceding year. **Annually.**
3. **Process improvements.** Continue to develop text amendments, standard operating procedures, and client assistance memos which increase permit processing efficiency and improve customer service. Implement the recommendations from the 2016 Latimore Company Review. **Ongoing.**
4. **Land Use Text Amendments.** Respond to State and Federal legislation such as sign code amendments related to recent Federal case law Update the City's Hearing Examiner rules and procedures to clarify public hearings and appeal hearings. Process private-party text amendments initiated by the City Council. Review the Planning Commission's work program annually with the City Council. As necessary, reduce the frequency of Planning Commission meetings to once a month to provide staff and the commission adequate time to prepare for and review the active text amendments. **Ongoing.**
5. **Balance long-range and current planning tasks.** Balance tasks to maintain and improve upon permit processing timelines as permit volume continue increasing. **Ongoing.**
6. **FEMA Special Flood Hazard Area Regulations.** Continue working with the City's consultant to prepare an approach for habitat assessment review of development projects within the Special Flood Hazard Area. Under FEMA required regulations,

almost all projects within the defined area must complete a habitat assessment to show that the project will not affect or will not likely adversely affect endangered species. Currently, the review is conducted on a project-by-project basis, with each project paying an average of between \$2,000 and \$5,000 in consultant fees to prepare the assessment. After discussion with FEMA personnel, they are open to the possibility of the City conducting a programmatic habitat assessment or making other code amendments that could ease the financial and time burden for smaller projects. **\$10,000 – 2017**

7. **Public Outreach and Engagement Program.** Explore new methods of encouraging and educating citizen and neighborhood groups so they may provide constructive input during comment periods. Develop a public outreach and engagement program that would include a variety of tools to educate citizens on complex land use planning issues. Topics could include planning laws, permit process, SEPA, comprehensive plans, design review, Growth Management Act. The program would include off-site Planning 101 presentations to neighborhood groups and organizations and focused topic seminars at the Civic Center. **2017-2018**
8. **Annexation Feasibility Study.** Hire a consultant to assess the feasibility of annexing the 13 different UGA areas identified in the Comprehensive plan. Both Pierce County and Puget Sound Regional Council desire the City to annex all our affiliated UGA areas by 2030. A feasibility study would help the City prioritize areas for annexation as well as identify issues and opportunities for each area (fire flow/taxes/incompatible uses/infrastructure needs/form of annexation). **\$50,000 - 2017**

PLANNING
CAPITAL OUTLAY 2017 - 2018

Total Capital Outlay is \$0

2017

STAFF ADJUSTMENTS

- I. *Check One:* *Request to add a position:*
 Request to delete position:
 Request to reclassify a position

2017 Salary Ranges:

Assistant Planner, \$4,467 - \$5,583

Associate Planner, \$5,148 - \$6,435

Senior Planner, \$6,433 - \$8,041

Salary: As Shown

Change Date: January 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

IV. *Explanation for reclassifying position(s)*

The three separate Planner job classifications (Assistant Planner, Associate Planner, and Senior Planner) would be combined into one Planner Classification Series. This would affect one assistant planner, two associate planners, and two senior planners. No new FTEs would be created.

The classification would have three steps based on a combination of factors such as longevity at city, proven skills, knowledge, performance, education, and certifications. Planners would move through the steps, if desired, via internal review process of Human Resources and the City Administrator. Current staff would enter the series at their current step. Assistant Planner, Associate Planner, etc. would be working titles.

This new classification series would be used as a retention tool in order to reduce the high cost, both in money and time, of staff turnover. As the construction economy continues to boom, more and more planning jobs are becoming available at other jurisdictions and the City could lose quality planners to higher level positions. A planner classification series helps with employee growth and satisfaction as well as provides benefits to the City via retained historic knowledge, community relationships, and efficiency in permit processing.

2017

STAFF ADJUSTMENTS

- I. Check One: Request to add a position:

 Request to delete position:

 Request to reclassify a position

Salary: From \$4,333
 To \$5,416
 (2017 rate / 3% below
Assistant Planner range)
Change Date: January 1, 2017

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

IV. *Explanation for reclassifying position(s)*

This is request include two elements: 1) reclassifying the Planning Assistant to a Planning Technician, and 2) adding a new Planning Technician. These two changes with help the Planning Department handle the increased permit volume and the increased need for public outreach and information.

In 2007, the 4 current planners in the department handled approximately 110 permits each. This case load exceeded the department's ability to be responsive to applicants and meet statutory timelines and an additional associate planner was added in late 2007. With 5 current planners in 2008, the average case load was 75 permits. The department began to see permits numbers drop in 2009 and an associate planner was laid off. Due to the recession and permit volume decline, the average planner case load was between 60 and 75 for 2009 - 2011. Permit volumes have increased since 2011, with an average annual case load size of 100 between 2012 and 2015. For 2016, the case load is expected to be 116 permits. As such, the current planners are not able to respond as quickly as proscribed by our department policies; department stress levels have increased; and, therefore, there is a greater potential that required deadlines will not be met.

The re-class to Planning Technician and an addition of a Planning Technician will allow the workload to be redistributed amongst the planners and technicians. The Planning Technicians will retain the current administrative duties of the Planning Assistant, but will add the review of minor permits such as special use permits, business licenses,

temporary signs, special event permits, etc. This will allow the department to concentrate review of single-family residential (SFR) to the assistant planner level; SFR review is the highest permit type by volume. The shift downward of permit types will also allow the associate and senior planner levels to review the more complex permits without having to juggle simpler permit types. Furthermore, the technicians will take over all counter duty, freeing up 40 hours a week of planner time that can be dedicated to permit review.

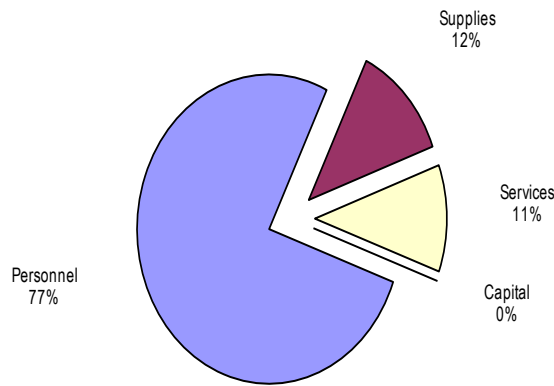
The two Planning Technicians will also allow the department to increase its public presence and outreach. The technicians will handle all public inquires for the department both in person, by phone, and online. They will handle website updates, Constant Contact noticing, and any other new technology employed for public outreach and permit efficiency, such as electronic plan submittal. They will handle the typical permit technician duties: permit intake, completeness review, scheduling of meetings, file and records management. They will also share in the support duties for the DRB, Planning Commissions, Planning and Building Committee, and Hearing Examiner.

The Planning Assistant position will remain on the salary schedule and will be unfilled and unfunded. If it needs to be filled in the future, it will be requested through the budget process.

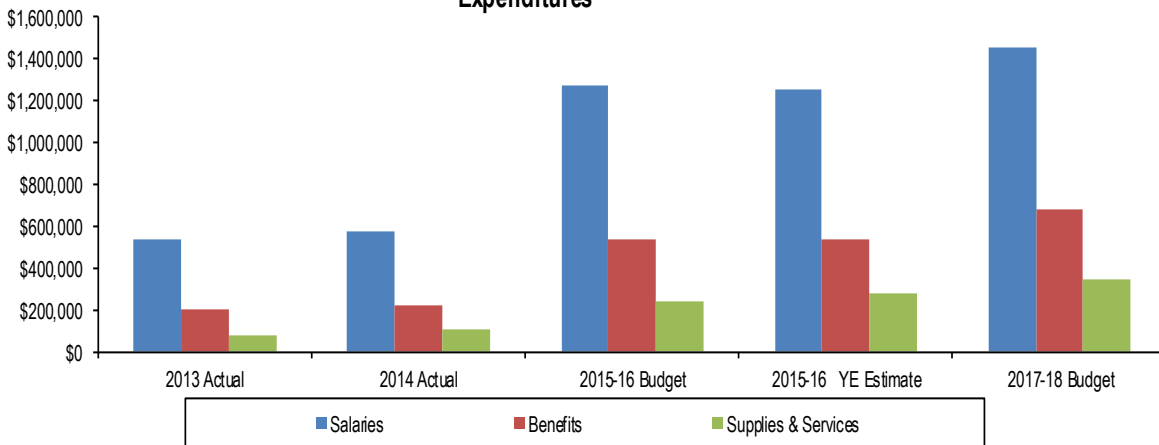
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 540,821	\$ 578,091	\$ 1,276,500	\$ 1,254,864	\$ 1,458,700
Benefits	204,069	224,949	539,200	538,143	683,000
Supplies	10,218	14,840	27,200	28,846	28,900
Services	65,485	91,687	215,100	245,378	312,200
Capital expenditures	-	70	-	-	-
Total expenditures	\$ 820,593	\$ 909,637	\$ 2,058,000	\$ 2,067,231	\$ 2,482,800

2017-18 Budget



Expenditures



BUILDING & FIRE SAFETY
DESCRIPTION OF FUNCTION

1. **Policy guidance.** Advise City officials on policy matters related to building construction, provisions of fire and life safety, and code enforcement.
2. **Community activities.** Promote community health and safety by providing information and education on matters related to building construction; fire and life safety.
3. **Construction permitting and code compliance.** Advance safety and durability in the city's built environment through review, permitting, inspection and approval of all work regulated under GHMC Title 15.
4. **Fire prevention.** Reduce hostile fires through fire code enforcement, fire and explosion investigation, and inspection of commercial occupancies.
5. **Intra/inter-jurisdictional cooperation.** Promote coordination between departments by participating in pre-application conferences and reviewing land use, annexation, and civil construction proposals.
6. **Historic structure codes.** Promote preservation of the city's heritage and sustainable development through the adoption and application of codes addressing the unique aspects of historic structures.

**NARRATIVE OF GOALS 2017 – 2022
BUILDING & FIRE SAFETY**

1. **Maintain up-to-date construction codes.** Enhance public safety and support a healthy construction industry through maintenance of up-to-date construction codes enabling clear, consistent, and predictable application of code provisions. **2017 – 2018.**
2. **Incorporate information technology upgrades in the plan review and inspection programs.** Increase efficiency by using information technology to review and revise plans; access the land information system, codes, and technical information in the field; and facilitate information sharing with customers at their project sites. **2017 - 2018.**
3. **Provide on-demand access to building/fire safety information.** Provide the public with 24/7 access to code, permitting, construction technology, and other pertinent information through the building and fire safety web page with appropriate resource links. **2017 - 2018.**
4. **Continue the Development of a comprehensive fire code compliance program.** Assure public safety and favorable insurance rates by maintaining, within budgetary limitations, a fire code compliance program consistent with GHMC Title 15 and Washington Survey and Rating Bureau requirements. **2017 - 2018.**

NARRATIVE OF OBJECTIVES 2017 – 2018
BUILDING & FIRE SAFETY

1. **Maintain staff competency, professionalism and certifications.** Maintain staff competency, professionalism, and certifications through participation in code update and other relevant professional development opportunities. **December.**
2. **Archive departmental files in digital format.** Scan plans and project files, both new and historic to digital format in order provide improved access and reduce the risk of loss in the event of a disaster. **December & Ongoing**
3. **Provide fire inspection and investigation programs.** Provide for inspection of work done under fire code construction and operational permits and business licenses issued by the city, and for fire investigations compliant with state law. **December & Ongoing.**
4. **Update informational handouts related to department activities and procedures.** Update informational materials related to department activities, policy and procedures making such information available in various media formats. **December.**
5. **Fully develop the City permit tracking program for permit management and data reporting.** Investigate upgrades to the City permit tracking portal for implementation as needed. **December.**
6. **Electronic plan review program.** Maintain a sustainable, efficient and user-friendly electronic plan review program. The program must be cost effective and able to be utilized across all community development departments. **January.**
7. **Purchase a replacement and new vehicle.** The BFSD has been down one vehicle and will need to replace an additional older vehicle having consistent mechanical issues within this budget cycle **\$50,000 – January - December**

BUILDING & FIRE SAFETY
CAPITAL OUTLAY 2017 - 2018

Purchase 1 inspection vehicle. **\$25,000 – January- December.**

Total Capital Outlay is \$25,000

2017-18
STAFF ADJUSTMENTS

Building & Fire Safety

Request to add one FTE Building Inspector in the 2017-2018 budget.

Salary range: \$5,021 - \$6,277

Background:

With the economic downturn in 2008 the Building/Fire Safety Department experienced a significant reduction-in-force taking the department to staffing levels below those of 2002. Since 2009 the department's workload and revenues have increased considerably resulting in increasing delays in permit processing. The trend toward growing workloads for the department's plan review and inspection staff appears set to continue with significant residential and commercial development in the pipeline.

In order to maintain a consistent level of service, which has been a contributing factor to our construction industry's early recovery and resulting positive effect on City revenues, the Department proposes reinstating an FTE building inspector position in the 2017-2018 budget. We believe the figures support this reinstated position which will allow us to continue to meet performance measures and statutory responsibilities while ultimately supporting the health of our construction industry and economy.

The following data generally reflects the department's activity levels since 2009:

	2009	2010	2011	2012	2013	2014	2015
Permit applications	458	520	664	951	787	1033	997
Inspections made	3847	2837	3542	6016	5575	6253	7474
Total revenue	321,349	460,603	796,206	944,287	884,352	1,120,137	1,753,451

2017-18
STAFF ADJUSTMENTS

Building & Fire Safety

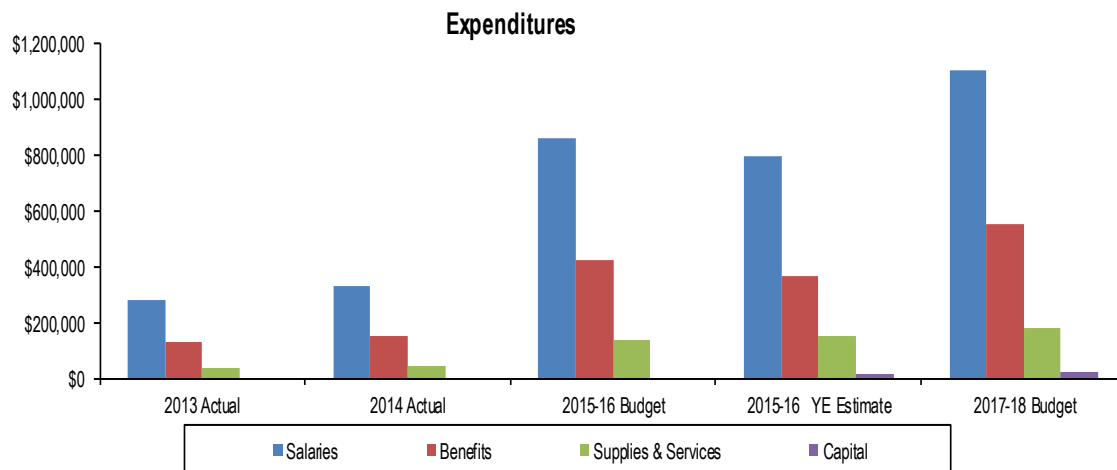
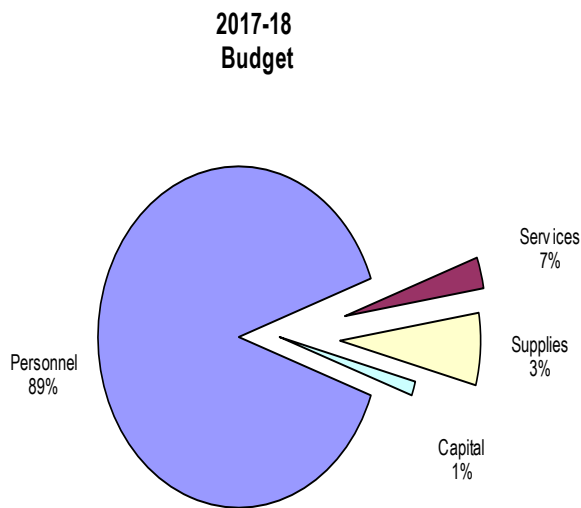
Request to reclassify two Building Inspector positions to:
Assistant Building Official/Fire Marshal

Salary range: \$6,069 - \$7,586

In 2008 the Department's staff included two senior inspector positions. These positions have not been filled for the past 4 years. Because of this the Department has had a difficult time in the distribution of workload with entry level inspectors tasked with senior level work.

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 280,649	\$ 333,737	\$ 858,098	\$ 793,155	\$ 1,101,500
Benefits	130,133	154,147	423,622	364,723	551,000
Supplies	12,470	5,743	36,000	44,087	55,000
Services	27,380	38,424	98,515	108,452	127,000
Capital expenditures	-	24,999	15,000	-	25,000
Total expenditures	\$ 450,632	\$ 557,050	\$ 1,431,235	\$ 1,310,417	\$ 1,859,500



DESCRIPTION OF FUNCTION

PUBLIC WORKS

The Public Works Department is responsible for a wide variety of infrastructure services to the public. Primarily, this involves streets, storm drains, potable and waste water, parks and recreation, building maintenance, and lighthouse maintenance. These services are generally provided by three groups – Operations, Engineering and Wastewater. Below is a more detailed description of each section's function under the Public Works umbrella.

Operations

City of Gig Harbor operations section is responsible for the maintenance of the city's infrastructure including roads, storm drain, parks, water utility, building maintenance, and city-owned equipment.

1. **Streets.** The Streets Division is a general fund function that is responsible for the upkeep of all municipal roadways. This responsibility includes: planning and constructing capital improvements for future growth, right-of-way mowing, street sweeping, vegetation control, asphalt and concrete repair (roads and sidewalks), crosswalk and other pavement markings and striping, street name and regulatory signs and miscellaneous duties that impact the city roadways.
2. **Storm Water.** The storm and surface water management function in an enterprise fund that is responsible for the upkeep of all municipal owned drainage conveyances that collect and discharge surface and storm water. This responsibility includes: roadside ditch cleaning, shoulder grading, catch basin and storm detention pond inspection/cleaning, street and driveway culvert inspection/cleaning, and other miscellaneous duties to help prevent or reduce flooding and protect the environment.
3. **Water.** The Water Division is an enterprise fund that is primarily responsible for water supply and distribution. This responsibility includes: planning and constructing capital improvements for future growth, collecting and testing water samples to ensure water quality, maintaining pumps and electrical motors, fire hydrant repair, and pipe repair. This function also provides meter installation and repairs services, operates and maintains the automated supervisor control and data acquisition (SCADA) system and other miscellaneous duties that help us provide safe drinking water to our customers.
4. **Parks.** The Parks Division is a general fund function that is responsible for the development, repair and maintenance of all city owned parks in the City of Gig Harbor. This responsibility includes: park master planning, exterior facility maintenance and repair, landscape maintenance including the roundabouts and streetscapes. This activity also provides special support services such as upkeep of flower baskets and planters during the spring and summer months, and other miscellaneous duties that keep the city parks functioning efficiently and effectively.

5. **Fleet.** The Fleet Management function is supported by various city funds and is responsible for the maintenance of all light and heavy-duty vehicles and off-road equipment owned and operated by the city. This responsibility includes acquisition of new city vehicles and the resale of city vehicles that have reached the end of their useful life. This function also manages the purchasing, storing and distribution of fuels and automotive parts, contract and vendor management and other fleet related duties that support city operations.
6. **Gig Harbor Lighthouse.** The lighthouse function is a special revenue fund that is responsible for the repair and maintenance of the Gig Harbor lighthouse.
7. **Building Maintenance.** Building maintenance is a general fund function that supports the operation and maintenance of two City general-use buildings (Civic Center at 3510 Grandview Street and Visitor’s Center at 3125 Judson Street).

Engineering

Engineering is considered a General Fund division of Public Works that is also supported by other Public Works funds. The narrative of goals for Engineering are shown in this section of the budget. However, the narrative of objectives for Engineering has been incorporated into the narrative of objectives for the various other fund sections of this budget. Engineering is primarily responsible for carrying out city infrastructure improvements and review of public, city capital, and private developer funded development projects. This includes various permit reviews of all development that affects public infrastructure. Engineering also implements city-wide studies in order to identify and implement improvements to infrastructure as well as performing long-range infrastructure planning duties. Engineering comprises capital improvement and development review functions. Engineering also provides support, engineering, permit and project management services to all the various divisions of the Public Works Department. Engineering also works closely with other city departments, elected officials, and the public to ensure that our infrastructure is designed and installed properly and that it meets all local, state, and federal standards and guidelines. Engineering over the years has established a partnered and effective interlocal agency partnerships with other local and state agencies including; Pierce County, Washington State Department of Transportation, Washington State Department of Fish and Wildlife, Washington State Public Works Board, Washington State Transportation Improvement Board and the Department of Ecology.

Wastewater

The Wastewater Division is an enterprise fund that is primarily responsible for collecting and treating wastewater. This wastewater, which is generated from residences, businesses and other users, is collected and safely conveyed to the city’s wastewater treatment facility for treatment then treated and discharged in a safe, efficient and environmentally sound manner in accordance with permit requirements. This function is also responsible for planning and constructing capital improvements for future growth, annual inspections and cleaning of wastewater main lines, wastewater manhole inspection and cleaning, general system operation, wastewater pump stations maintenance, and bio-solids hauling and disposal.

NARRATIVE OF GOALS 2017 – 2022
PUBLIC WORKS

Operations

Long-range goals are summarized under the Narrative of Goals within each of the parks, streets, water, storm water, and building maintenance sections of this budget document.

Engineering

1. **Implementation of Comprehensive Plan.** As financially feasible, construct the identified water, storm, wastewater, parks, and transportation improvements specified within the city's comprehensive plan and associated utility planning documents. **2017 - 2022.**
2. **Public works standards.** Periodically update the water, storm, wastewater, parks, and transportation elements of the Public Works Standards as needed. **2017 - 2022.**
3. **Development review.** Review plans for and perform construction inspection of the public portion of private development projects to ensure they meet the city's standards. **2017 - 2022.**
4. **Transportation Improvement Plan.** Develop and implement the annual update to the Six Year Transportation Improvement Program, consistent with the Comprehensive Transportation Plan. **2017 - 2022.**
5. **Interagency Partnerships.** Maintain the established partnerships and develop additional partnerships with other local and federal agencies.
6. **ADA transition Plan.** Implement and update the transition plan to address citizen concerns as well as Federal mandates.
7. **Grants.** Track, apply for, and administer local, state, and federal grants. Examples include the various state RCO grants, salmon recovery/environmental grants (SRFB, nearshore, PC salmon fund, conservation futures, etc.), federal grants & appropriations (EPA, STAG, Dept. of Interior, HUD-EDI, etc.), various state grants (Urban Vitality, DNR, DOE, CTED, etc.).

Wastewater

Long-range goals are summarized under the Narrative of Goals within the wastewater sections of this budget document.

NARRATIVE OF OBJECTIVES 2017 – 2022
PUBLIC WORKS

Plan, construct, and maintain city infrastructure. See specific list of objectives summarized within the city's park, street, water, building maintenance, wastewater and storm water sections of the budget.

CAPITAL OUTLAY 2017 – 2022
PUBLIC WORKS

Operations – see Parks, Street, Water, and Storm sections for a detailed description of capital outlay.

Engineering – see Parks, Street, Water, Wastewater and Storm sections for a detailed description of capital outlay.

Wastewater - see Wastewater section for detailed description of capital outlay.

DESCRIPTION OF FUNCTION
PARKS DIVISION - OPERATING

The Parks Operating Division is responsible for providing a variety of quality outdoor recreational opportunities and facilities for the citizens of Gig Harbor and visitors. Staff provides services for acquisition, development, planning, maintenance, cleaning, repair and improvement of over 132 acres of park land and 8.45 miles of trails and support facilities, including 11 restrooms, 60 garbage cans, 24 dog bag dispensers, as well as inventory and testing of city-owned backflow devices. This includes aesthetic, functional, and seasonal features along city arterials and pedestrian corridors such as the hanging flower baskets and banners. The program also provides support for the annual city parade and other community events utilizing city facilities and providing recycling opportunities.

NARRATIVE OF GOALS 2017 – 2022
PARKS DIVISION - OPERATING

1. **Trail patrol program.** Look into developing and implementing a trail patrol program at the Parks Commission's request. Staff support would include coordination with community volunteer group. **2017 - 2022.**
2. **Park recycling program.** Continue to expand the recycling program in city parks. **2017 - 2022.**
3. **Volunteer program.** Utilize the volunteer program with a list of pre-determined tasks. **2017 - 2022.**
4. **Donation process.** Utilize the donation policy to include standard locations and furnishings pre-determined by Public Works and the Parks and Arts Commissions, as appropriate. **2017 - 2022.**
5. **City parks information on website.** Provide up-to-date information and detail on city parks, including driving directions, available amenities, the donation policy, and park boundaries. **2017 - 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018
PARKS DIVISION - OPERATING

1. **Holiday decorations.** Decorate streetscapes along city arterials with seasonal banners throughout the year. Decorate during the winter holiday season with cedar garlands and bows to bring a warm, festive look to the harbor. **Work with business groups and merchants to offset the cost - \$6,000 – 2017, \$6,000 - 2018.**
2. **Concerts in the park.** Provide support for weekly concerts at Skansie Brothers Park during the summer months and tree lighting event. (Financed entirely by corporate community support.) **\$26,000 – 2017, \$26,000 – 2018.**
3. **Movies in the park.** Provide support for monthly outdoor movies at Skansie Brothers Park and Donkey Creek during the summer months using a portable screen. (Financed entirely by corporate community support.) **\$4,000 – 2017, \$4,000 – 2018.**
4. **Seasonal flower baskets and city planters.** Coordinate with community group who will purchase, plant and maintain all city-owned planters and flower baskets. Provide assistance with selection, locations, placement and removal of hanging baskets. **\$2,000 – 2017, \$2,000 – 2018. (Work with business groups and merchants to offset the cost.)**
5. **Wilkinson Farm Park Tree Removal.** Wilkinson Farm Park contains an historic holly grove that was established around 1925 for the sale of harvested holly and crafted wreaths. Over the years, maple trees have encroached on the grove, putting the health of the holly in danger. In order to reclaim the orchard, the overgrown maple trees need to be thinned **(In house). \$4,000 – 2017, \$4,000 - 2018.**
6. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Estimated cost is \$123,000 - 2017 (Parks - \$61,500 Street - \$24,600, Water - \$12,300, Storm - \$24,600), 123,000– 2018 (Parks - \$61,500, Street - \$24,600, Water - \$12,300, Storm - \$24,600).**
7. **Video Surveillance.** Purchase two (2) wireless monitor system for security and safety. These systems are currently in place and have proven to be effective. Restroom and park vandalism is a concern and the systems in place have proven to be effective. This system is portable. **\$6,000 – 2017, \$6,000 – 2018.**
8. **Cushman Trail Markings.** Restripe Cushman trail and provide location markers. **\$5,000 – 2017.**
9. **Crescent Creek Ball Field Restoration.** Renovations and repairs to ball fields to include re-leveling the field, installing functional drainage system, irrigation

- upgrades and fencing fabric replacement. **\$125,000 – 2017.**
10. **KLM Ball Field Restoration.** Renovations and repairs to ball fields to include re-leveling the field, installing functional drainage system, irrigation upgrades and fencing fabric replacement. **\$65,000 – 2017.**
 11. **Donkey Creek Park.** Renovations and repairs to park to include leveling, installation of functional drainage system, irrigation upgrades and fencing fabric replacement. **\$40,000 – 2018.**
 12. **Maritime Pier Groundwater Monitoring.** Complete the removal of the contaminated soil and perform confirmation post soil sampling to confirm that the contaminated soil has been removed and delist the property from the hazardous list of State contaminated sites. **\$100,000 - 2017.**
 13. **Donkey Creek Engine Installation.** Relocation and installation of historic Donkey Creek engine to park. **\$10,000 – 2018.**
 14. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting Subscription and Support for 50 users. ArcGIS license pack for 50 users integrates system with Esri to use location to make work, asset, request and resource data more useful and accurate. Also obtain further support through AWCs GIS consortium. **\$25,000 – 2017 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250) \$25,000 – 2018 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250).**
 15. **Water Bottle Filling Station.** Construction two (2) water bottle filling stations. This would increase public awareness to carry refillable containers and keep plastic out of the landfills; the station would have information about the advantages of refilling bottles. **\$4,000 – 2017 (Parks \$2,000, Water \$2,000) \$4,000 – 2018 (Parks \$2,000, Water \$2,000).**
 16. **Trash Can Replacement Program.** The lids and liners of existing cans are in constant need of replacement and refinishing. It is requested parks upgrade to a powder coated metal style for parks and street receptacles. **\$20,000 – 2017 (Parks \$10,000, Street \$10,000).**
 17. **Herbicide Shed.** Construct a designated building to securely store herbicide inventory. Herbicides can be toxic and pose environmental and occupational hazards if improperly stored, a dedicated area would protect chemicals from external elements. **\$5,000 – 2018(Parks \$2,500, Streets \$2,500).**
 18. **Stanich Trail (south side of Grandview Forest Park).** Development of a pervious asphalt walk trail stretching from Stanich Avenue to McDonald Avenue. **\$20,000 – 2017.**

19. **Movie Screen.** Replace existing screen used for summer movies. Included in the price is an AV package with a new audio system, video projector, stand, DVD player and cable. **\$6,010 – 2017.**
20. **Skansie House Sidewalk Improvements.** Remove hedge and replace crumbling sidewalk along the frontage of the Skansie House. **\$15,000 – 2017.**
21. **Skate Park Play Structure.** Replace existing swings with safety compliant ones. **\$22,000 – 2018.**
22. **Structural Inspection.** Assessment of up to four park structures for condition and repair recommendations. **\$10,000 – 2017.**

**PARKS DIVISION – OPERATING
CAPITAL OUTLAY 2017 – 2018**

1. **Replace existing 18-year old Chevrolet 4x4 ¾ ton pickup truck (#1051) with a new 4x 4 ¾ ton pickup truck and new utility box.** This truck was originally purchased at auction in 2001. The vehicle is a high mileage truck with 134,000 miles and has become expensive to maintain and is becoming unreliable. **\$51,000 – 2017 (Parks \$12,750, Streets \$12,750, Water \$12,750, Storm \$12,750).**
2. **Replace 2003 Chevrolet 4x4 ¾ ton pickup with a 4x4 1/2 ton pickup.** This was a bad year for this truck engine with many issues that take up labor and resources. **\$40,000 – 2017 (Parks \$10,000, Streets \$10,000, Water \$10,000, Storm \$10,000).**
3. **Replace existing 1997 small equipment trailer (#2005).** The new trailer is four foot longer and has more capacity than the existing trailer. It will be more versatile for moving existing and newer equipment. **\$12,000 – 2017 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000).**
4. **John Deere mower replacement.** Replacement for 2007 4 wheel drive, all wheel steering, zero turn mower. New mower would have the option for a collection system which is needed for larger lawn grooming. The current model is in need of maintenance and due to model year all parts are special order. The benefit to the John Deere X739, 4 wheel drive and all wheel steering, can be used on any lawn area. **\$14,000 – 2017 (Parks \$10,500, Streets \$3,500).**
5. **Striping Machine.** Cushman Trail requires center striping maintenance. Larger trucks cannot fit on the trail, this equipment can be attached to our current striper machine which has the ability to navigate the trail. **\$9,000 – 2018.**
6. **Walk behind concrete saw.** Replacement for existing equipment purchased in 1998, repaired several times and no longer viable. **\$6,000 – 2017 (Parks \$1,500, Streets \$1,500, Storm \$1,500, Water \$1,500).**

Total Capital Outlay is \$46,750

2017
STAFF ADJUSTMENTS

I. *Check One:* (X) Request to add a position: Laborer (Parks)

 () *Request to delete position:*

 () *Request to reclassify a position:*

Salary: \$3,420 - \$4,275 (2017
range)
(5% below 2017 Custodian
range)

Change Date: February 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

Beginning in 2017, the City's Operations Staff will be tasked with sustaining many new facilities, which will require a significant increase in on-going operation and maintenance needs. These new facilities and their respective increased weekly maintenance demands are as follows: Gig Harbor North Gateway Park (6 hrs./wk.), Welcome Plaza and Restrooms (25 hrs./wk.), and Ancich Waterfront Park (15 hrs./wk.). This total anticipated annual increase is approximately 2,300 labor-hours.

The City's Operations Staff also has been unable to stay current with existing routine maintenance needs. Instead, staffing levels have typically only been able to provide the minimum work to maintain sanitary conditions and limit vegetation growth. By adding this requested laborer position, the following tasks requiring significant and on-going attention will be completed incrementally: Cushman Trail trimming and sweeping, trail repairs at Adam Tallman Park, Wilkinson Farm Park holly orchard repair, invasive plant removal at Austin Estuary Park, Visitors Center landscaping improvements, repair to Eddon Boat House building, add ground covers to existing dilapidated landscape areas, and restroom maintenance (beyond daily cleaning). This total anticipated annual increase is approximately 1,800 labor-hours.

The Public Works Department is proposing one new laborer position with a new job description for the purpose of assisting with performing the above mentioned

basic maintenance and repairs. The new position would primarily perform tasks related to parks maintenance including restroom cleaning, garbage collection, operation of light-duty equipment, and vegetation maintenance as outline in the tasks above. However, the job description would allow the for the maintenance and repair of all city functions, including parks, streets, water system, storm system, and sewer system.

Since the maintenance needs listed above exceed the availability of one FTE (2,080 labor-hours), Public Works is also proposing separately to add two seasonal help.

2017
STAFF ADJUSTMENTS

- I. *Check One:* (X) Request to add a position: 2 Seasonal Help (Parks)
 () *Request to delete position:*
 () *Request to reclassify a position:*

*Salary: From \$ 12.50 /hr.
 To \$ 14.00 /hr.*

*From \$10,000 /yr.
 To \$11,200 /yr.*

Change Date: January 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

The City's Operations Staff has been unable to stay current with existing routine maintenance needs. Instead, staffing levels have typically only been able to provide the minimum work to maintain sanitary conditions and limit vegetation growth. By providing two additional seasonal help positions, the following tasks requiring significant and on-going attention will be completed incrementally: Cushman Trail trimming and sweeping, trail repairs at Adam Tallman Park, Wilkinson Farm Park holly orchard maintenance, invasive plant removal at Austin Estuary Park, Visitors Center landscaping improvements, repair to Eddon Boat House building, add ground covers to existing dilapidated landscape areas, and restroom maintenance (beyond daily cleaning). This total anticipated annual increase is approximately 1,800 labor-hours.

The Public Works Department is proposing two additional seasonal help positions for the purpose of assisting with performing the above mentioned basic maintenance and repairs. The additional positions would primarily perform tasks related to parks maintenance including restroom cleaning, garbage collection, operation of light-duty equipment, and vegetation maintenance as outline in the tasks above. However, the job description would allow the for the maintenance and repair of all city functions, including parks, streets, water system, storm system, and sewer system.

2017
STAFF ADJUSTMENTS

I. *Check One:* *Request to delete position:*

Request to add a position:

Request to reclassify a position: Maintenance
Technician to
Facilities
Maintenance
Mechanic

Salary: \$4,855 - \$6,069 (2017 range)

Change Date: January 1, 2017

II. *Explanation for deleting position(s) (include description of position and rationale for deleting position):*

III. *Explanation for adding new position(s) (include description of new positions' responsibilities, impact of office staff and work load, circumstances which resulted in new responsibilities being created, and funding support):*

Request to reclassify the Part-Time Maintenance Technician position to a Part-Time Facilities Maintenance Mechanic. This change will more accurately reflect the level and scope of duties and responsibilities of this particular position. The incumbent in this position must have the ability to maintain, perform diagnostics, preventative maintenance, and repairs on the City's HVAC, electrical, plumbing, and fire suppression systems in any City-owned facility/property. The position should be filled at this higher-level classification, should it become vacant, to ensure continuity of City facilities maintenance work.

This position performs journey-level work in skilled trades maintenance, such as carpentry, electrical, HVAC, plumbing, masonry, locksmithing or related in any City-owned facility or property. The position is distinguished from the Maintenance Technician job classification by performing specialized higher-level work in City facilities and properties that requires a specialized knowledge and skill level, as well as a higher level of responsibility for planning, organizing, and carrying out work.

This position will still report to the Public Works Superintendent and may serve in a project or job lead capacity, depending on assignment. The requirements for Facilities Maintenance Mechanic are a high school diploma or GED and three or more years of journey-level work experience in one or more of the building, mechanical, electrical, carpentry, plumbing, construction, or related trades areas with documentation of such experience. This position requires a valid driver's license,

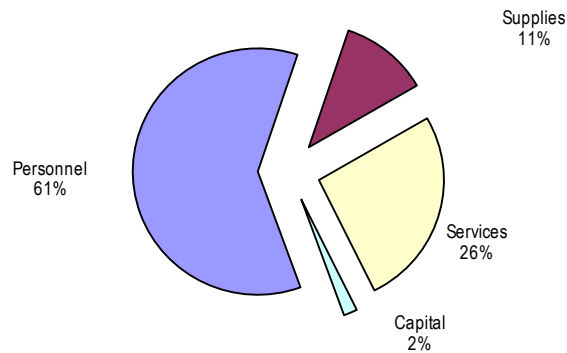
(but does not require a Commercial Driver’s License), and the ability to wear a respirator.

Special requirements include possession of, or the ability to obtain an HVAC Proper Refrigerant Usage Certification (Section 608 Type I, Type II, and Type III) within six months of the date of hire. An EL-01 electrician’s license is desired, but not required.

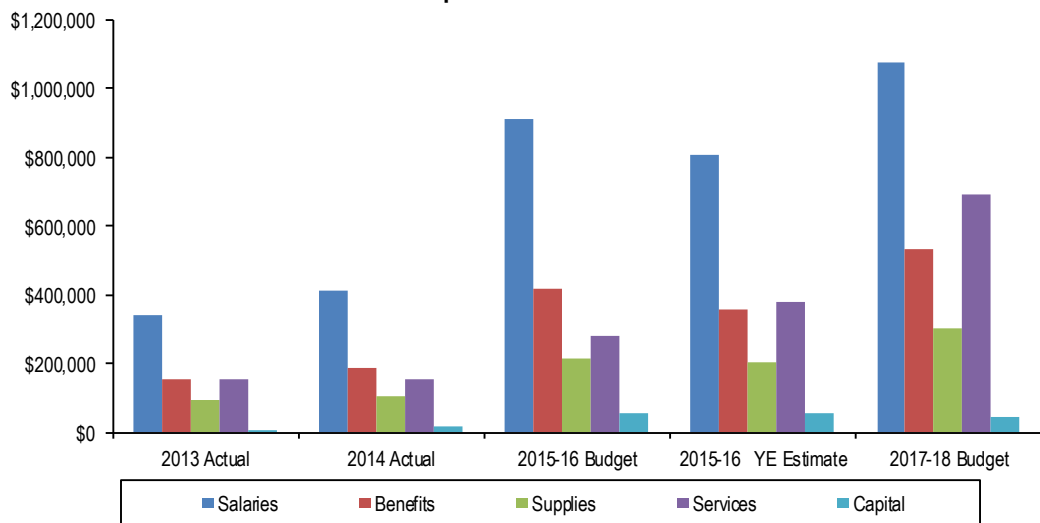
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 341,635	\$ 414,080	\$ 913,200	\$ 808,947	\$ 1,077,980
Benefits	156,479	185,804	417,000	357,602	531,120
Supplies	94,924	104,609	214,000	205,482	304,635
Services	153,802	153,671	280,000	381,606	690,250
Capital expenditures	8,287	17,819	59,400	56,983	46,750
Total expenditures	\$ 755,127	\$ 875,983	\$ 1,883,600	\$ 1,810,620	\$ 2,650,735

2017-18 Budget



Expenditures



DESCRIPTION OF FUNCTION
CITY BUILDINGS

The City Buildings function is to maintain, preserve and enhance city buildings, including the City Civic Center and the Welcome Center, in accordance with city codes and community standards to provide a safe, pleasant, attractive, and productive environment for city activities, the public and tenants. (Note: Grounds maintenance and improvements for city buildings are incorporated under the Parks Division.) Operation of Community Service Program as mandated by Gig Harbor Municipal Court is also covered under this function.

**NARRATIVE OF GOALS 2017 – 2022
CITY BUILDINGS**

1. **City buildings.** Maintain, and construct minor improvements to the Civic Center and Welcome Center consistent with budgeted objectives and available staff. **2017 - 2022.**
2. **Community service.** Supervision and documentation of the community service participants. **2017 - 2022.**
3. **Grounds maintenance.** Continue to improve the landscaping throughout the grounds at the Civic Center, utilizing community service participants, full-time staff and seasonal workers. **2017 - 2022.**
4. **Security equipment (electronic hardware and software).** Install security equipment to provide security for employees as well as the public. **2017 – 2022.**
5. **Security measures.** Provide additional security measures for the offices of the Court Clerks/Cashier and the Finance Cashier. **2017 – 2018.**

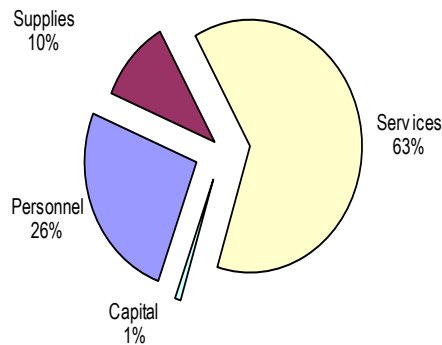
NARRATIVE OF OBJECTIVES 2017 – 2018
CITY BUILDINGS

1. **HVAC.** Hire a contractor to perform heating and air-conditioning systems modifications to provide more consistent temperature in the development services building. **\$5,000.**
2. **Systems testing.** Perform mandatory annual testing on fire systems, elevator, etc. included in city buildings base operating budget. **\$12,000.**
3. **Floor Cover Cleaning.** Strip waxing of tile and deep cleaning of carpeted areas. **\$6,000 -2017, \$6,000 – 2018**
4. **Civic Center painting and repairs.** Paint the Civic Center trim, doors and make repairs to siding, flashing, fascia and soffits. **\$275,000 – 2018.**
5. **Re-Roof Civic Center Buildings.** Replace the entire Civic Center roof. The roof leaks continue to be a problem and have been patched temporarily. Undetected leaks could cause major damage and escalate repair costs. Some of the funds could come from a class action claim or warranty claim against the shingle manufacturer. **\$402,000 – 2017.**
6. **Police Gate Lock Operators.** Replace the existing operators on the two (2) police gates. The existing ones do not code and have needed several repairs. **\$34,000 – 2017.**
7. **Server Room A/C unit.** Existing unit requires constant maintenance and needs to be replaced. **\$15,000 – 2017.**
8. **Carpet/Hard floor Scrubber.** Purchase a combination carpet and hard floor scrubber. **\$13,000 – 2018.**
9. **HVAC Controls.** Re-commission HVAC controls along with training on new system. **\$7,000 – 2018.**
10. **Interior Lighting.** Programmatic replacement of existing light fixtures with color adjustable LEDs where ever possible throughout the building. **\$35,000 – 2017, \$35,000 - 2018.**
11. **Visitors' Center.** Per terms of lease, paint interior and replace carpeting and tile. Exterior repair to inoperable water fountain. **\$36,000 – 2017.**
12. **Security equipment (electronic hardware and software).** Install security equipment to provide security for employees as well as the public. **\$5,000 - 2017**

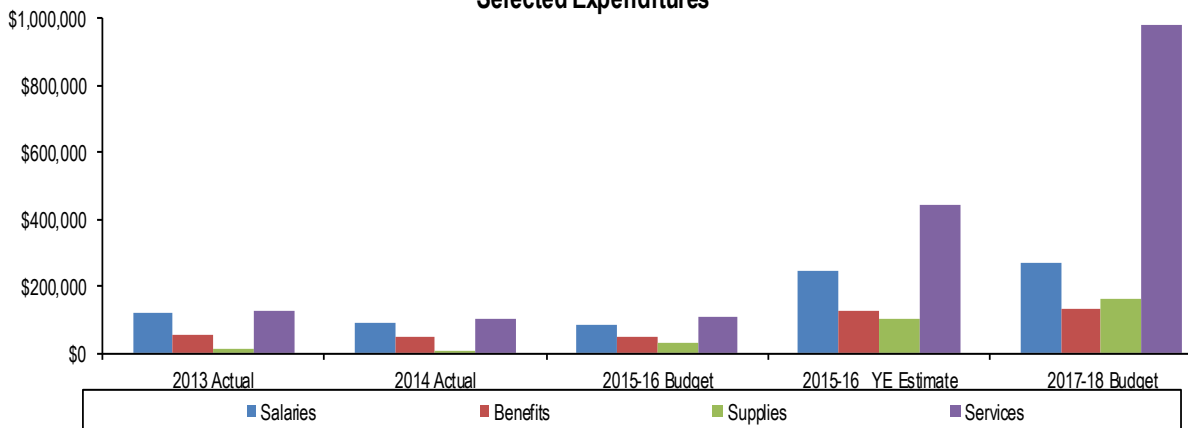
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 Estimate	2017-18 Budget
Salaries	\$ 87,370	\$ 92,682	\$ 245,900	\$ 224,275	\$ 268,800
Benefits	46,302	50,324	125,500	115,338	131,800
Supplies	30,851	48,422	101,200	83,436	165,000
Services	106,209	95,035	443,563	184,824	978,400
Capital expenditures	-	-	-	10	13,000
Total expenditures	\$ 270,732	\$ 286,463	\$ 916,163	\$ 607,883	\$ 1,557,000

2017-18 Budget



Selected Expenditures



3. SPECIAL REVENUE FUND TYPE

Street Operating - Fund 101	125
Street Capital - Fund 102.....	136
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Impact Fee Trust - Fund 309	176
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Lighthouse Maintenance - Fund 605	182

DESCRIPTION OF FUND TYPE
SPECIAL REVENUE FUND

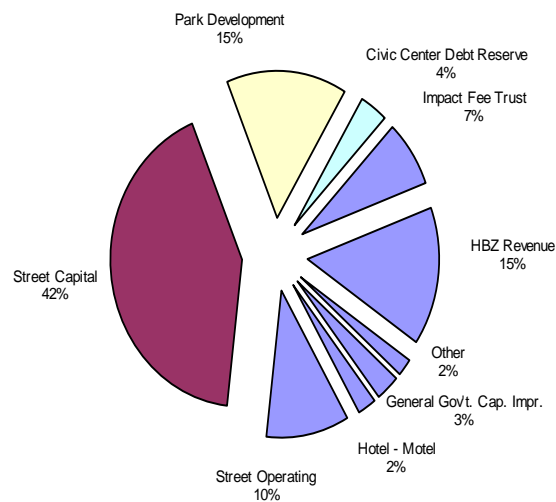
Special revenue funds are used to account for revenues derived from specific taxes or other sources that are designated to finance particular activities of the city.

These funds include Street Operating, Street Capital, State Drug Investigation, Federal Drug Investigation, Hotel - Motel Tax, Public Art Capital Project, Park Development, Civic Center Debt Reserve, Strategic Reserve, Equipment Replacement Reserve, General Government Capital Development, General Government Capital Improvement, Impact Fee Trust, Hospital Benefit Zone Revenue, and Lighthouse Maintenance.

Expenditures By Fund

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Street Operating	\$ 2,043,976	\$ 2,192,385	\$ 4,065,289	\$ 4,074,383	\$ 5,401,493
Street Capital	3,947,436	1,761,983	4,090,621	4,497,285	22,309,040
Drug Investigation State	8,028	8,185	8,706	8,385	8,405
Drug Investigation Federal	28,242	21,552	18,594	19,900	19,416
Hotel - Motel	370,029	455,060	861,192	919,008	1,022,242
Public Art Capital Projects	92,195	92,268	87,377	88,823	109,023
Park Development	1,422,042	4,596,532	7,078,255	4,507,357	7,845,101
Civic Center Debt Reserve	1,546,344	1,614,920	1,756,064	1,752,968	1,827,968
Strategic Reserve	1,090,606	941,034	577,988	581,079	745,079
Equipment Repl Reserve	150,394	200,577	221,302	221,723	322,723
Capital Development	513,143	635,037	1,202,367	1,309,797	1,624,197
General Gov't. Cap. Impr.	457,295	574,515	1,108,917	1,242,297	1,552,697
Impact Fee Trust	1,397,607	1,436,334	1,993,811	2,933,316	3,897,316
Hospital Benefit Zone Revenue	4,628,179	4,947,293	7,276,797	6,706,290	8,091,420
Lighthouse Maintenance	2,116	1,215	1,214	-	-
Total Special Revenue	\$ 17,697,632	\$ 19,478,890	\$ 30,348,494	\$ 28,862,611	\$ 54,776,120

2017-18 Budget



DESCRIPTION OF FUNCTION

STREET DIVISION - OPERATING

The function of the Streets Division - Operating is to provide a safe, functional, efficient and aesthetic transportation system for the movement of people, goods and services through efficient maintenance and construction of improvements to the city's streets, pedestrian corridors, and bicycle routes. The emphasis as a "pedestrian friendly" community is on preservation and enhancement of pedestrian access in the city's residential and commercial areas. More specifically, the functions performed through this fund include:

1. **City streets.** Maintaining and improving the city's streets, pedestrian corridors, and bicycle routes that may include the following activities:
 - Street maintenance and repair, including, pavement markings, shoulder grading, chip seals, slurry seals, crack sealing and pavement patching/overlays/rehabilitation or other pavement treatments.
 - Street construction and reconstruction.
 - Sidewalk and walkway construction, improvement and/or replacement.
 - Installing and maintaining street and pedestrian lighting and traffic control devices (signs and signals).
 - Snow removal and ice control.
 - Street cleaning including debris and litter removal.
 - Right-of-way encroachment permit issuance and inspection of activities within the right-of-way consistent with the provisions of city code and state law.
 - Administer the Adopt-a-Road program that provides an opportunity for community groups to volunteer their services to assist staff in removing debris and litter from city rights-of-way.
2. **Transportation system.** Developing a transportation system that balances the need for enhanced community and neighborhood livability with the need for safe and efficient access to commercial and employment centers for the movement of people, goods and services.
3. **Transportation options.** Preserving and enhancing multi-modal transportation options through cooperation and participation with other agencies in development of programs and projects.
4. **Funding.** Searching and applying for supplemental funding to support transportation system functions and objectives as identified in the adopted Comprehensive Transportation Plan and current Six-Year Transportation Improvement Program (TIP).
5. **Development review and inspections.** Reviewing and inspecting development proposals and projects for conformance with city standards, the Comprehensive Transportation Plan, both the Six-Year and Twenty-Year Transportation

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- Improvement Programs (TIP), concurrency requirements, applicable State Environmental Policy Act (SEPA) mitigation and/or impact fee requirements, and accepted engineering and construction practices.
6. **Concurrency.** Managing the concurrency and traffic impact fee programs consistent with city codes.
 7. **Fleet.** Maintenance of light and heavy-duty vehicles (including police) and off-road equipment owned and operated by the city, acquisition of new city vehicles and the resale of city vehicles that have reached the end of their useful life. This function also manages the purchasing, storing and distribution of fuels and automotive parts, contract and vendor management and other fleet related duties that support city operations.
 8. **Comprehensive Transportation Plan.** Updating and implementing both the Six-Year and Twenty-Year Transportation Improvement Program (TIP) consistent with the city's Comprehensive Plan and Transportation Element (Comprehensive Transportation Plan), and biennial budget.
 9. **Capital Improvement Program.** Continue to work with federal, state, and local agencies (Pierce County, Kitsap County, Pierce Transit, and Tacoma Public Utilities), citizens, property owners, developers, elected officials, and Planning and Building to identify facility improvement needs, and develop and secure funding for construction of transportation facility improvement projects in accordance with both the city's Six-Year and Twenty-Year Transportation Improvement Program (TIP), Comprehensive Transportation Plan, and the city and funding agency requirements.
 10. **Transportation Improvement Program.** Develop and implement the annual update to both the Six-Year and Twenty-Year Transportation Improvement Program (TIP), consistent with the Comprehensive Transportation Plan, and biennial budget.
 11. **Sidewalk restoration program.** Develop and implement a sidewalk maintenance program modeled on successful programs at other agencies, and utilizing the current annual sidewalk inventory to identify and prioritize sidewalk sections needing repair and/or replacement.
 12. **Traffic management.** Continue to work with the Gig Harbor Police Department, concerned citizens, business and property owners, and elected officials to identify, monitor, and resolve traffic control and parking issues.
 13. **Pavement management system.** Continue to refine and utilize a pavement management system to classify needed maintenance activities for all city streets. The program will account for all annual repair and rehabilitation measures to be incorporated annually to extend the life of the city's pavement system.

NARRATIVE OF GOALS 2017 – 2022
STREET DIVISION - OPERATING

1. **Fleet maintenance.** Initiate a more comprehensive fleet maintenance program to perform routine maintenance activities, and manage a maintenance management system for city-owned vehicles and equipment. This effort will be coordinated with an Equipment Rental and Revolving (ER&R) program developed by the Finance Department to better track equipment usage and costs, and to provide a systematic replacement mechanism. **2017 - 2022.**
2. **Sign inventory.** Continue to work on the GIS mapping system to include street name and directional signage. **2017 - 2022.**
3. **Annual transportation capacity availability and traffic model update.** As required per the city's municipal code, annually update the city-wide traffic capacity availability report and city-wide traffic model. **2017 - 2022.**
4. **Citywide street signage reflectivity program.** Develop and continue towards the adoption of the federally mandated change-out of all city signs and pavement markings to be compliant with new Manual on Uniform Traffic Control Devices (MUTCD) reflectivity standards. **2017 - 2022.**
5. **Neighborhood traffic calming policy.** Develop a policy for adoption by the council that will provide guidance to citizens regarding traffic calming strategies for city neighborhoods. **2017 – 2022.**
6. **Streetscapes.** Maintain existing street planters and landscape improvements and provide additional weed control techniques. Enhance city entrances with additional landscape improvements. **2017 - 2022.**
7. **City-wide Pavement Management Program.** In combination with city and consultant staff, complete a city-wide survey and rating system in the city's major roadways. The results will be used in prioritizing city streets for overlays, chip seals and grant funding opportunities. **2017 - 2022.**
8. **Regulatory Signing and Striping Evaluation and Upgrades.** Field assessment of existing signing and striping installations with modification as necessary to ensure consistency with standards. **2017 – 2022.**
9. **Speed Limit Evaluations.** Perform engineering and traffic investigations as necessary to reevaluate or establish speed limits in accordance with RCW 46.61.415 (WAC 468-95-045). **2017 - 2022.**
10. **Roadway Shoulder Maintenance Program.** Develop and institute a periodic and routine roadway shoulder maintenance program utilizing the Interlocal Agreement with Pierce County. **2017 - 2022.**

11. **Non-motorized Facilities Plan.** Utilizing consultant services, update the existing plan for use in prioritized sidewalk and non-motorized path projects. **2017 - 2022.**
12. **ADA City Sidewalk and Curb Access Ramp Transition Plan.** Complete the inventory of all the City's sidewalks and ramps, and formally adopt the ADA transition plan. Continue the conversation of the non-compliant intersection curb ramps. **2017 - 2022.**
13. **Update Federal Functional Classification Roadway Update.** Annually analyze and update the city's roadway classification through WSDOT. **2017 – 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018
STREET DIVISION - OPERATING

1. **Pavement Markings.** Install and repaint pavement markings on city streets including the newly annexed areas. **\$75,000 – 2017, \$75,000 - 2018.**
2. **Transportation Capacity Availability Report and Traffic Model.** In accordance with the state and city code requirements, collect annual intersection turning counts to use in the annual update and calibration of the City’s concurrency traffic model. The concurrency traffic model update and report serves as the Annual Transportation Capacity Availability Report. Also, update growth assumptions and incorporate into the City’s short and/or long range traffic model. These results will be used to evaluate the timing of future transportation improvement needs, provide updated information for the City’s Transportation Element of the Comprehensive Plan, and update the transportation improvement plan. **\$60,000 – 2017, \$60,000 - 2018.**
3. **Traffic Impact Fee Update.** Based upon the growth traffic demand model, perform an impact fee analysis and adopt those increased fees. **\$25,000 – 2017.**
4. **ADA Self-Evaluation & Transition Planning Program.** Continue developing and implementing the programmatic replacement of non-conforming curb ramps. **\$150,000 – 2017, \$150,000 - 2018.**
5. **Transportation Concurrency Modeling.** Reimbursed by developer fees. **\$40,000 – 2017, \$40,000 – 2018.**
6. **Non-Motorized Improvement Program (Including Harborview Dr. Master Plan Update).** Based on the planned “Non-Motorized Plan” update, begin a program to extend, connect gaps and upgrade existing elements in the City’s non-motorized system per the plan recommendations as well as completion and adoption of the revised Harborview Dr. Master Plan Update . **\$200,000 – 2017.**
7. **Street Signage Retroreflectivity.** Continue working on inventory and implementation of the on-going program for change-out of all city signs to be compliant with new Manual on Uniform Traffic Control Devices (MUTCD) reflectivity standards. Utilize interlocal agreement with Pierce County to test retro reflectivity on current sign inventory. **\$20,000 – 2017, \$20,000 – 2018.**
8. **Street Tree Replacements.** Replace tree root damaged street trees as needed. **\$15,000 – 2017, \$15,000 - 2018.**
9. **Sidewalk Replacements.** Replace tree root damaged sidewalks as needed. **\$20,000 – 2017, \$20,000 - 2018.**

10. **Guardrail Inspection and Replacement Program.** Conduct ongoing inspection and replacement program of guardrails throughout the City. **\$15,000 – 2017, \$15,000 - 2018.**
11. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **\$ \$123,000 - 2017 (Parks \$61,500, Streets \$24,600, Water \$12,300, Storm \$24,600), \$123,000 - 2018 (Parks 61,500, Streets \$24,600, Water \$12,300, Storm \$24,600).**
12. **Traffic Signal Maintenance Program.** Continue a periodic and routine traffic signal maintenance program utilizing the Interlocal Agreement with Pierce County and Washington State Department of Transportation. **\$35,000 – 2017, \$35,000 - 2018.**
13. **Roundabout Rapid-Flash Beacon Crosswalk System.** Purchase three (3) rapid-flash beacon crosswalk systems for the lower Borgen Roundabout. This will replace existing in-pavement crosswalk systems. The existing systems require frequent maintenance. Coordinate with ADA pedestrian ramp program. **\$65,000 – 2018.**
14. **Roundabout Rapid-Flash Beacon Crosswalk System.** Purchase three (3) rapid-flash crosswalk systems for the Harbor Hill Drive and Borgen Roundabout to replace existing in-pavement crosswalk systems. The existing systems require frequent maintenance. Coordinate with ADA pedestrian ramp program. **\$65,000 – 2017.**
15. **Mid-Block Rapid-Flash Beacon Crosswalk System.** Purchase and install pedestrian crossing rapid-flash crosswalk system to replace the existing in-pavement system along North Harborview Drive at Anthony's Restaurant. **\$14,000 – 2017.**
16. **Mid-Block Rapid-Flash Beacon Crosswalk System.** Purchase and install pedestrian crossing rapid-flash crosswalk system to replace the existing in-pavement system along Harborview Drive at Dorotich Street. **\$14,000 – 2018.**
17. **Mid-Block Rapid-Flash Beacon Crosswalk System.** Purchase and install pedestrian crossing rapid-flash crosswalk system where no in-pavement system exists at the intersection of Harborview Drive and North Harborview Drive. **\$20,000 – 2018.**
18. **Radar Speed Signs.** Purchase two (2) speed signs to remind drivers of the speed limit to slow down traffic. These signs will be used at various locations. **\$10,000 – 2017.**
19. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the city's facilities, public spaces and infrastructure. Enterprise Platform includes a cloud-shared hosting subscription and support for 50 users.

ArcGIS license pack for 50 users integrates system with Esri to use location to make work, asset, request, and resource data more useful and accurate. Also obtain further support through AWCs GIS consortium. **\$25,000 – 2017 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250) \$25,000 – 2018 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250).**

20. **Trash Can Replacement Program.** The lids and liners of existing cans are in constant need of replacement and refinishing. Upgrade to a powder coated metal style for parks and street receptacles. **\$20,000 – 2017 (Parks \$10,000, Streets \$10,000).**
21. **Borgen Boulevard Median.** Remove grass within median strips and replace with red concrete. Medians are hazardous to maintain and concrete requires minimal maintenance. **\$7,000 – 2017.**
22. **Annual Pavement Maintenance and Repair Program.** Perform pavement repair on 45th St Ct. **\$150,000 – 2017.**
23. **Transportation Plan Revisions.** Assist the Planning Department with addressing PSRC comments related to the City's Comprehensive Plan certification. Perform a major update of the transportation element to include numerous traffic modeling scenarios and provide an in-depth analysis of transportation improvements that will be necessary in the future and a recommended schedule for implementation. **\$200,000 – 2018.**
24. **City-wide Speed Limit Update.** Review in-house and update speed limits. This item provides for upgraded speed survey equipment and software. **\$50,000 – 2017.**
25. **Herbicide Shed.** Construct a designated building to securely store herbicide inventory. Herbicides can be toxic and pose environmental and occupational hazards if improperly stored, a dedicated area would protect chemicals from external elements. **\$5,000 – 2018 (Parks \$2,500, Streets \$2,500).**

**CAPITAL OUTLAY 2017- 2018
STREET DIVISION - OPERATING**

1. **Replace existing 18-year old Chevrolet 4x4 ¾ ton pickup truck (#1051) with a new 4x4 ¾ ton pickup truck and new utility box.** This truck was originally purchased at auction in 2001. The vehicle is a high mileage truck with 134,000 miles and has become expensive to maintain and is becoming unreliable. **\$51,000 – 2017 (Parks \$12,750, Streets \$12,750, Water \$12,750, Storm \$12,750) 101-017-594-44-64.**
2. **Replace 2003 Chevrolet 4x4 ¾ ton pickup with a 4x4 1/2 ton pickup.** This was a bad year for this truck engine with many issues that take up labor and resources. **\$40,000 - 2017 (Parks \$10,000, Streets \$10,000, Water \$10,000, Storm \$10,000) 101-017-594-44-64.**
3. **Replace 2007 street sweeper with a new regenerative or vacuum sweeper.** The existing sweeper has outlived its service life. It is a regenerative air machine and has served the City well, but it will require a major overhaul involving expensive parts within the year. The leaf screen and debris hopper are getting very thin due to work environment and these items are expensive to repair. The pervious concrete and asphalt streets are expanding and the new sweepers meet the needs to maintain the roadways properly. **\$180,000 – 2017 (Streets \$90,000, Storm \$90,000).**
4. **Replace existing 1997 small equipment trailer (#2005).** The new trailer is four foot longer and has more capacity than the existing trailer. It will be more versatile for moving existing and newer equipment. **\$12,000 - 2017 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000) 101-017-594-44-64.**
5. **Sidewalk Vacuum Sweeper.** Due to expanding amount of pervious sidewalks within the city, there is a need to purchase a riding vacuum sweeper to maintain pervious ones. Vacuum sweepers are able to properly clean the voids in sidewalks allowing storm water to re-enter the ground. **\$30,000 – 2017 (Streets \$15,000, Storm \$15,000) 101-017-594-44-64.**
6. **Accubatch Brine Maker.** Brine making equipment will allow the city to produce its own supply as opposed to purchasing from Pierce County. This purchase will result in a savings of roughly 50% and the city could potentially sell excess supply to **Pierce County. \$40,000 - 2017.**
7. **John Deere mower replacement.** Replacement for 2007 4 wheel drive, all wheel steering, zero turn mower. New mower would have the option for a collection system which is needed for larger lawn grooming. The current model is in need of maintenance and due to model year all parts are special order. The benefit to the John Deere X739, 4 wheel drive and all wheel steering, can be used on any lawn area. **\$14,000 – 2017 (Parks \$10,500, Streets \$3,500).**

8. **Walk behind concrete saw.** Replacement for existing equipment purchased in 1998, repaired several times and no longer viable. **\$6,000 (Parks \$1,500, Streets \$1,500, Storm \$1,500, Water \$1,500) – 2017.**

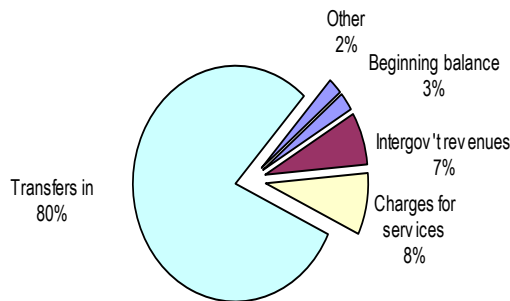
9. **Purchase Indeco hydraulic breaker.** The hydraulic breaker will be used to remove sidewalk and curb thrust blocks. It can also break concrete into smaller, more manageable chunks. Currently personnel is breaking concrete manually or using a 90 # jack hammer. This equipment will be safer, more efficient and avoid potential employee injuries. **\$7,100 – 2017 (Streets \$3,550, Water \$3,550).**

Total Capital Outlay is \$179,300

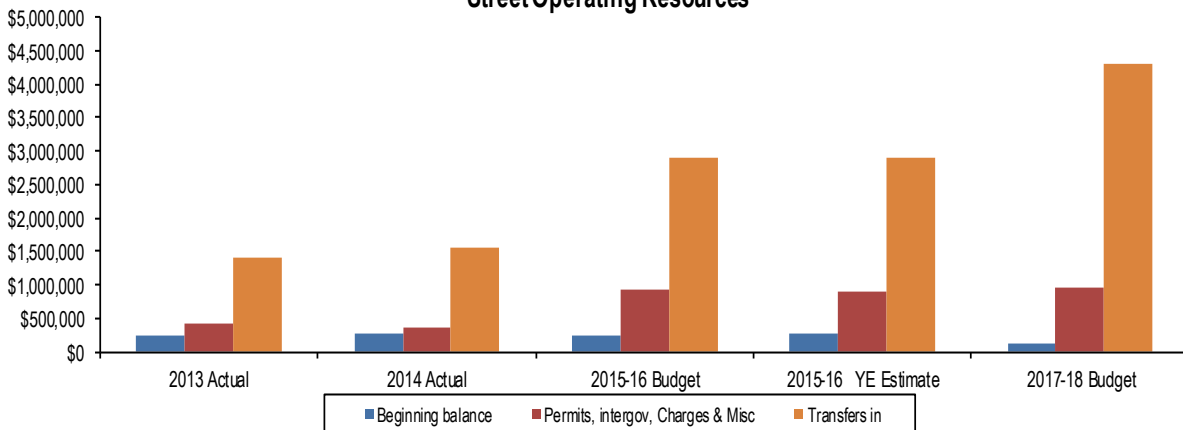
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 229,011	\$ 281,826	\$ 248,616	\$ 265,748	\$ 135,056
Licenses & permits	21,200	20,330	31,266	40,875	40,000
Intergov't revenues	151,821	158,205	333,917	356,680	389,562
Charges for services	203,267	169,701	345,058	498,714	456,375
Miscellaneous	802	4,413	103,820	12,365	80,500
Transfers in	1,400,000	1,546,000	2,900,000	2,900,000	4,300,000
Other	37,875	11,910	102,612	-	-
Total revenues	1,814,965	1,910,559	3,816,673	3,808,635	5,266,437
Total resources	\$ 2,043,976	\$ 2,192,385	\$ 4,065,289	\$ 4,074,383	\$ 5,401,493

2017-18 Budget

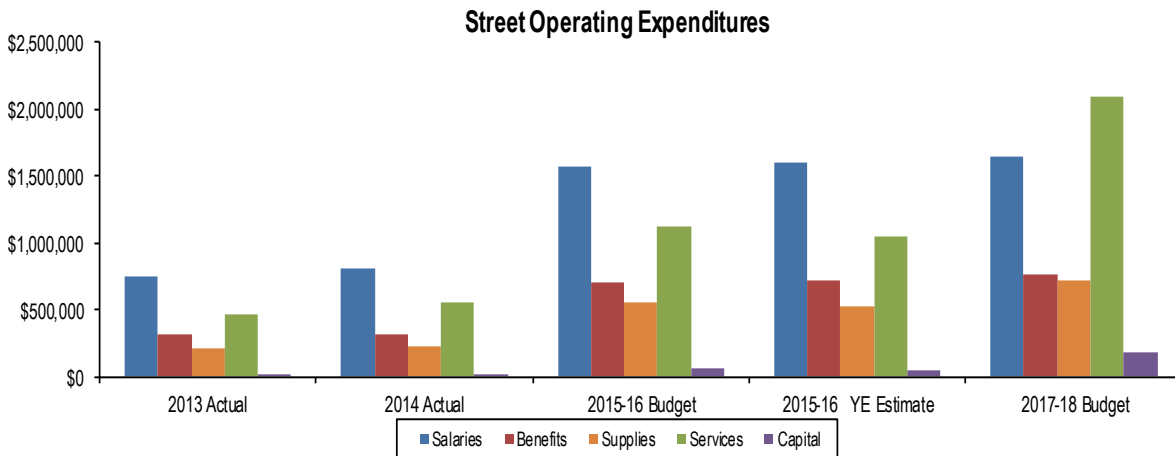
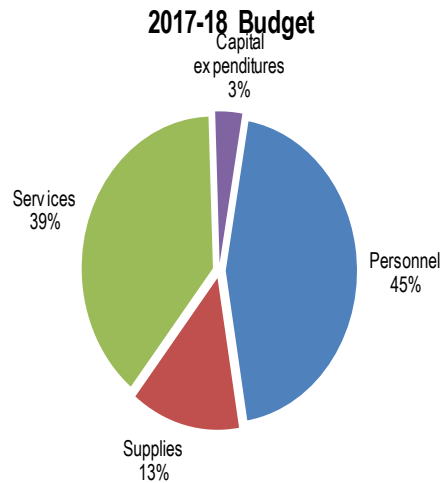


Street Operating Resources



Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 752,682	\$ 807,992	\$ 1,571,084	\$ 1,607,096	\$ 1,646,812
Benefits	316,629	321,866	702,212	715,234	761,488
Supplies	213,873	219,545	552,874	524,567	723,225
Services	470,679	559,365	1,124,751	1,043,340	2,089,746
Capital expenditures	8,287	17,869	62,000	49,089	179,300
Total expenditures	1,762,150	1,926,637	4,012,921	3,939,326	5,400,571
Ending balance	281,826	265,748	52,368	135,057	922
Total uses	\$ 2,043,976	\$ 2,192,385	\$ 4,065,289	\$ 4,074,383	\$ 5,401,493



DESCRIPTION OF FUNCTION
STREET DIVISION - CAPITAL

This fund accumulates resources for major street capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include general fund contributions, grants, and private contributions.

NARRATIVE OF GOALS 2017 – 2022
STREET DIVISION - CAPITAL

1. **Public Works Maintenance Facility Site Plan Design and Construction.** Replace the antiquated maintenance facility with a functional facility to include provisions for public meeting space, additional staff parking, sewer connection, covered equipment and material storage, administrative functions, staff areas, sign shop, decant facility, waste recycling and fleet maintenance. **2017 – 2018.**
2. **50th Street Extension.** Complete the construction of pavement, curb, gutter, sidewalk, and lighting improvements from KLM Veterans Park to 38th Avenue. **2017 – 2022.**
3. **38th Street Improvements.** Design, permit, and construct roadway, sidewalk and bike lane improvements and related stormwater facilities along 38th St. between Hunt and city limits in a multi-phase project. **2017 – 2022.**
4. **Grandview Street Improvements - Phase I & II.** Construct pavement, curb, gutter, lighting, and sidewalks on both sides of Grandview Street between Stinson Avenue and Pioneer Way and also between Soundview Drive and the Civic Center. **2017 – 2022.**
5. **Harborview Drive Sidewalk and Roadway Improvements (Harborview/Judson project future phases).** Construct the various roadway and sidewalk improvements along Harborview Drive between Pioneer Way and North Harborview Drive. **2017 – 2022.**
6. **Borgen/Burnham Drive/SR 16 Long-Term Improvements.** Continue to monitor current traffic volumes at this interchange as recommended in the Interchange Traffic Study and work on financial opportunities towards funding the long-term improvement. **2017 – 2022.**
7. **Sidewalk Gap Connection.** Design and construct various missing sections of sidewalk, for example, on Point Fosdick from 45th Street Court to Briarwood Lane and Burnham Drive between Harborview Drive and the new Cushman Trail Crossing, as budgeting funding allows. **2017 – 2022.**
8. **Harbor Hill Drive Extension.** Extend Harbor Hill Drive to Burnham Drive. **2017 – 2018.**
9. **Wollochet Drive/Wagner Way Intersection Signalization.** Signalize the intersection at Wollochet and Wagner Way. Maintain SEPA developer contributions in Street Capital fund balance. **2017 – 2022.**
10. **Borgen Boulevard Street Lighting between Burnham and 51st to lower roundabout.** Install street lighting on Borgen Boulevard. **2017 – 2022.**

11. **Electric Vehicle Charging Stations.** Assess possible vehicle charging station locations in or around the downtown area and install two (2) Level 2 vehicle charging stations. **2017.**
12. **50th Street Extension.** Complete the final design and permitting then construct the extension of 50th Street to 38th Avenue. **2017 – 2022.**
13. **SR 16 Congestion Relief.** Continue to Lobby the State Legislature for additional monies to not only continue the SR 16 congestion relief study, but also identify preferred east/west connections across SR 16 and obtain the necessary construction funds to fund these corridor relief projects. **2017 – 2021.**

NARRATIVE OF OBJECTIVES 2017 – 2018
STREET DIVISION - CAPITAL

1. **Public Works Shop – Metal Building.** Install the metal building (72'x40") acquired from the History Museum property at the Public Works Shop for additional covered storage. This building will need new metal siding, a concrete slab and roofing. **\$100,000 - 2017 (Streets - \$15,000, Parks - \$15,000, Water - \$30,000, Storm - \$10,000, Wastewater - \$30,000).**
2. **Public Works Operations Center – Site Development.** Complete the site design and site permitting then construct the frontage improvements and site civil improvements related to the new Public Works Operations Center. **\$1,600,000 - 2017 (Parks \$400,000, Streets \$400,000, Water \$640,000, Storm \$160,000). \$600,000 - 2018 (Parks \$150,000, Streets \$150,000, Water \$240,000, Storm \$60,000).**
3. **Public Works Operations Center – Building Construction.** Complete the building design and building permitting of the new Public Works Operations Center. **\$3,000,000 - 2018 (Parks \$750,000, Streets \$750,000, Water \$1,200,000, Storm \$300,000).**
4. **Harbor Hill Drive Extension.** Complete the design, procure the necessary right of way and construct the Harbor Hill Drive extension to Burnham Drive utilizing Hospital Benefit Zone, Traffic Impact Fees, and Real Estate Excise Tax funding in combination with an \$8,000,000 TIB Grant. **The total project cost is \$15,000,000 of which \$2,240,000 will have been spent in the prior biennium pertaining to the right of way purchase, engineering and permitting costs. \$12,760,000 - 2017- 2018.**
5. **Harborview Drive Sidewalk Improvement.** Construct the previously designed and permitted improvement project consisting of a 5 ½ foot wide sidewalk, curb and gutter along the east side of Harborview between North Harborview Drive and Burnham Drive. Funded by TIB grant (\$340,000) and REET funds (\$395,000). This work is dependent on consensus by an adjacent developer and TIB funds. **\$735,000 – 2017.**
6. **Harborview Pedestrian Improvements (Vicinity of Ancich Park).** Complete the design, permitting, right of way acquisition, and construct widened sidewalks on water side of Harborview Drive between Eddon Boat Park and Novak Street along with other mitigation and traffic calming improvements associated with the Ancich Park project funded by HBZ. **\$300,000 - 2018.**

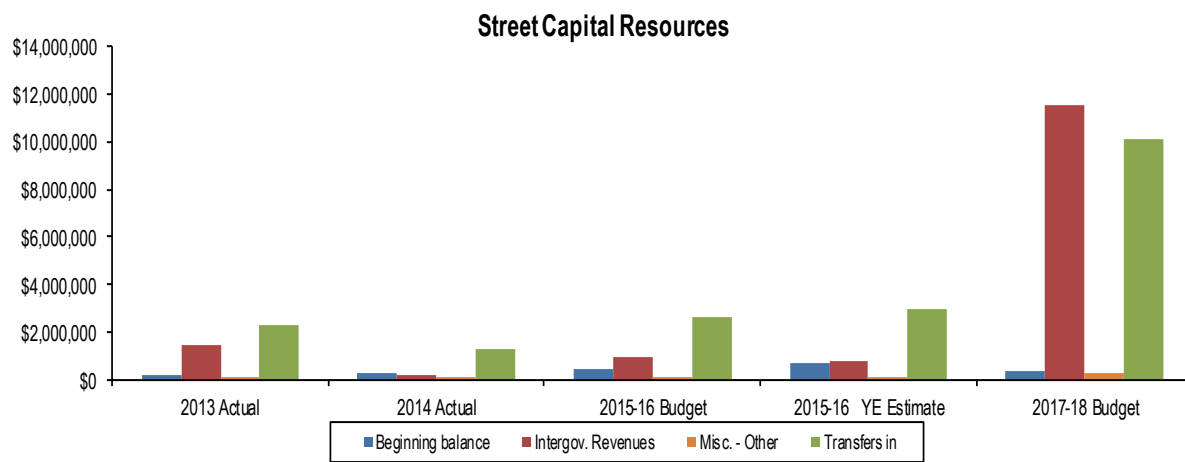
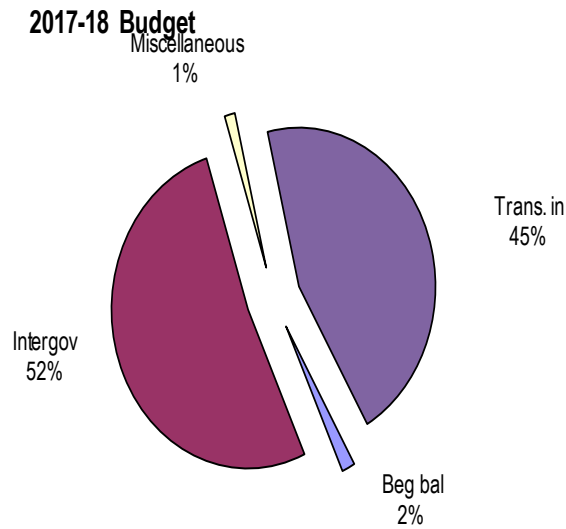
7. **Stinson Avenue Pavement Overlay and Pedestrian Improvements (Grandview to Rosedale).** Complete the design, permitting, right-of-way acquisition, and construction along Stinson Avenue between Rosedale Street and Pioneer Way. The project will provide an HMA overlay, new curb, gutter, and sidewalk along the west side of the roadway and upgrade the existing non-compliant curb ramps to ADA standards. This project will occur in conjunction with the 2018 watermain replacement in Stinson Avenue. The city has received a pavement preservation grant for the HMA overlay in the amount of \$515,000 and will apply for grant funding to construct the pedestrian improvements. **\$110,000 – 2017, \$1,825,000 - 2018.**
8. **Stinson / Rosedale Intersection Improvements.** Complete the design, permitting, right-of-way acquisition, and construction a compact roundabout at this intersection. Funding is from the City's Transportation Impact Fee fund. **\$520,000 - 2018.**
9. **Stinson / Harborview Intersection Improvements.** Request funding for design only and pursue construction funding via available State and Federal grants. **Design only \$150,000 – 2018.**
10. **Street Lights on Borgen Boulevard.** Install five – 30' street lights along the north side of Borgen Blvd from 51st Ave to Harbor Hill Drive. **\$52,500 – 2018.**
11. **Street Lights on Borgen Boulevard.** Install five – 30' street lights from Burnham Drive on Borgen Blvd to 51st Ave on north side. **\$52,500 – 2018.**
12. **Street Lights on Borgen Boulevard.** Install five – 30' street lights from Burnham Drive on Borgen Blvd to 51st Ave on south side. **\$52,500 – 2018.**
13. **Electric Vehicle Charging Station.** Install two Level 2 electric vehicle charging stations. Locations to be determined. **\$25,000 – 2017.**
14. **Wagner Way/Wollochet Intersection Improvements.** Complete the design and permitting for either a roundabout or traffic signal option at this intersection at Wollochet and Wagner Way. Maintain SEPA developer contributions in Street Capital fund balance. **\$175,000 - 2018.**
15. **Roundabout Center Island Modifications (Point Fosdick/36th Street and Peacock Hill/Borgen).** Remove the vertical curbing and modify the center island to be a truck mountable center island. **\$150,000 - 2017.**
16. **50th Street Improvement project.** Complete the design, permitting and construct street improvements consisting of curb, gutter, sidewalk with planter strip and street lighting between KLM Park and 38th Street contingent upon the procurement of State TIB Grant monies. The total project cost is \$3,600,000 and in addition to the roadway improvement costs includes the construction of a new storm box culvert and the replacement of an interfering portion of the City's sanitary sewer pipe. The

City's match will be \$1,000,000 towards this project in the form of the storm drainage and sanitary sewer improvements. **\$650,000 - 2017, \$2,720,000 - 2018.**

17. **38th Avenue Improvement project – Phase 1.** Update existing survey information and complete a conceptual design associated with the half-width street corridor improvements along 38th Avenue consisting of curb, gutter, sidewalk with planter strip and street lighting between City Limits and 50th Street. **\$150,000 - 2017.**
18. **Soundview / Hunt Intersection Improvements.** Design a roundabout (or traffic signal if a roundabout is not feasible) and pedestrian upgrades. **\$150,000 – 2018.**
19. **Olympic/Pt. Fosdick Drive Right Turn Lane.** Construct the required Olympic Towne Centre mitigation right turn lane. **\$500,000 – 2017 (55% developer contribution, 45% city contribution).**
20. **Public Works Maintenance Facility Concrete Pad.** Install concrete pad and two foot concrete walls to re-use back shed area that will be taken down for the metal building. **\$8,500 - 2017 (Parks \$1,275, Streets \$1,275, Water \$2,550, Storm \$850, Wastewater \$2,550).**

Resources

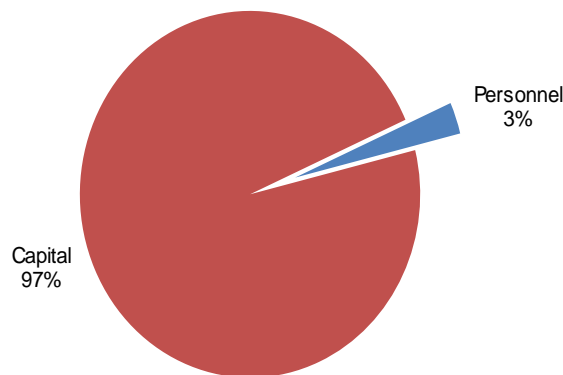
Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 200,728	\$ 270,047	\$ 452,371	\$ 661,239	\$ 346,233
Intergov't revenues	1,432,846	192,524	962,000	812,425	11,567,807
Charges for services	-	10,565	-	-	-
Miscellaneous	47,488	36,815	6,000	63,621	275,000
Transfers in	2,266,374	1,252,032	2,670,250	2,960,000	10,120,000
Total revenues	3,746,708	1,491,936	3,638,250	3,836,046	21,962,807
Total resources	\$ 3,947,436	\$ 1,761,983	\$ 4,090,621	\$ 4,497,285	\$ 22,309,040



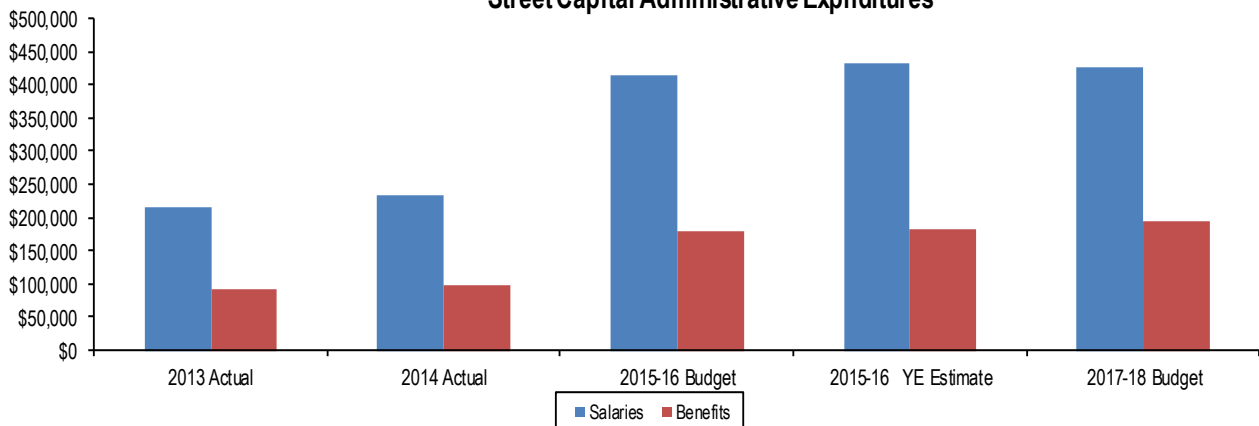
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 216,493	\$ 233,320	\$ 413,700	\$ 431,337	\$ 424,900
Benefits	92,690	97,018	179,700	183,058	193,800
Services	285	-	-	-	-
Capital expenditures	3,367,921	770,406	3,387,250	3,536,657	21,542,500
Total expenditures	3,677,389	1,100,744	3,980,650	4,151,052	22,161,200
Ending balance	270,047	661,239	109,971	346,233	147,840
Total uses	\$ 3,947,436	\$ 1,761,983	\$ 4,090,621	\$ 4,497,285	\$ 22,309,040

2017-18 Budget



Street Capital Administrative Expenditures



DESCRIPTION OF FUNCTION
STATE DRUG INVESTIGATION FUND

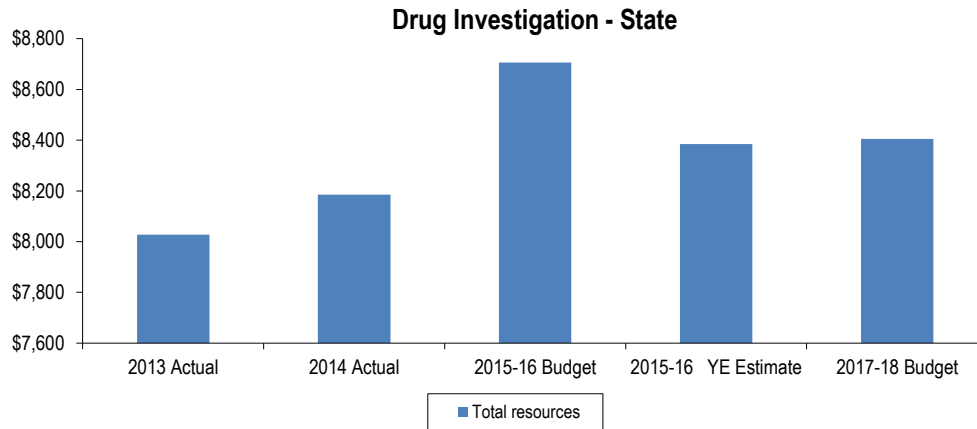
Proceeds from the sale of property seized during drug investigations and forfeited pursuant to state law are accumulated in this fund. These monies are used to pay for overtime, equipment and supplies related to drug investigations and related activities.

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 7,837	\$ 8,028	\$ 8,186	\$ 8,185	\$ 8,385
Fines & forfeits	-	150	500	152	-
Miscellaneous	191	7	20	48	20
Total revenues	191	157	520	200	20
Total resources	\$ 8,028	\$ 8,185	\$ 8,706	\$ 8,385	\$ 8,405

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Salaries	\$ -	\$ -	\$ 4,000	\$ -	\$ -
Benefits	-	-	1,500	-	-
Supplies	-	-	1,000	-	-
Services	-	-	-	-	-
Intergov't charges	-	-	-	-	-
Total expenditures	-	-	6,500	-	-
Ending balance	8,028	8,185	2,206	8,385	8,405
Total uses	\$ 8,028	\$ 8,185	\$ 8,706	\$ 8,385	\$ 8,405



DESCRIPTION OF FUNCTION
FEDERAL DRUG INVESTIGATION FUND

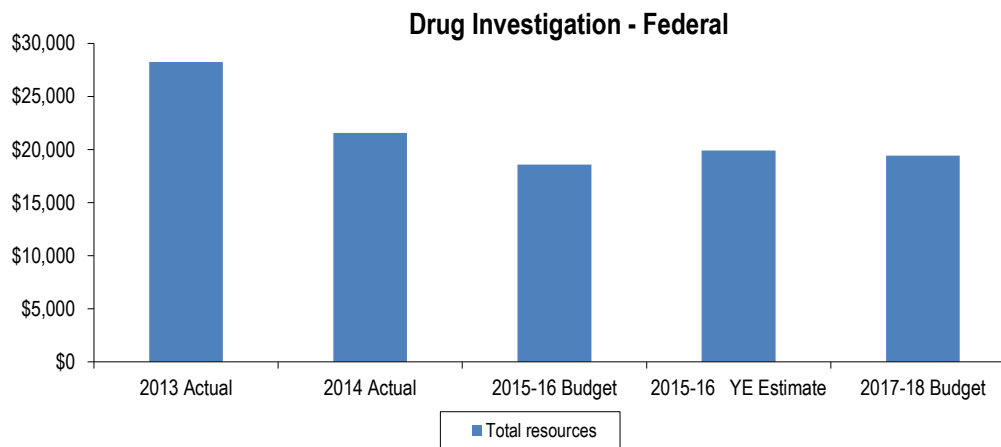
Proceeds from the sale of property seized during drug investigations and forfeited pursuant to federal law are accumulated in this fund. These monies are used to pay for overtime, equipment and supplies related to drug investigations and related activities.

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 28,209	\$ 21,534	\$ 18,554	\$ 19,794	\$ 19,376
Miscellaneous	33	18	40	106	40
Total revenues	33	18	40	106	40
Total resources	\$ 28,242	\$ 21,552	\$ 18,594	\$ 19,900	\$ 19,416

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	524	-
Services	6,708	1,758	-	-	-
Intergov't charges	-	-	-	-	-
Capital	-	-	-	-	-
Total expenditures	6,708	1,758	-	524	-
Ending balance	21,534	19,794	18,594	19,376	19,416
Total uses	\$ 28,242	\$ 21,552	\$ 18,594	\$ 19,900	\$ 19,416



DESCRIPTION OF FUNCTION
HOTEL – MOTEL TAX FUND

The lodging tax is imposed by the city upon the sale or the furnishing of lodging. Revenues generated by this tax may be used solely for paying for tourism promotion and operating expenditures of tourism-related facilities owned and operated by a non-profit organization.

The Tourism & Communications Director is responsible for managing the city's lodging tax fund. This involves keeping all records of expenditures, contracts and partnerships.

The Tourism & Communications office will annually prepare and implement a marketing and advertising plan and budget that promotes tourism and lodging activities with focus on meetings market, tour market and group travel. Continue efforts set forth in the Tourism Strategic Plan including the branding of community, advertising, maintenance of the official city visitor and meeting planner website, creation and distribution of official visitor guide, maintenance of photo library and presentation of Gig Harbor at tradeshows to tour operators and convention planners. This office is the staff contact for the Lodging Tax Advisory Committee.

The Tourism & Communications office serves as the contact for media requests for information. This includes creation and distribution of press kits, press releases for both tourism and city issues and topics, management of tourism website, blog, newsletter and social media accounts, and assist the City Administrator or Chief of Police for city public information in an emergency.

The Tourism & Communications Office shall provide community outreach for the city and its functions. Work directly with public requests for visitor information on Gig Harbor including fulfillment of all web, phone and mail requests for information. Collaboratively manage the visitor information center functions at the Gig Harbor Chamber of Commerce and Skansie House locations, by providing materials and volunteer training. The Director shall serve as liaison for the Gig Harbor community, its organizations, committees and businesses to other area tourism, economic development and marketing organizations throughout the region and state.

NARRATIVE OF GOALS 2017 – 2022
HOTEL – MOTEL TAX FUND

1. **Promote identity.** Promote and enhance awareness of Gig Harbor as an authentic maritime community by creating and maintaining a marketing image and brand through a comprehensive tourism website with new mobile applications in 2017, highly visible travel advertising, editorial media in publications, radio and television presence and collateral materials. **2017 - 2022.**
2. **Provide visitors and residents information and services to capitalize on Gig Harbor/Peninsula amenities.** Maintain the City Tourism & Communications office. Provide signage and interpretive information throughout the city that relates to brand image. Maintain city visitor information kiosks around town. Introduce a new pedestrian friendly digital kiosk at LS 4 in spring 2017.**2017 - 2022.**
3. **Capture a larger share of the Northwest regional market.** Target a three-hour drive radius for recruitment of tours, sport travelers, conventions, eco-tourism, seminars, retreats, families, couples, weddings and additional target markets. Focus on off-season building of “heads-in-beds” in hotels and bed and breakfasts through development of local amenities, conventions, programs, events, hobby groups, activities and travel packages. Promote these year-round reasons to visit Gig Harbor. Attend conventions to promote Gig Harbor to tour operators and meeting planners and learn new ideas and better ways to be successful. Target Meeting Planners International and Washington State Association of Executives for roles available to bring more awareness to Gig Harbor. **2017 - 2022.**
4. **Partner with local and regional groups to capitalize on existing programs and to create a stronger, more viable voice on tourism, marketing and economic development related issues.** Promote collaborative and assessable outcomes with local organizations such as the Gig Harbor Chamber of Commerce, the Harbor History Museum, the Peninsula Art League, the Gig Harbor Downtown Waterfront Alliance, the Tacoma Regional Convention and Visitors Bureau, South Sounds Sports, National Marine Trade Association (Seattle Boat Show), Association of the United State Army, the Seattle Convention and Visitors Bureau, the Kitsap Peninsula Visitor and Convention Bureau, the Tacoma and Pierce County Economic Development offices, the Washington Tourism Alliance, the Tacoma Narrows Airport and others on programs and issues of importance. **2017 - 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018
HOTEL – MOTEL TAX FUND

The following projects will be funded and managed through the marketing department. The Tourism & Communications Director will work directly with outside groups when necessary. Funding support may be provided for those projects approved by the Tourism & Communications Director that are in keeping with long term goals and strategic plan, to assist with external marketing efforts.

1. **Marketing & Advertising fund.** The objective of this fund is to promote and market the greater Gig Harbor area in 2017 & 2018 through advertising (including broadcast, print and online), website development and/or enhancement, app development, media editorial, social media, brochure distribution, direct mail, event promotion and trade shows. This fund focuses on organized meeting and convention planners, tour operators, leisure traveler, group travel, wedding planners and media. Included is professional photography and professional graphic design. This fund contains an advertising campaign for visitors and meetings which also includes first class advertisement development. Additionally included is a campaign to encourage residents and businesses to stay and shop in Gig Harbor. In the 2017 budget, incorporated is special promotion campaign of the new Welcome Plaza. **\$92,900 – 2017, \$86,900 - 2018.**
2. **Support to the Tacoma Pierce County Convention and Visitors Bureau.** Continue partnership with the Tacoma Pierce County CVB to capitalize on shared resources for leisure travel, tour operators, meetings and conventions, and advertising and promotion opportunities. **\$10,000 - 2017, \$10,000 - 2018.**
3. **Support to the Tacoma South Sound Sports.** Continue to expand the work we began in partnering with the Tacoma Sports Commission. Capitalize on opportunities to draw overnight visitors through sporting events to include Paddlers Cup with intent to introduce a new event in fall 2017 consisting of an open water swim. **\$7,000 – 2017, \$7,000 – 2018.**
4. **Support the Kitsap Peninsula Visitor and Convention Bureau.** Partner with Kitsap VCB on web marketing efforts, collaboration on corporate traveler, adventure sport traveler, NPS water trails, leisure traveler campaigns. **\$5,000 – 2017, \$5,000 - 2018.**
5. **Harbor Wildwatch VIC Program.** Contribute to Harbor Wildwatch in return for staffing at the Visitor Information Center at Skansie on weekends throughout the year. **\$2,000 – 2017, \$2,000 - 2018.**
6. **Public Relations Consultant.** Public relations and media exposure for meeting market and leisure travelers to include building of itineraries for and hosting travel writers. **\$10,000 – 2017, \$10,000 – 2018.**

7. **Pierce Transit** – Contribution for Get Around Gig Harbor Trolley operation. **\$25,000 – 2017, \$25,000 -2018.**
8. **Gig Harbor Farmers Market** – Contribute to the Downtown Waterfront Alliance’s Waterfront Farmers Market effort in return for marketing of www.gigharborguide.com at the information booth at the weekly market. **2017 - \$5,000.**
9. **Gig Harbor LTAC** – Economic development study with a goal to build visitation during the shoulder season and draw businesses and attractions to the area in order to provide additional amenities for visitors. **2017 - \$25,000.**
10. **General Fund salary contribution.** Percentage of General Fund contribution to Tourism & Communications Director and Assistant salary for 2017 & 2018: **50%.**

**HOTEL – MOTEL TAX FUND
CAPITAL OUTLAY 2017- 2018**

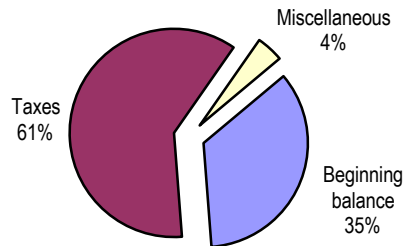
1. **Large digital kiosk for the Welcome Plaza at Jerisich Dock.** The outdoor digital signage directory will be located in the breezeway and will consist of an approximate 7-foot tall (ADA accessible), polished metal cabinet with full-color LCD screen with interactive capabilities to direct pedestrians and visitors to restaurants, lodging, attractions, walking routes, special events, weather forecast and more. **\$20,000 – 2017**

Total Capital Outlay \$20,000 - 2017.

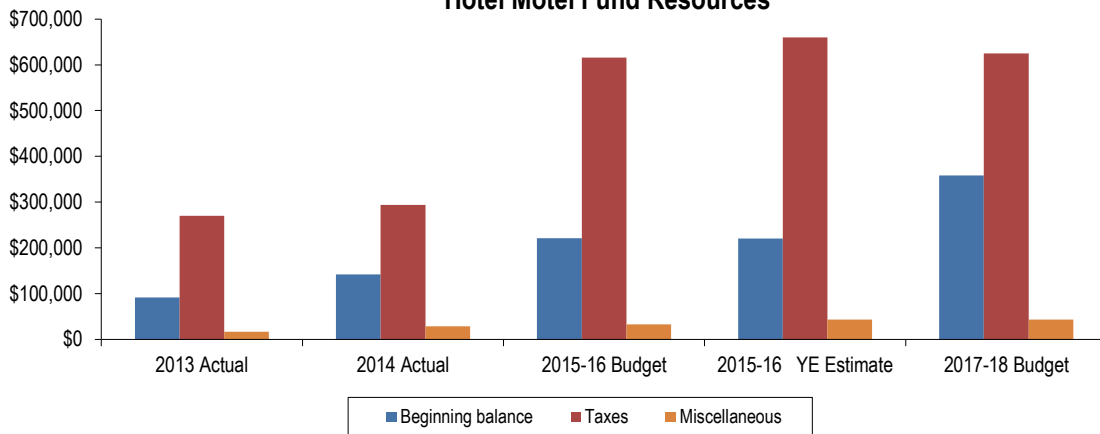
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 91,694	\$ 141,860	\$ 221,414	\$ 220,669	\$ 358,203
Taxes	270,104	294,034	615,428	659,855	625,039
Miscellaneous	8,231	19,166	24,350	38,484	39,000
Transfers in	8,630	9,544	8,630	5,259	4,233
Total revenues	278,335	313,200	639,778	698,339	664,039
Total resources	\$ 370,029	\$ 455,060	\$ 861,192	\$ 919,008	\$ 1,022,242

2017-18 Budget



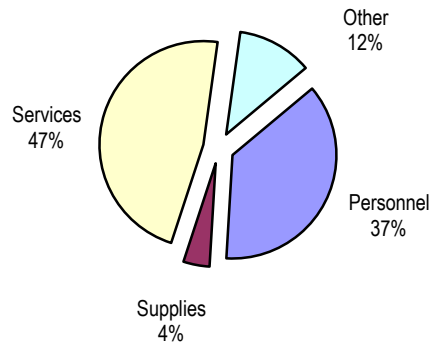
Hotel Motel Fund Resources



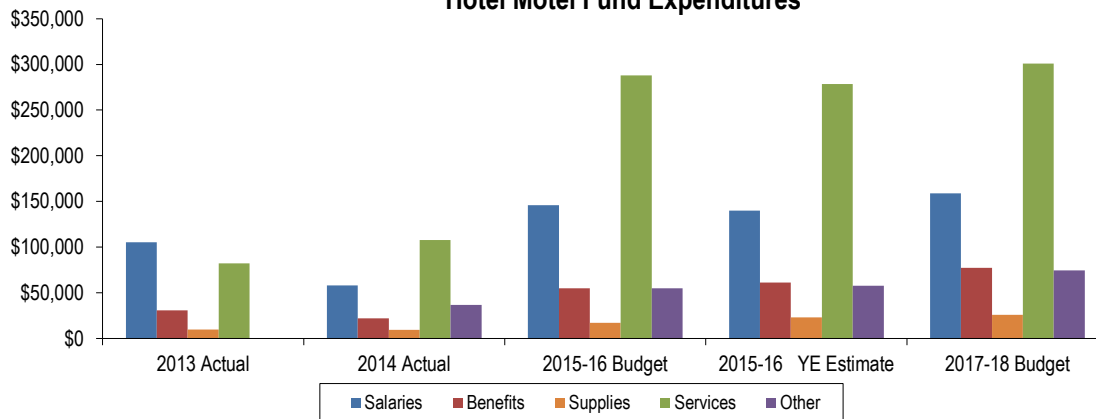
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 105,406	\$ 58,175	\$ 145,900	\$ 140,047	\$ 159,000
Benefits	30,862	22,113	55,100	61,419	77,500
Supplies	9,697	9,458	17,000	23,061	26,000
Services	82,204	107,804	288,000	278,365	301,000
intergov	-	36,841	50,000	57,913	50,000
Capital	-	-	5,000	-	24,700
Total expenditures	228,169	234,391	561,000	560,805	638,200
Ending balance	141,860	220,669	300,192	358,203	384,042
Total uses	\$ 370,029	\$ 455,060	\$ 861,192	\$ 919,008	\$ 1,022,242

2017-18 Budget



Hotel Motel Fund Expenditures



DESCRIPTION OF FUNCTION
PUBLIC ART CAPITAL PROJECTS

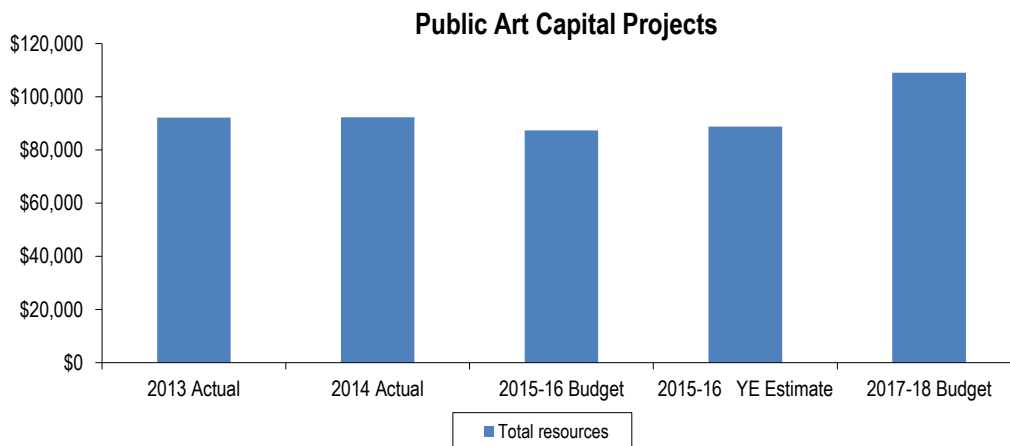
This fund, established in 2004, will be used to accumulate unspent appropriations of the Arts Commission Project Support Program. The funds accumulated in this fund will be used for Public Art Capital Projects as recommended by the Arts Commission and approved by the City Council.

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 92,076	\$ 92,195	\$ 67,277	\$ 68,405	\$ 88,823
Miscellaneous	119	73	100	418	200
Transfers in	-	-	20,000	20,000	20,000
Total revenues	119	73	20,100	20,418	20,200
Total resources	\$ 92,195	\$ 92,268	\$ 87,377	\$ 88,823	\$ 109,023

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Capital expenditures	\$ -	\$ 23,863	\$ -	\$ -	\$ -
Total expenditures	-	23,863	-	-	-
Ending balance	92,195	68,405	87,377	88,823	109,023
Total uses	\$ 92,195	\$ 92,268	\$ 87,377	\$ 88,823	\$ 109,023



DESCRIPTION OF FUNCTION
PARKS DEVELOPMENT

This fund was established in 1995. Since inception, the resources accumulated through transfers from the General Fund, capital grants, and interest earnings have been used for the purchase and development of civic properties.

NARRATIVE OF GOALS 2017 – 2022
PARK DEVELOPMENT

1. **Joint Community Parks Planning.** Participate in joint jurisdictional development of a Gig Harbor/Peninsula park facility in the Gig Harbor North area. **2017 - 2022.**
2. **City Parks.** Design and construct improvements at Eddon Boat, City Park at Crescent Creek, Jerisich Dock, Donkey Creek Park, Wilkinson Farm, Skansie Brothers Park, Kenneth Leo Marvin Veterans Memorial Park, Ancich Waterfront Park, Maritime Pier, and other site specific projects. **2017 - 2022.**
3. **Skansie Brothers Park/Jerisich Dock.** Using an incremental approach, and as funds are available, implement the council-approved plan that resulted from Ad Hoc committee and public input process. **2017 - 2022.**
4. **KLM Veterans Memorial Park.** Implement remaining planned improvements, which may include basketball half court, paved plaza, additional play structures, overlook with arbor/shelter and additional benches, exercise stations, walking trails around the park and nature trails in the wetland buffer, with interpretive signage. **2017 - 2022.**
5. **Cushman Trail Phase 5.** Working with Stakeholders, the City will complete a pre planning study to identify the preferred route alignment and begin design on the trail extension to the City northern limits. **2017 - 2022.**
6. **Crescent Creek Park Master Plan.** Develop a master plan for the existing Crescent Creek Park and other possible surrounding opportunities. **2017 – 2022.**
7. **Cushman Trail Spurs.** Develop opportunities to provide additional trails from the Cushman Trail to other areas of the City, including Twawelkax Trail connecting Cushman Trail to the Donkey Creek Park area. **2017 – 2022.**
8. **Wilkinson Farm Park Renovations.** Seek grant funding to renovate the existing barn, expand parking, and improve pedestrian access for Wilkinson Farm Park. **2017 – 2022.**
9. **Harbor Hill Park Property - Development.** Complete the development of a master plan for the park property and seek grant funding opportunities to develop the adopted master plan. **2017 - 2022.**
10. **Ancich Waterfront Park.** Implement results of the results of the Ancich Waterfront Park Visioning Process through grant funds and available city funds. **2017 – 2018.**

NARRATIVE OF OBJECTIVES 2017- 2018
PARK DEVELOPMENT

1. **Wilkinson Farm Park – Trail System.** Develop the approved trail and public access plan for Wilkinson Farm Park. The trail system will utilize the existing trails within the park and will include additional trails to provide increased public access. In addition, two new public viewing platforms will be installed along the edges of the pond at the park. We may be required to implement the Mitigation and Monitoring Plan developed in 2012 to offset the potential impact to the wetland buffer resulting from the construction of the trails and platform. **Work to be leveraged through volunteer resources.**
2. **Harbor Hill Park Master Plan.** Create a Harbor Hill Park Master Plan utilizing results from previous visioning exercises. The Master Plan will be undertaken by the City, but will include the YMCA, Olympic Property Group, Gig Harbor Little League and Peninsula School District as partners. The Master Plan will provide for public input and will determine design of the Harbor Hill Complex and associated costs. The City is actively seeking a House and/or Senate Capital Funding Request from the Washington State Biennial 2017-2018 budget. Additionally, staff will seek and apply for grants for design and construction of the Harbor Hill Park **\$50,000 – 2018.**
3. **Cushman Trail Bridge Easements.** The Pierce County and TPU right of way easement boundary limits that was provided to the City outlined the limits of the City’s trail construction. These limits were determined by a surveyor for a nearby private development to be misaligned, resulting in the trail’s encroachment onto several properties between the limits of 96th St and Burnham Drive. The work will procure the necessary long term easements for those areas that the trail encroaches on private property. **\$65,000 – 2017.**
4. **Public Works Operations Center – Site Development.** Complete the site design and site permitting then construct the frontage improvements and site civil improvements related to the new Public Works Operations Center. **\$1,600,000 - 2017 (Parks \$400,000, Streets \$400,000, Water \$640,000, Storm \$160,000). \$600,000 - 2018 (Parks \$150,000, Streets \$150,000, Water \$240,000, Storm \$60,000).**
5. **Public Works Operations Center – Building Construction.** Complete the building design and building permitting of the new Public Works Operations Center. **\$3,000,000 - 2018 (Parks \$750,000, Streets \$750,000, Water \$1,200,000, Storm \$300,000).**
6. **Public Works Shop – Metal Building.** Install the metal building (72’x40”) acquired from the History Museum property at the Public Works Shop for additional covered storage. This building will need new metal siding, a concrete slab and

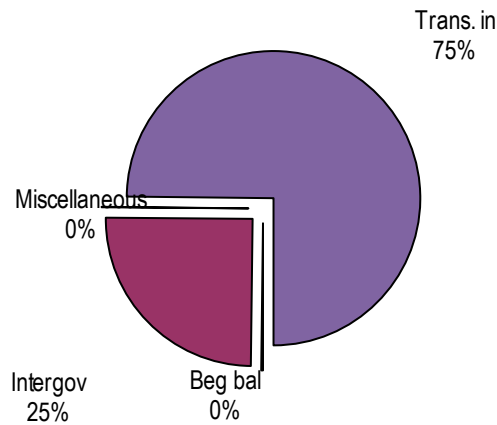
- roofing. **\$100,000 - 2017 (Streets - \$15,000, Parks - \$15,000, Water - \$30,000, Storm - \$10,000, Wastewater - \$30,000).**
7. **Crescent Creek Park – Visioning and Master Plan.** Conduct visioning and develop a master plan for Crescent Creek Park. Complete Urban Growth Area Expansion to include a city-owned 2.33 acre parcel into City limit for purposes of additional Crescent Creek Park land. **\$50,000 – 2017 (HBZ funded).**
 8. **Ancich Waterfront Park Upland Development.** This is a multi-year project which is anticipated to conclude in 2018. Visioning was conducted in 2014; public outreach, grant acquisition and consultants were retained in 2015; additional public outreach, upland development concepts, 30% design and federal, state and local permits were submitted and Design Review Board process occurred in 2016. Design finalization and construction will occur in 2017, and will include a street-level view plaza with lower level boat storage, an elevator for ADA access, improvements to the driveways to the Ancich Netshed and Jerkovich Pier as well as removal of dilapidated existing bulkhead replaced with a small toe wall and soft shoreline armoring. **\$2,000,000 - 2017 \$700,000 – 2018 (\$500,000 from RCO grant, \$2,200,000 from local funds).**
 9. **Jerkovich Pier.** The City-owned Jerkovich Pier is in need of repairs in order to maintain existing access and grant public access onto the pier as part of the Ancich Park project. **\$600,000(HBZ) – 2018.**
 10. **Ancich Netshed.** This historic over-water structure is in need of replacement of the piling, decking, roof, and structural improvements to the pier and the netshed in order to preserve its structural integrity and to allow future uses for the site. The City received a grant for \$660,000 with a required match of \$185,000. Design was completed and permits submitted in 2016. Remaining work in 2017 includes construction of the necessary improvements. **\$1,000,000 – 2017 \$300,000 – 2018 (\$660,000 from State Heritage Grant and \$640,000 in local funds).**
 11. **Donkey Creek Signage.** With the completion of the Donkey Creek Restoration Project, five bridge pylons (foundation blocks) excavated from the historic timber bridge were salvaged and placed along the trail with the intent of using them for interpretive/monument signs. This work will purchase and install the signs. **\$5,000 – 2017.**
 12. **Wilkinson Farm Park – Visioning.** Determine the use(s) of the Wilkinson farm park through a formal visioning process. **\$10,000 – 2017-2018**
 13. **Wilkinson Farm Park – Barn Restoration.** From the results of the structural report performed in 2014, complete the recommended structural improvements to the barn. This work is dependent on a successful DAHP “Heritage Barn Grant.” **\$470,000 – 2018. (\$200,000 DAHP Grant, \$270,000 REET).**
 14. **Cushman Trail Phase 5.** Working with stakeholders, the City will complete a pre-planning study to identify the preferred route alignment and begin design on the trail extension to the City northern limits. Funded by Federal Surface Transportation Grant monies **\$135,000 – 2017 \$135,000 - 2018 (\$200,000 grant and \$70,000 local funds).**

15. **Eddon Boat Park – Brick House Remodel.** Remodel and rehabilitate the historic Eddon Residence. Costs are for permitting and construction. **\$378,000 – 2018 (\$73,547 grant funds and \$304,453 local funds).**
16. **Grandview Forest Park – Tree Management Plan.** Conduct tree risk assessment and develop Tree Risk Management Plan in order to manage and mitigate the identified laminated root rot in Grandview Forest Park. **\$50,000 – 2017.**
17. **Public Works Maintenance Facility Concrete Pad.** Install concrete pad and two foot concrete walls to re-use back shed area that will be taken down for the metal building. **\$8,500 - 2017 (Parks \$1,275, Streets \$1,275, Water \$2,550, Storm \$850, Wastewater \$2,550).**

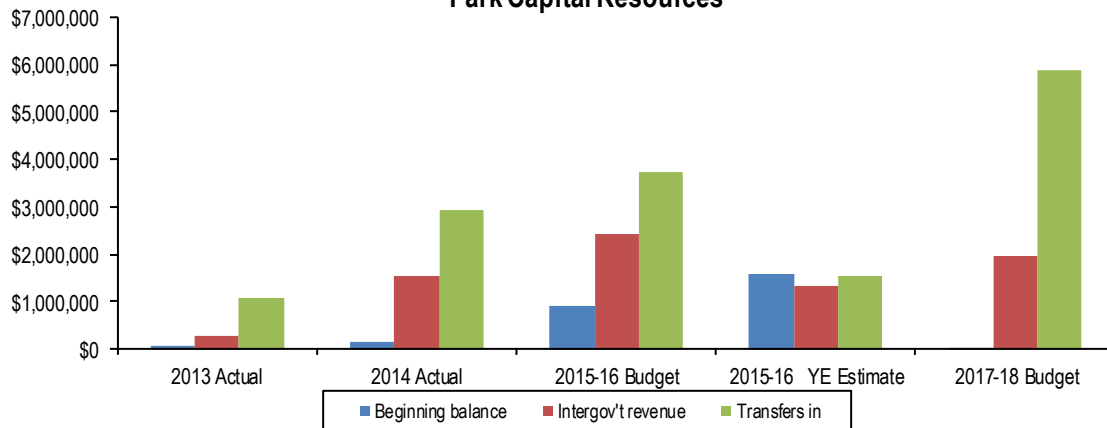
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 86,222	\$ 139,326	\$ 915,950	\$ 1,588,627	\$ 15,101
Intergov't revenue	275,645	1,536,415	2,428,355	1,343,651	1,956,000
Miscellaneous	175	541	200	15,666	4,000
Transfers in	1,060,000	2,920,250	3,733,750	1,559,413	5,870,000
Total revenues	1,335,820	4,457,206	6,162,305	2,918,730	7,830,000
Total resources	\$ 1,422,042	\$ 4,596,532	\$ 7,078,255	\$ 4,507,357	\$ 7,845,101

2017-18 Budget



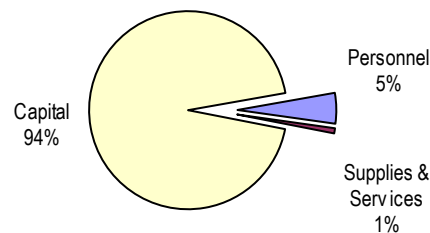
Park Capital Resources



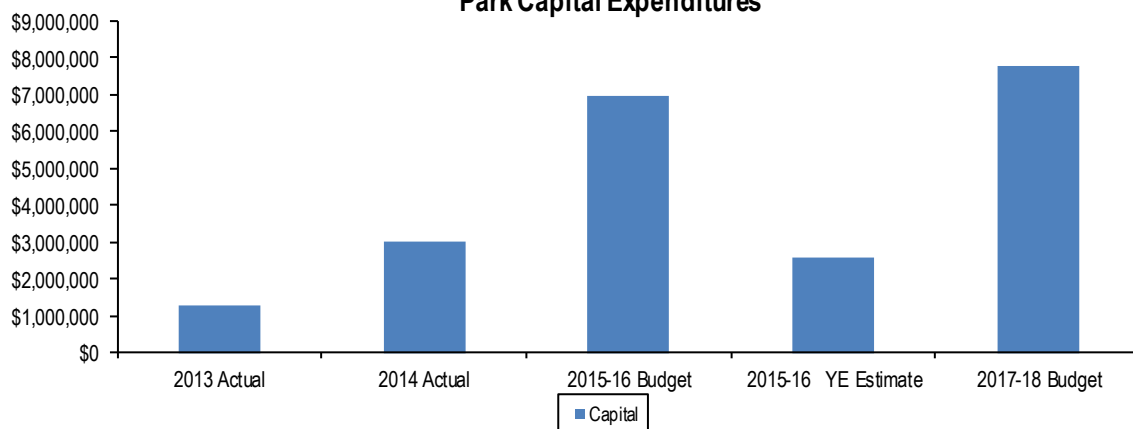
Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Salaries	\$ 87,949	\$ 87,286	\$ 177,100	\$ 207,990	\$ 262,300
Benefits	41,942	67,257	78,800	94,466	125,700
Supplies	4,573	253	-	6,672	5,000
Services	-	-	70,000	70,790	60,000
Capital expenditures	1,148,252	2,853,109	6,645,500	2,189,613	7,306,700
Transfers out	-	-	-	1,922,725	-
Total expenditures	1,282,716	3,007,905	6,971,400	4,492,256	7,759,700
Ending balance	139,326	1,588,627	106,855	15,101	85,401
Total uses	\$ 1,422,042	\$ 4,596,532	\$ 7,078,255	\$ 4,507,357	\$ 7,845,101

2017-18 Budget



Park Capital Expenditures



**DESCRIPTION OF FUNCTION
CIVIC CENTER DEBT RESERVE**

This fund was established to build a debt reserve for the Civic Center Bonds that were issued in 2001. The reserve was established to ensure the city has a debt service reserve if the city suffers an economic downturn and to retire the Civic Center Debt early.

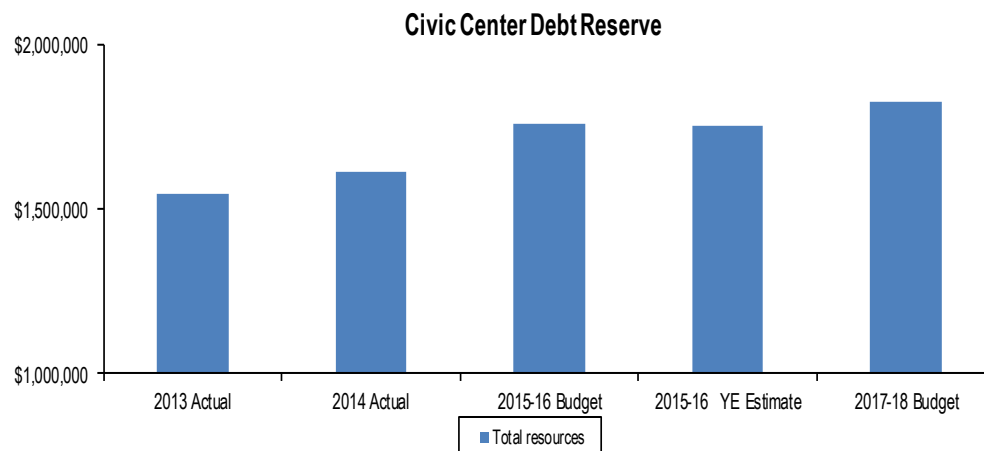
The resources accumulated through transfers from the General Fund and interest earnings will be used solely to either retire the Civic Center bonds or in the case of an emergency provide for annual debt service payments on the Civic Center bonds.

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 1,473,972	\$ 1,546,344	\$ 1,617,064	\$ 1,614,520	\$ 1,752,968
Miscellaneous	5,292	3,320	10,000	9,448	10,000
Transfers in	67,080	65,256	129,000	129,000	65,000
Total revenues	72,372	68,576	139,000	138,448	75,000
Total resources	\$ 1,546,344	\$ 1,614,920	\$ 1,756,064	\$ 1,752,968	\$ 1,827,968

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ -	\$ -	\$ 180,000	\$ -	\$ -
Other	-	400	-	-	-
Total expenditures	-	400	180,000	-	-
Ending balance	1,546,344	1,614,520	1,576,064	1,752,968	1,827,968
Total uses	\$ 1,546,344	\$ 1,614,920	\$ 1,756,064	\$ 1,752,968	\$ 1,827,968



DESCRIPTION OF FUNCTION STRATEGIC RESERVE

The Strategic Reserve fund was established to:

1. take advantage of strategic opportunities as they arise (key land purchases or matching funds for capital grants, for example); and
2. insulate the city from revenue fluctuations, economic downturns (i.e., “rainy days”), and other contingencies such as emergencies and disasters, uninsured losses, or tax refunds.

The city may use General Fund operating revenues and undesignated fund balances to build up this fund. Each budget cycle, the city council will establish a target amount for this fund based on a percentage of operating expenditures or some other method at the city council’s discretion. If drawn down, the Strategic Reserve Fund should be replenished back to the targeted amount within three years. Spending from this fund shall not be done without city council authorization.

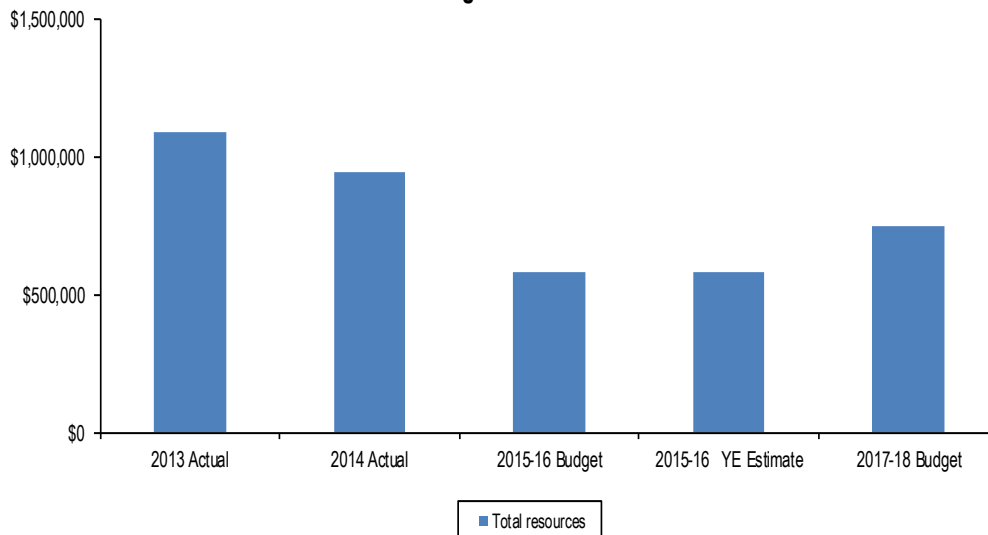
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 1,009,218	\$ 860,606	\$ 537,988	\$ 538,034	\$ 581,079
Miscellaneous	1,388	428	-	3,045	4,000
Transfers in	80,000	80,000	40,000	40,000	160,000
Total revenues	81,388	80,428	40,000	43,045	164,000
Total resources	\$ 1,090,606	\$ 941,034	\$ 577,988	\$ 581,079	\$ 745,079

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ 230,000	\$ 403,000	\$ 534,000	\$ -	\$ -
Total expenditures	230,000	403,000	534,000	-	-
Ending balance	860,606	538,034	43,988	581,079	745,079
Total uses	\$ 1,090,606	\$ 941,034	\$ 577,988	\$ 581,079	\$ 745,079

Strategic Reserve



DESCRIPTION OF FUNCTION

EQUIPMENT RESERVE

The Equipment Replacement Reserve Fund was established in order to provide the city a method to save for significant purchases. This systematic savings process will level out the financial peaks and valleys that come from replacing expensive vehicles and equipment. This proposed fund is not intended to be an equipment rental fund, nor is it intended to fully fund equipment or vehicle purchases at the time of acquisition. Rather, this fund is intended to establish a reserve that will fund at least a portion of vehicles and equipment as they are replaced, thereby reducing the expenditure spikes that can otherwise occur. Only the General Fund will contribute to this Fund.

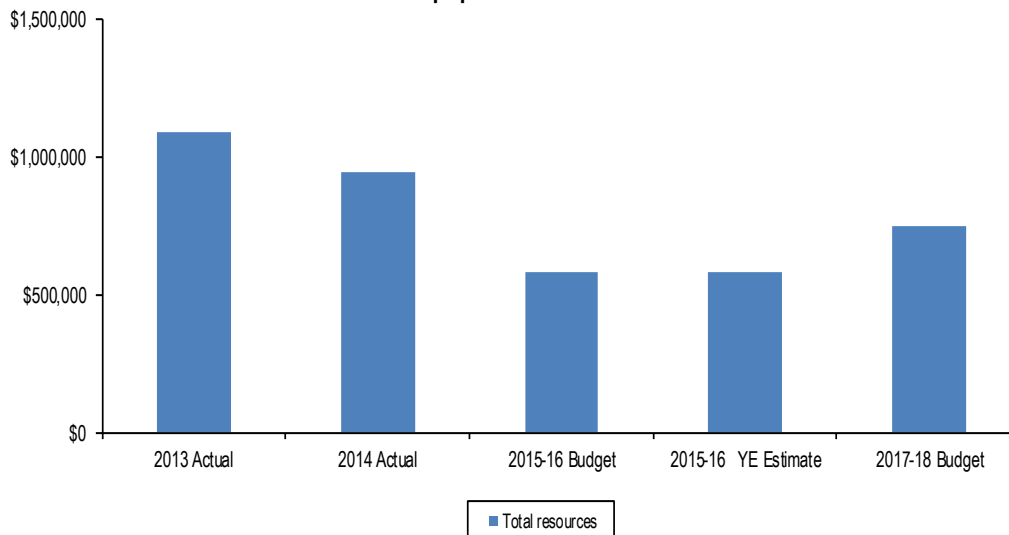
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 100,236	\$ 150,394	\$ 200,582	\$ 200,577	\$ 221,723
Miscellaneous	158	183	720	1,146	1,000
Transfers in	50,000	50,000	20,000	20,000	100,000
Total revenues	50,158	50,183	20,720	21,146	101,000
Total resources	\$ 150,394	\$ 200,577	\$ 221,302	\$ 221,723	\$ 322,723

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Total expenditures	-	-	-	-	-
Ending balance	150,394	200,577	221,302	221,723	322,723
Total uses	\$ 150,394	\$ 200,577	\$ 221,302	\$ 221,723	\$ 322,723

Equipment Reserve



DESCRIPTION OF FUNCTION
CAPITAL DEVELOPMENT - REET

This fund accounts for the proceeds of the first one-quarter percent of the locally imposed real estate excise tax(REET). State law restricts the use of these funds to financing capital projects specified in a capital facilities plan element of a comprehensive plan.

The fund balance is available for acquisition of parks properties as identified by the City Council in the City of Gig Harbor Parks, Recreation and Open Space Plan.

NARRATIVE OF OBJECTIVES 2017-2018
CAPITAL DEVELOPMENT - REET

Operating transfers out. Transfer \$148,650 in 2017 and \$148,200 in 2018 to Fund 208, the Limited Tax General Obligation debt service fund to pay one-half of the debt service on the 2008 LTGO Bonds for both 2017 and 2018.

REET funds may also be applied to the following projects.

Civic Center re-roofing project	\$ 402,000
Ballpark restorations	190,000
Stinson Avenue Project	<u>720,000</u>
	\$1,312,000

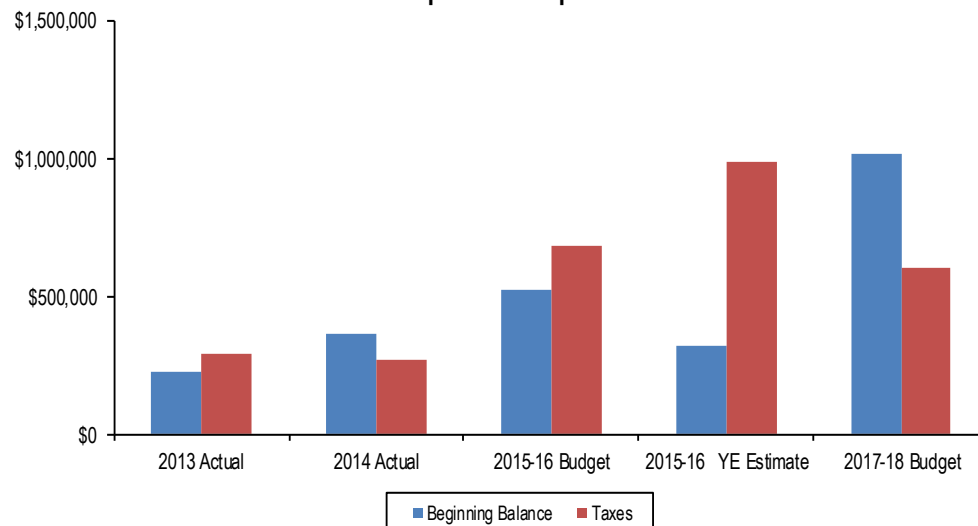
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 222,826	\$ 363,143	\$ 523,210	\$ 321,337	\$ 1,017,197
Taxes	289,953	271,546	678,557	984,055	604,000
Miscellaneous	364	348	600	4,405	3,000
Total revenues	290,317	271,894	679,157	988,460	607,000
Total resources	\$ 513,143	\$ 635,037	\$ 1,202,367	\$ 1,309,797	\$ 1,624,197

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ 150,000	\$ 313,700	\$ 292,600	\$ 292,600	\$ 1,608,850
Total expenditures	150,000	313,700	292,600	292,600	1,608,850
Ending balance	363,143	321,337	909,767	1,017,197	15,347
Total uses	\$ 513,143	\$ 635,037	\$ 1,202,367	\$ 1,309,797	\$ 1,624,197

Capital Development



DESCRIPTION OF FUNCTION
CAPITAL IMPROVEMENT - REET

This fund accounts for the proceeds of the second quarter percent of the locally imposed real estate excise tax. The law governing the use of these funds is more restrictive than for the first quarter percent. Permitted uses are defined as "public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

NARRATIVE OF OBJECTIVES 2017-2018
CAPITAL IMPROVEMENT - REET

Operating transfers out. Transfer \$148,650 in 2017 and \$148,200 in 2018 to Fund 208, the Limited Tax General Obligation debt service fund to pay one-half of the debt service on the 2008 LTGO Bonds for both 2017 and 2018. Also, transfer \$200,000 in 2018 to pay debt service on PW Facility LTGO Bonds.

REET funds may also be applied to the following projects.

Stinson Avenue Project	\$ 500,000
38 th Street Improvement Project	150,000
Harborview Drive Sidewalk Improvements	<u>395,000</u>
	\$1,045,000

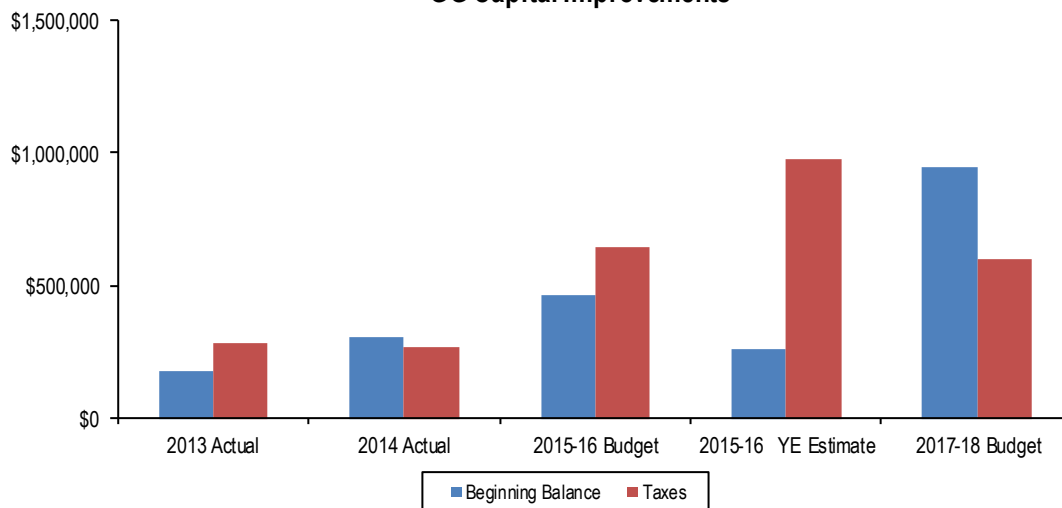
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 175,594	\$ 307,295	\$ 466,062	\$ 260,815	\$ 949,697
Taxes	281,409	266,927	642,255	977,422	600,000
Miscellaneous	292	293	600	4,060	3,000
Total revenues	281,701	267,220	642,855	981,482	603,000
Total resources	\$ 457,295	\$ 574,515	\$ 1,108,917	\$ 1,242,297	\$ 1,552,697

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ 150,000	\$ 313,700	\$ 292,600	\$ 292,600	\$ 1,541,850
Total expenditures	150,000	313,700	292,600	292,600	1,541,850
Ending balance	307,295	260,815	816,317	949,697	10,847
Total uses	\$ 457,295	\$ 574,515	\$ 1,108,917	\$ 1,242,297	\$ 1,552,697

GG Capital Improvements



DESCRIPTION OF FUNCTION
IMPACT FEE TRUST

This fund accounts for the park and transportation impact fees that are paid to the city. As projects that are eligible for impact fee funding are appropriated by City Council, the impact fees allocated for that project are transferred to the construction fund.

Transportation Impact fees may also be applied to the following projects.

Harbor Hill Extension	\$2,000,000
Stinson/Rosedale Intersection Improvements	520,000
Olympic Drive Right Turn Lane	<u>225,000</u>
	\$2,745,000

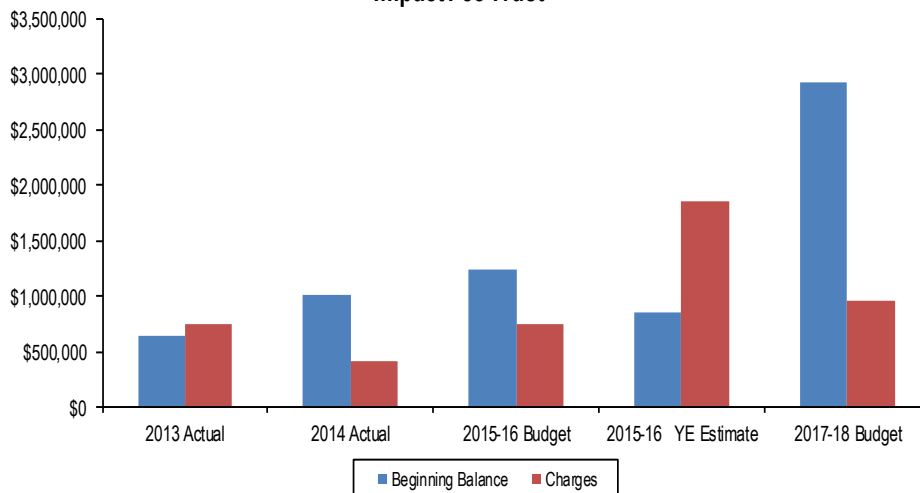
Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 642,476	\$ 1,017,607	\$ 1,244,900	\$ 850,334	\$ 2,933,316
Charges	753,736	417,545	746,911	1,851,501	962,000
Miscellaneous	1,395	1,182	2,000	9,886	2,000
Transfers in	-	-	-	221,595	-
Total revenues	755,131	418,727	748,911	2,082,982	964,000
Total resources	\$ 1,397,607	\$ 1,436,334	\$ 1,993,811	\$ 2,933,316	\$ 3,897,316

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Transfers out	\$ 380,000	\$ 586,000	\$ 50,000	\$ -	\$ 2,745,000
Total expenditures	380,000	586,000	50,000	-	2,745,000
Ending balance	1,017,607	850,334	1,943,811	2,933,316	1,152,316
Total uses	\$ 1,397,607	\$ 1,436,334	\$ 1,993,811	\$ 2,933,316	\$ 3,897,316

Impact Fee Trust



DESCRIPTION OF FUNCTION
HOSPITAL BENEFIT ZONE REVENUE FUND

The Hospital Benefit Zone Revenue Fund was established by Ordinance No. 1201 in order to receive the sales tax imposed by the city within the Hospital Benefit Zone (HBZ). In accordance with the enabling legislation, the taxes received from the HBZ are capped at \$2,000,000 per year; and may only be applied to eligible projects.

NARRATIVE OF GOALS 2017 – 2022
HOSPITAL BENEFIT ZONE REVENUE FUND

Harbor Hill Drive Extension. The Harbor Hill Drive extension will extend Harbor Hill Drive from its current point of termination, with the construction of a new roundabout southerly across the existing adjacent Gig Harbor Gun Club property at Burnham Drive. Construction to begin in 2017 and be completed in 2018.

NARRATIVE OF OBJECTIVES 2017 – 2018
HOSPITAL BENEFIT ZONE REVENUE FUND

Hospital Benefit Zone matching funds may be applied to the following projects in 2017-2018:

Harbor Hill Drive Extension	\$2,650,000
Harborview Drive Pedestrian Improvements (Vicinity of Ancich Park)	300,000
Ancich Park Development	2,200,000
Ancich Park Development – Netshed	640,000
Crescent Creek Park	50,000
Cushman Trail Phase 5	70,000
Jerkovich Pier	<u>600,000</u>
Total	\$6,510,000

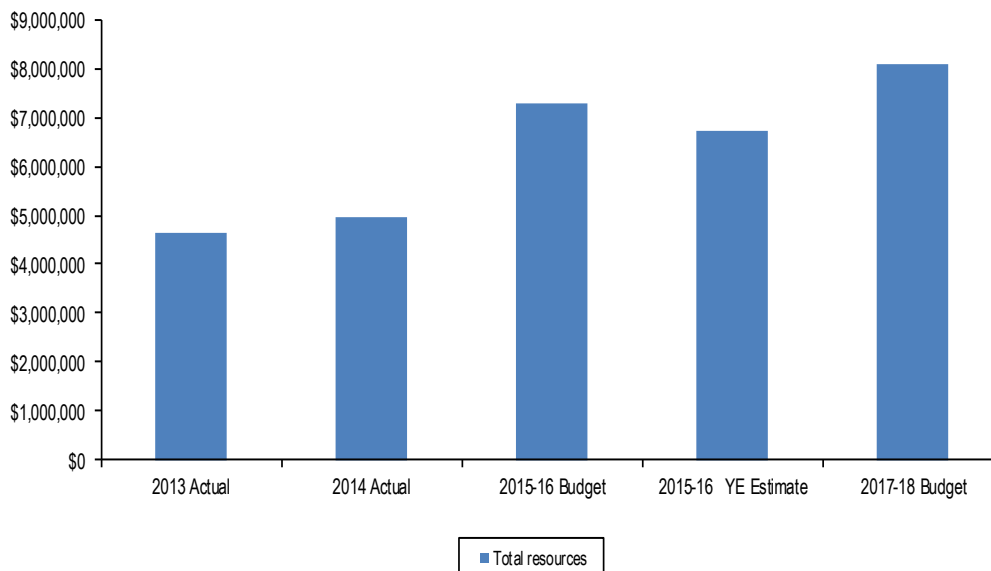
Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 2,555,455	\$ 2,861,805	\$ 3,270,797	\$ 2,604,176	\$ 4,087,420
Taxes	2,068,865	2,082,374	4,000,000	4,086,017	4,000,000
Miscellaneous	3,859	3,114	6,000	16,097	4,000
Total revenues	2,072,724	2,085,488	4,006,000	4,102,114	4,004,000
Total resources	\$ 4,628,179	\$ 4,947,293	\$ 7,276,797	\$ 6,706,290	\$ 8,091,420

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ 1,766,374	\$ 2,343,117	\$ 5,510,000	\$ 4,541,595	\$ 6,510,000
Total expenditures	1,766,374	2,343,117	5,510,000	4,541,595	6,510,000
Ending balance	2,861,805	2,604,176	1,766,797	2,164,695	1,581,420
Total uses	\$ 4,628,179	\$ 4,947,293	\$ 7,276,797	\$ 6,706,290	\$ 8,091,420

HBZ Resources



DESCRIPTION OF FUNCTION
LIGHTHOUSE MAINTENANCE

This reserve was established to fund the ongoing repair and maintenance of the Gig Harbor lighthouse situated on the spit at the entrance to the harbor.

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	Estimate	Budget
Beginning balance	\$ 2,113	\$ 1,214	\$ 1,214	\$ -	\$ -
Miscellaneous	3	1	-	-	-
Total revenues	3	1	-	-	-
Total resources	\$ 2,116	\$ 1,215	\$ 1,214	\$ -	\$ -

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	Estimate	Budget
Supplies	\$ 902	\$ 1,215	\$ -	\$ -	\$ -
Total expenditures	902	1,215	-	-	-
Ending balance	1,214	-	1,214	-	-
Total uses	\$ 2,116	\$ 1,215	\$ 1,214	\$ -	\$ -

4. DEBT SERVICE FUND TYPE

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**DESCRIPTION OF FUND TYPE
DEBT SERVICE FUND**

Debt service funds account for the accumulation of resources to pay principal, interest and related costs on general long-term bonded debt.

These funds include LTGO Bond Redemption, the 2000 Note Redemption, LID No. 99-1 Guaranty and UTGO Bond Redemption Funds. General obligation debt does not include debt for the water, sewer or storm utilities.

Expenditures By Fund

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
LTGO Bond Redemption	\$ 1,053,945	\$ 1,216,497	\$ 2,245,918	\$ 2,265,475	\$ 5,131,543
LID NO. 99-1	40,436	-	-	-	-
LID No. 99-1 Guaranty	95,660	-	-	-	-
UTGO Bond Redemption	442,449	424,210	781,519	717,472	786,126
Total Debt Service	\$ 1,632,490	\$ 1,640,707	\$ 3,027,437	\$ 2,982,947	\$ 5,917,669

**DESCRIPTION OF FUNCTION
LTGO BOND REDEMPTION**

The Limited Tax General Obligation (LTGO) bond fund accounts for debt service on the city's outstanding, non-voted general obligation debt. Debt service consists of principal and interest payments and other miscellaneous charges related to the Ltgo debt.

The following debt issues are outstanding for fiscal years 2017 - 2018.

2008 LTGO Bonds:

The 2008 LTGO Bonds provided funding for Harborview Drive, Judson, Stanich and Uddenberg sidewalk and road improvements and other City park improvements. The interest rate for the 2008 bonds is 3.98 percent

Debt service on the 2008 L.T.G.O. Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 275,000	\$ 22,288	\$ 297,288	\$ 285,000
2018	285,000	11,343	296,343	0
TOTAL	\$ 560,000	\$ 33,631	\$ 593,631	

2010 Limited Tax General Obligation and Refunding Bonds (LTGO):

The 2010 LTGO Bonds were issued to refund (refinance) the 2001 bonds maturing in 2012 through 2026 and to finance land acquisition. The refunding portion was \$6,861,964 and the new money portion was \$1,230,269. The city realized a net present value savings of \$439,000 by retiring the 2001 bonds early. Coupon interest rates range from 3.0% to 4.5%.

Debt service on the 2010 LTGO Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 510,000	\$ 219,850	\$ 729,850	\$ 4,780,000
2018	530,000	199,050	729,050	4,250,000
2019	560,000	177,250	737,250	3,690,000
2020	580,000	153,000	733,000	3,110,000
2021	465,000	129,488	594,488	\$ 2,645,000
2022 to 2026	2,645,000	308,138	2,953,138	0
TOTAL	\$ 5,290,000	\$ 1,186,775	\$ 6,476,775	

2014 WA State Treasurer’s Local Option Capital Asset Lending (LOCAL):

In 2014 the city borrowed \$234,227 through the LOCAL program to finance the purchase of six vehicles and a forklift. This is a five year note and carries an interest rate of 1.16%.

Debt service on the 2014 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 46,728	\$ 6,207	\$ 52,935	\$ 100,769
2018	49,125	3,810	52,935	\$ 51,644
2019	51,644	1,291	52,935	0
TOTAL	\$ 147,497	\$ 11,308	\$ 158,805	

2015 WA State Treasurer’s Local Option Capital Asset Lending (LOCAL):

In 2015 the city borrowed \$218,172 through the LOCAL program to finance the purchase of six vehicles, a boat, a track hoe, and a Z-Trak Lawnmower. This is a five year note and carries an interest rate of 1.46%.

Debt service on the 2015 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 41,990	\$ 9,049	\$ 51,039	\$ 138,991
2018	44,089	6,950	51,039	94,902
2019	46,294	4,745	51,039	48,608
2020	48,608	2,430	51,039	\$ 0
TOTAL	\$ 180,981	\$ 23,174	\$ 204,155	

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 73,880	\$ 3,981	\$ 698	\$ 18,636	\$ 7,443
Miscellaneous	65	13	20	719	400
Transfers in	980,000	1,050,550	2,245,200	2,245,200	2,523,700
Other	-	161,953	-	920	2,600,000
Total revenues	980,065	1,212,516	2,245,220	2,246,839	5,124,100
Total resources	\$ 1,053,945	\$ 1,216,497	\$ 2,245,918	\$ 2,265,475	\$ 5,131,543

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Transfers out	\$ -	\$ 161,953	\$ -	\$ -	\$ 2,600,000
Debt service	1,049,964	1,035,908	2,243,078	2,258,032	2,530,393
Total expenditures	1,049,964	1,197,861	2,243,078	2,258,032	5,130,393
Ending balance	3,981	18,636	2,840	7,443	1,150
Total uses	\$ 1,053,945	\$ 1,216,497	\$ 2,245,918	\$ 2,265,475	\$ 5,131,543

DESCRIPTION OF FUNCTION
2005 BOND REDEMPTION

This fund was created to account for the payment of the principal and interest on the voted bond issued to purchase the Eddon Boatyard.

This is a 20-year, \$3,500,000 bond and carries a fixed interest rate of 3.79%.

Interest payments are due June 1 and December 1 of each year, and principal payments are due December 1 of each year. The final maturity date for the bond is December 1, 2024.

Debt service on the 2005 Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 198,000	\$ 68,485	\$ 266,485	\$ 1,609,000
2018	205,000	60,981	265,981	1,404,000
2019	213,000	53,212	266,212	1,191,000
2020	221,000	45,139	266,139	970,000
2021	229,000	36,763	265,763	\$ 741,000
2022 to 2024	741,000	56,850	797,850	0
TOTAL	\$ 1,807,000	\$ 321,430	\$ 2,128,430	

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 231,401	\$ 176,637	\$ 180,719	\$ 157,842	\$ 185,126
Taxes	210,681	247,359	600,000	558,497	600,000
Miscellaneous	367	214	800	1,133	1,000
Total revenues	211,048	247,573	600,800	559,630	601,000
Total resources	\$ 442,449	\$ 424,210	\$ 781,519	\$ 717,472	\$ 786,126

Expenditures By Type

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Debt service	\$ 265,812	\$ 266,368	\$ 532,346	\$ 532,346	\$ 532,466
Total expenditures	265,812	266,368	532,346	532,346	532,466
Ending balance	176,637	157,842	249,173	185,126	253,660
Total uses	\$ 442,449	\$ 424,210	\$ 781,519	\$ 717,472	\$ 786,126

5. ENTERPRISE FUND TYPE

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**DESCRIPTION OF FUND TYPE
ENTERPRISE FUND**

Enterprise funds are used to account for operations that provide goods or services to the general public and are supported primarily through user charges.

Gig Harbor's enterprise funds are broken down into operating funds, debt service and capital construction funds.

The operating funds include water, sewer and storm sewer funds that account for the operation and maintenance of those utilities.

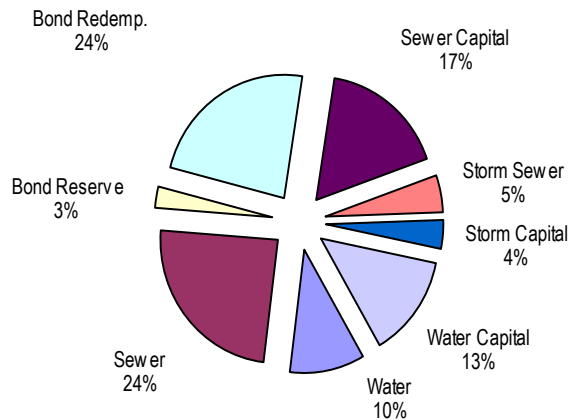
The debt service funds include the Utility Bond Redemption and Utility Reserve Funds that accumulate resources for the payment of various revenue bonds and satisfy the bond covenants.

The capital construction funds include Sewer Capital Construction, Water Capital Assets and Storm Water Capital that account for the accumulation of connection fees and other resources for the purchase or construction of major assets.

Expenditures By Fund

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Water Operating	\$ 1,897,365	\$ 1,969,662	\$ 3,690,757	\$ 4,344,237	\$ 5,306,391
Sewer Operating	4,769,782	5,308,464	9,534,533	10,503,980	12,325,131
Shorecrest Reserve	72,527	86,501	108,990	140,223	174,613
Utility Reserve	1,380,370	1,391,305	1,411,665	1,416,241	1,435,133
Utility Bond Redemption	2,106,512	1,877,292	10,136,630	8,563,246	12,104,029
Sewer Capital Const.	7,612,810	8,401,428	11,654,903	14,041,415	8,801,923
Storm Sewer Operating	1,157,967	1,482,460	2,582,952	2,829,745	2,510,823
Storm Sewer Capital	1,294,654	321,461	1,381,136	1,795,665	1,940,258
Water Capital Assets	2,826,126	2,246,378	4,407,519	4,228,065	6,934,022
Total	\$ 23,118,113	\$ 23,084,951	\$ 44,909,085	\$ 47,862,817	\$ 51,532,323

2017-18 Budget



DESCRIPTION OF FUNCTION
WATER DIVISION - OPERATING

The function of the Water Division is to provide a water supply, storage, transmission, and distribution system conforming with federal and state requirements, and meeting or exceeding customer expectations in terms of safety, quality (taste and aesthetics), and quantity (fire flow) consistent with the city's Water System Plan. Specific functions include system maintenance, preparing and submitting required system reports, responding to requests to locate water pipes underground, starting and stopping water service, respond to water customer's questions and concerns, fire flow testing, coordination with other area water purveyors, review of private development plans for conformance with the most current version of the city's Water System Plan's applicable rules and regulations, make sure staff is up to date on training as required by state law, and updating the city's Water System Plan as required.

NARRATIVE OF GOALS 2017 – 2022
WATER DIVISION - OPERATING

1. **Automated meter reading.** Research programs for installing an automated water meter reading system. **2017 - 2022.**
2. **Annual water meter replacement and testing program.** In accordance with the City's water use efficiency goals, the City's desire is to replace meters exceeding 10 years of age. **2017 - 2022.**
3. **Reservoir Cleaning and Inspections.** Routine cleaning and inspections of five reservoirs with 4.75 million gallons of total storage. **2017 - 2022.**
4. **Conservation Program.** Conduct an ongoing leak detection program for the water distribution system in conjunction with the city's water conservation program as recommended by the Washington State Department of Health. **2017 - 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018
WATER DIVISION - OPERATING

1. **Newsletter.** Mail newsletter regarding water system performance in accordance with Department of Ecology requirements. **\$5,000 – 2017, \$5,000 - 2018.**
2. **Water Model Calibration and Training.** Assist and train staff with the calibration of the updated water system model due to water system expansion over the preceding seven years. **\$6,000 – 2017, \$4,000 - 2018.**
3. **Annual Water Meter Replacement and Testing Program.** In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers within 4 years, includes upgrade to existing meter reading software and hardware. **\$100,426 – 2017 (Water \$50,213, Wastewater \$50,213), \$85,576 – 2018 (Water \$42,788, Wastewater \$42,788).**
4. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Estimated cost is \$123,000 - 2017 (Parks \$61,500, Streets \$24,600, Water \$12,300, Storm \$24,600), \$123,000 - 2018 (Parks \$61,500, Streets \$24,600, Water \$24,600, Storm \$12,300).**
5. **Water Bottle Filling Station.** Construct two (2) water bottle filling stations. This is used to increase public awareness to carry refillable containers and keep plastic out of the landfills; the station would have information about the advantages of refilling bottles. **\$4,000 – 2017 (Parks \$2,000, Water \$2,000) \$4,000 - 2018 (Parks \$2,000, Water \$2,000).**
6. **Well Head Protection Plan Update.** Create a new well head protection plan to include the City's two newest wells (Well #10 at Crescent Creek Park and Well #11 at the PW Operations Center site) based on information provided by the USGS ground water aquifer model. **\$65,000 – 2017.**
7. **Well No. 3 (Shurgard Storage Facility site) Maintenance.** Remove well pump, video inspect casing, clean **\$70,000 – 2017.**
8. **Video Surveillance.** Purchase two (2) additional wireless monitoring systems for security and safety. We currently have one of these systems which have been effective. Well site and restroom vandalism has been a concern. These systems are portable. **\$10,000 - 2017 (\$5,000 Parks, \$5,000 Water).**
9. **Water main replacement.** Replace aging water main servicing Edwards Avenue, Insel Avenue and Wilkinson Lane. **\$65,000 – 2018.**
10. **Cartegraph OMS Enterprise Platform Licensing.** Public Works citizen request work order and asset management software for facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting Subscription and

Support for 50 users. ArcGIS license pack for 50 users integrates system with Esri to use location to make work, asset request and resource data more useful and accurate. Also obtain further support through AWCs GIS consortium. **\$25,000 – 2017 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250), \$25,000 – 2018 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250).**

11. **Upgrade to Telemetry System Software.** The main terminal unit for the SCADA system was installed over fifteen years ago and is at the end of its life expectancy and needs replacement. There are communication issues with the MTU causing false alarms and unnecessary call outs. **\$15,000 – 2017.**
12. **Upgrade backflow testing computer program.** The existing software does not integrate with newest Microsoft office suite and cannot be installed on new computers. The new software offers expanded reporting capabilities and the ability to send notices and test reports via email. **2018 - \$6,000.**
13. **Backflow program.** The backflow inspection program requires supplies and equipment to meet state compliance standards. **\$10,000 – 2017, \$10,000 – 2018.**
14. **Chlorine Monitors.** Purchase Chlorine Monitors to provide on-line water quality monitoring and control of chlorination systems. **\$10,000 – 2017.**
15. **Sample Stations.** Replace aging sample stations. Functioning sample stations are required to meet state testing guidelines. **\$6,000 – 2017, \$6,000 – 2018.**
16. **Hydrant Replacements.** Replace existing hydrants. **\$10,000 – 2017, \$10,000 – 2018.**
17. **Water Comprehensive Plan Update.** Perform a City Wide water system plan update utilizing the updated water hydraulic model results. **\$80,000 - 2017, \$80,000 - 2018.**
18. **Water Service Line Survey.** Per Section 6 of the Directive by the Governor 16-06, the City will survey its water system to identify all lead service lines and components. **\$75,000 – 2018.**

**CAPITAL OUTLAY 2017 – 2018
WATER DIVISION – OPERATING**

1. **Replace existing 18-year old Chevrolet 4x4 ¾ ton pickup truck (#1051) with a new 4x4 ¾ ton pickup truck and new utility box.** This truck was originally purchased at auction in 2001. The vehicle is a high mileage truck with 134,000 miles and has become expensive to maintain and is becoming unreliable. **\$51,000 - 2017 (Parks \$12,750, Streets \$12,750, Water \$12,750, Storm \$12,750).**
2. **Replace 2003 Chevrolet 4x4 ¾ ton pickup with a 4x4 1/2 ton pickup.** This was a bad year for this truck engine with many issues that take up labor and resources. **\$40,000 - 2017 (Parks \$10,000, Streets \$10,000, Water \$10,000, Storm \$10,000).**
3. **Replace existing 1997 small equipment trailer (#2005).** The new trailer is four foot longer and has more capacity than the existing trailer. It will be more versatile for moving existing and newer equipment. **\$12,000 – 2017 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000).**
4. **Replace existing utility meter reading vehicle.** The current vehicle (#1045) has outlived its lifespan and the company is no longer manufacturing parts for this model year. The parts are proprietary and when the need arises if the parts are not readily available they are hard to obtain as they are no longer produced. There is the possibility of purchasing an electric version. **\$40,000 – 2017. (Water \$20,000, Wastewater \$20,000).**
5. **Replace existing hole hog.** The manufacturer of the existing hole hog has gone out of business and parts are no longer available. The hole hog is barely functional and needs to be rebuilt, which cannot occur due to lack of parts. **2017 - \$6,500.**
6. **Purchase Indeco hydraulic breaker.** The hydraulic breaker will be used to remove sidewalk and curb thrust blocks. It can also break concrete into smaller, more manageable chunks. Currently personnel is breaking concrete manually or using a 90 # jack hammer. This equipment will be safer, more efficient and avoid potential employee injuries. **2017 - \$7,100(Streets \$3,550, Water \$3,550).**
7. **Walk behind concrete saw.** Replacement for existing equipment purchased in 1998, repaired several times and no longer viable. **\$6,000 (Parks \$1,500, Streets \$1,500, Storm \$1,500, Water \$1,500) – 2017.**

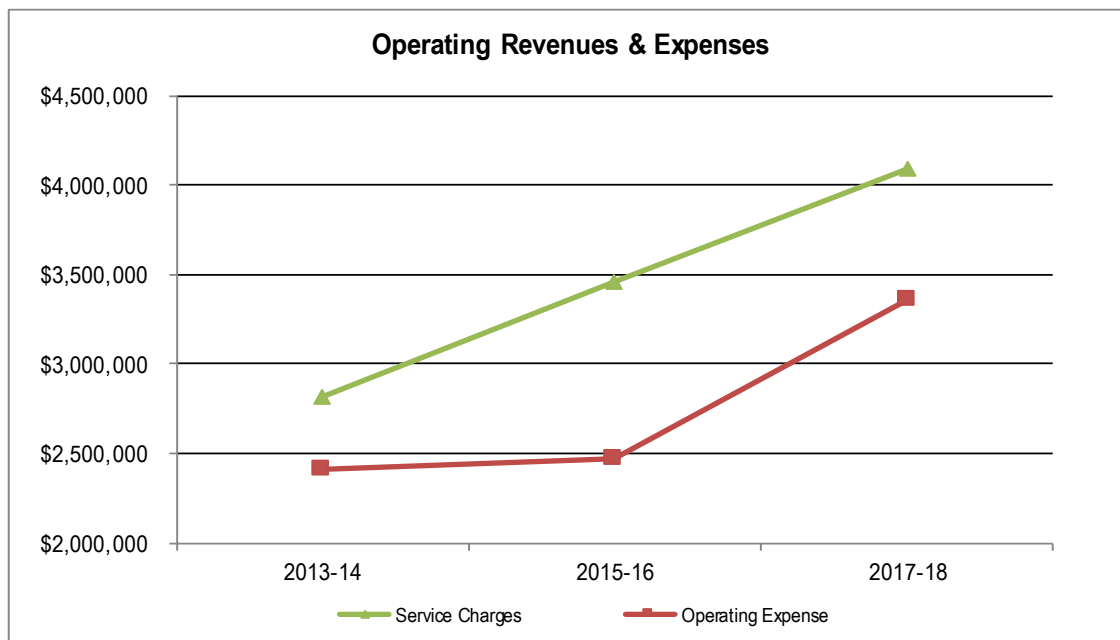
Total Capital Outlay is \$57,300

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 485,382	\$ 420,190	\$ 510,574	\$ 660,323	\$ 1,012,378
Taxes	62,938	68,625	142,079	163,508	194,881
Charges for services	1,345,081	1,467,437	2,992,754	3,461,630	4,092,932
Miscellaneous	3,964	4,542	2,600	25,138	6,200
Transfers in	-	8,868	42,750	30,750	-
Other	-	-	-	2,888	-
Total revenues	1,411,983	1,549,472	3,180,183	3,683,914	4,294,013
Total resources	\$ 1,897,365	\$ 1,969,662	\$ 3,690,757	\$ 4,344,237	\$ 5,306,391

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Budget	Actual	Budget	Actual	Budget
Salaries	\$ 464,042	\$ 466,796	\$ 1,025,600	\$ 1,106,767	\$ 1,117,756
Benefits	183,334	193,551	448,400	497,072	517,444
Supplies	74,892	87,126	248,000	216,746	534,625
Services	518,214	291,053	593,361	514,258	1,044,800
Intergov't charges	62,365	68,281	134,285	137,337	148,335
Capital expenditures	8,287	35,638	31,750	32,079	57,300
Transfers out	166,041	166,894	327,600	827,600	1,423,507
Total expenditures	1,477,175	1,309,339	2,808,996	3,331,859	4,843,767
Ending fund balance	420,190	660,323	881,761	1,012,378	462,624
Total uses	\$ 1,897,365	\$ 1,969,662	\$ 3,690,757	\$ 4,344,237	\$ 5,306,391



DESCRIPTION OF FUNCTION
WASTEWATER DIVISION – OPERATING

Operation and maintenance of the city's wastewater collection facilities and wastewater treatment plant to provide a reliable, safe, and cost-effective wastewater system with consistent treatment and biosolids processing, meeting or exceeding federal and state requirements and guidelines, and the expectations of Gig Harbor residents. Specific functions include monitoring, inspection, maintenance, and repair of the system, preparing required reports, locating unmapped wastewater pipes, responding to citizen requests, regulatory coordination and certification, review of wastewater plans, conducting inflow/infiltration studies, and periodically updating design standards.

**NARRATIVE OF GOALS 2017 – 2022
WASTEWATER DIVISION - OPERATING**

1. **Energy Efficiency and Emergency Procedures.** Continue coordination with Peninsula Light Company for installation of energy efficient motors, and emergency operations procedures to minimize energy demand, and the risk of spills or biological upset at the treatment plant during extended power outages. – **2017 - 2022.**
2. **Lift Stations.** Design, engineer and construct upgrades and rehabilitation of Lift Stations 1, 5, 6, 9, 12 and 13 as referenced in the 2009 Wastewater Comprehensive Plan. Standardize design and equipment whenever possible. – **2017 - 2022.**
3. **Flow Meters.** Install flow meters at all lift stations as referenced in the 2009 Wastewater Comprehensive Plan. Flow meters to be used as a tool for monitoring inflow and infiltration (I&I) to help establish priority areas for repairs to sewer lines, to help give accurate pump discharge flows, and to enhance maintenance and energy savings. **2017 - 2022.**
4. **Study Reuse Sites.** As described in the 2009 Wastewater Comprehensive Plan. Study and explore potential water reclamation and reuse sites within the UGA. **2017 - 2022.**
5. **Plant Optimization.** To optimize plant operation and performance, staff will continue testing and plant manipulation to encompass all seasonal changes in weather that effect plant operation. The new facility has numerous new components which will require individual testing and operation to optimize performance. **2017 - 2022.**
6. **Cost Cutting Measures.** Optimize electrical and chemical uses to help cut costs. This will give us a clearer picture of more consistent annual operating costs. **2017 - 2022.**
7. **Line Cleaning Program.** Clean at least 40,000 feet of sewer lines per year. Clean the North Harborview sewer mains at least twice per year. **2017 - 2022.**
8. **Manhole Ring and Cover Replacement.** Ongoing replacement program in conjunction with pavement maintenance, water, sewer and storm line installation, repair and replacement projects to save city money and staff time. This is also a loss-prevention measure to reduce manhole cover insurance claims. **2017 - 2022.**
9. **Sewer System-wide GPS.** Capture sanitary sewer manholes and other features through the use of the City's GPS and build the sewer GIS Mapping System. . **2017 - 2022.**
10. **Pretreatment Standards.** Develop a comprehensive Pretreatment Ordinance to protect City's POTW and receiving waters. **2017 - 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018
WASTEWATER DIVISION - OPERATING

1. **Wet Well Recoating.** The initial coatings on wet well #'s 14 and 16 are either in the process of failing or have failed exposing their substrate to gases that deteriorate the concrete. The coatings are in need of reconditioning or full replacement. **\$45,000 – 2017, \$45,000 – 2018.**
2. **Flow Meter Installation.** The purchase and installation of a flow meter at lift stations. **\$20,000 – 2017, \$20,000 - 2018.**
3. **Manhole Repair and Coatings.** Continue repair program of manholes, depending on budget. These manholes are suffering severe degradation nearing the point of replacement if left unrepaired. Repair will add years to the life of these structures. **\$57,000 – 2017, \$57,000 - 2018.**
4. **Level Control for Lift Station 13 and 14.** Replace problematic air bubbler and mercury level systems. **\$25,000 – 2017.**
5. **Manhole Ring and Cover Replacement.** Ongoing replacement program in conjunction with pavement maintenance, water, sewer and storm line installation, repair and replacement projects to save city money and staff time. This is also a loss-prevention measure to reduce manhole cover insurance claims. **\$9,500 – 2017, \$9,500 - 2018.**
6. **Cartegraph Software System for Wastewater.** Implementation, data conversion and training of the sewer module. **\$8,000 – 2017.**
7. **Wastewater Comprehensive Plan Update.** As required by the State, this work will initiate and complete the six year plan update and update Comprehensive Plan for demographic forecast allocation model for Wastewater. The results of this updated plan will be utilized in the 2017 or 2018 city-wide Comprehensive Plan update. The model results will also be utilized to update the flow data. **\$120,000 - 2017, \$120,000 – 2018.**
8. **Annual Water Meter Replacement and Testing Program.** In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers within 4 years, includes upgrade to existing meter reading software and hardware. **\$100,426 – 2017 (Water \$50,213, Wastewater \$50,213), \$85,576 – 2018 (Water \$42,788, Wastewater \$42,788).**

CAPITAL OUTLAY 2017 - 2018
WASTEWATER DIVISION - OPERATING

1. **Pump Station 3A SCADA Control.** The existing SCADA control in the recent years has been problematic. The writing of the program has no back up or support, costing us time and money having to have consultants come in repeatedly. We wish to replace with a system compatible with the current plant SCADA system which has back up and support. **\$105,000 - 2017.** (I&C/Software & Hardware Costs).
2. **Trailer Mounted Screwsucker.** Replace existing diesel power/trailer mounted emergency pump with a trailer mounted screwsucker. **\$150,000 – 2017.**
3. **Portable Camera Unit.** Purchase portable camera unit for sewer and storm line inspections, side sewer locations and emergency situations. **\$70,000 – 2017 (Storm \$35,000, Wastewater \$35,000).**
4. **Replace existing 4x4 2007 Ford with a 4x4 truck.** The current 4x4 vehicle has high miles, high maintenance costs, and has reached the end of its useful life. **\$35,000 – 2017.**
5. **Replace existing utility meter reading vehicle.** The current vehicle (#1045) has outlived its lifespan and the company is no longer manufacturing parts for this model year. The parts are proprietary and when the need arises it is either on the shelf or no longer produced. There is the possibility of purchasing an electric version. **\$40,000 – 2017. (Water \$20,000, Wastewater \$20,000).**

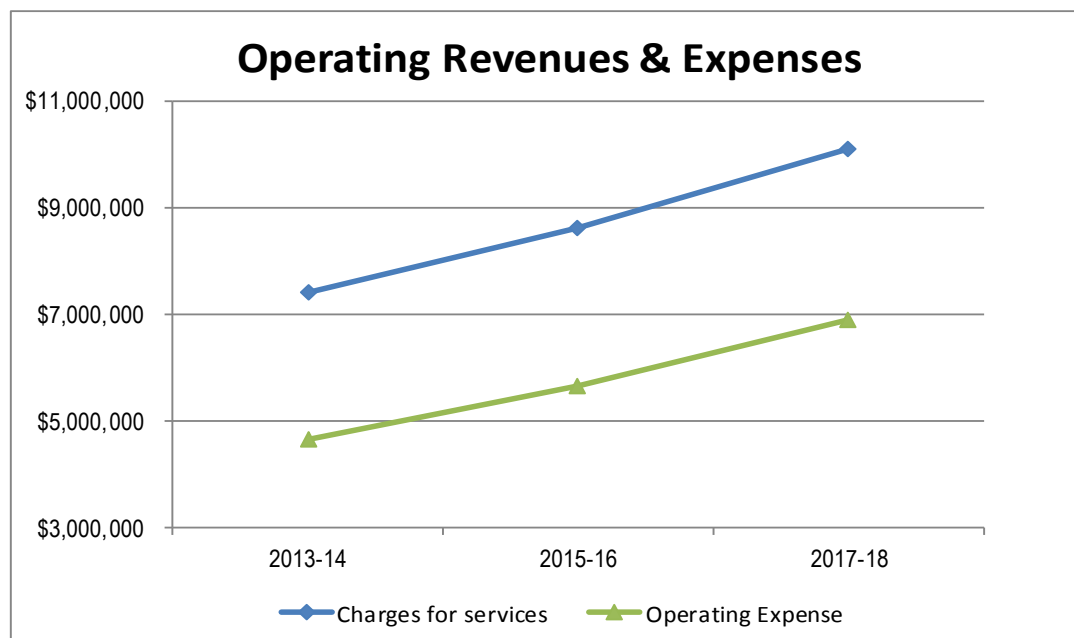
Total Capital Outlay is \$345,000

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 1,018,897	\$ 1,327,614	\$ 1,168,806	\$ 1,559,748	\$ 1,846,275
Taxes	128,743	135,909	290,067	311,633	365,974
Charges for services	3,620,499	3,773,483	8,062,060	8,622,536	10,107,882
Miscellaneous	1,643	6,986	8,000	10,063	5,000
Transfers in	-	64,472	5,600	-	-
Total revenues	3,750,885	3,980,850	8,365,727	8,944,232	10,478,856
Total resources	\$ 4,769,782	\$ 5,308,464	\$ 9,534,533	\$ 10,503,980	\$ 12,325,131

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Salaries	\$ 869,908	\$ 893,615	\$ 1,784,200	\$ 1,939,948	\$ 2,051,600
Benefits	346,760	356,860	787,500	838,288	956,700
Supplies	320,980	291,144	760,400	752,065	920,529
Services	840,021	612,859	2,106,162	1,993,302	2,813,336
Intergov't charges	59,499	58,194	140,000	124,887	152,913
Capital expenditures	-	66,544	92,600	5,815	340,000
Transfers out	1,005,000	1,469,500	3,327,544	3,003,400	4,608,000
Total expenditures	3,442,168	3,748,716	8,998,406	8,657,705	11,843,078
Ending balance	1,327,614	1,559,748	536,127	1,846,275	482,053
Total uses	\$ 4,769,782	\$ 5,308,464	\$ 9,534,533	\$ 10,503,980	\$ 12,325,131



DESCRIPTION OF FUNCTION
SHORECREST SEWER OPERATING FUND

This fund was established in February 2012 to account for all Shorecrest Sewer revenues and expenditures.

Both regular maintenance and operations and capital replacements are accounted for in this fund.

NARRATIVE OF OBJECTIVES 2017 – 2018
SHORECREST SEWER - OPERATING

1. **Shorecrest Sewer Drainfield Access Road.** Permit, design, and construct the new utility access road to the Shorecrest drainfield. **\$ 75,000 – 2017.**

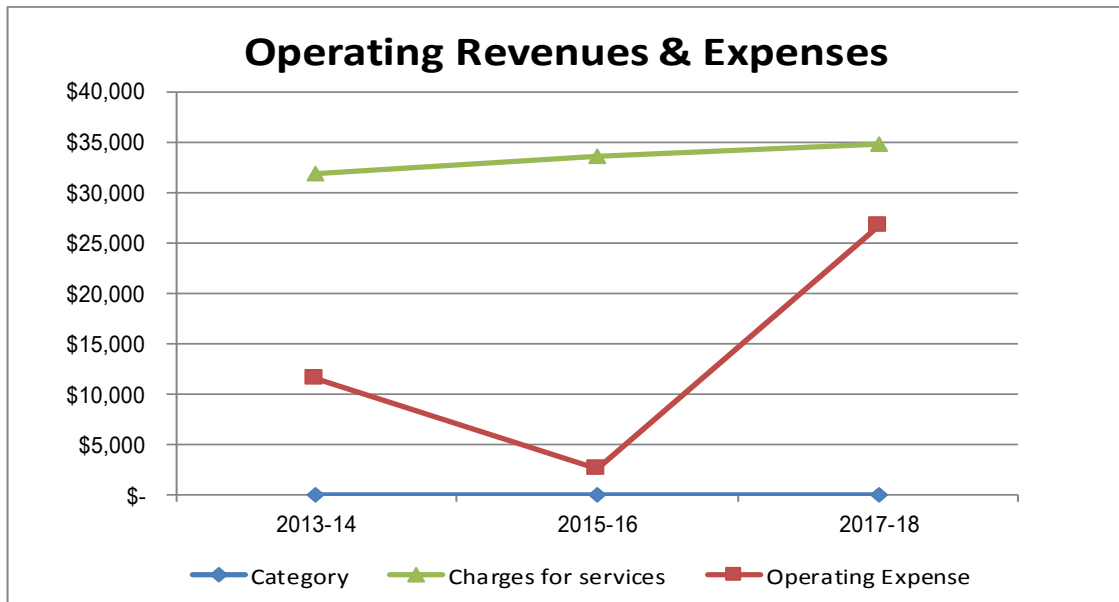
Total Capital Outlay is \$75,000

Resources

Category	2013	2014	2015-16	2015-16	2017-18
	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 42,605	\$ 69,910	\$ 74,266	\$ 77,514	\$ 137,573
Taxes	612	612	1,279	1,292	1,336
Charges for services	15,900	15,900	33,245	33,546	34,704
Miscellaneous	13,410	79	200	27,871	1,000
Transfers in	-	-	-	-	-
Total revenues	29,922	16,591	34,724	62,709	37,040
Total resources	\$ 72,527	\$ 86,501	\$ 108,990	\$ 140,223	\$ 174,613

Expenditures By Type

Category	2013	2014	2015-16	2015-16	2017-18
	Budget	Actual	Budget	Actual	Budget
Salaries	\$ 1,207	\$ 3,535	\$ 13,000	\$ 1,589	\$ 13,000
Benefits	666	1,565	5,400	738	8,710
Supplies	-	-	-	-	-
Services	215	3,829	10,000	215	5,000
Intergov't charges	529	58	1,600	108	-
Capital expenditures	-	-	-	-	75,000
Transfers out	-	-	-	-	-
Total expenditures	2,617	8,987	30,000	2,650	101,710
Ending balance	69,910	77,514	78,990	137,573	72,903
Total uses	\$ 72,527	\$ 86,501	\$ 108,990	\$ 140,223	\$ 174,613



DESCRIPTION OF FUNCTION
UTILITY RESERVE FUND

The Utility Reserve Fund is required under the covenants of the 2003 Revenue and Refunding Bonds, the \$6,035,000 Water and Sewer Revenue Bonds, 2010 (Taxable Build America Bonds), \$5,580,000 Water and Sewer Revenue Bonds, 2010B (Taxable Build America Bonds) and \$2,610,000 Water and Sewer Revenue Bonds, 2010C (Tax-Exempt).

The reserve account is required to be funded to the lesser of (A)% of the net proceeds of each series of Parity Bonds, (B)Annual Debt Service, (C).25 times average Annual Debt Service, or (D)amount as shall be required to maintain the exemption of interest of any series of Parity Bonds from taxation under the Code.

The 2017-2018 biennial budget for this fund meets the reserve requirement as stated above.

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 1,366,556	\$ 1,379,961	\$ 1,390,815	\$ 1,390,980	\$ 1,415,633
Miscellaneous	13,814	11,344	20,850	25,261	19,500
Total revenues	13,814	11,344	20,850	25,261	19,500
Total resources	\$ 1,380,370	\$ 1,391,305	\$ 1,411,665	\$ 1,416,241	\$ 1,435,133

Expenditures

Category	2013 Budget	2014 Actual	2015-16 Budget	2015-16 Actual	2017-18 Budget
Other	\$ 409	\$ 325	\$ 1,000	\$ 608	\$ 700
Total	409	325	1,000	608	700
Ending balance	1,379,961	1,390,980	1,410,665	1,415,633	1,434,433
Total uses	\$ 1,380,370	\$ 1,391,305	\$ 1,411,665	\$ 1,416,241	\$ 1,435,133

**DESCRIPTION OF FUNCTION
UTILITY BOND REDEMPTION FUND**

This fund accounts for Water and Sewer Fund debt service.

Public Works Board Loan – Phase 1 and Outfall

The city has a Public Works Trust Fund Loan from the state Public Works Board. The loan is for the waste water treatment plant phase 1 expansion and outfall extension projects. The loan is for construction in the amount of \$10 million and is paid off in 2028. The interest rate for the loan is 0.5%.

Debt service for the construction loan is:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 529,412	\$ 31,765	\$ 561,176	\$ 5,823,529
2018	529,412	29,118	558,529	5,294,118
2019	529,412	26,471	555,882	4,764,706
2020	529,412	23,824	553,235	4,235,294
2021	529,412	21,176	550,588	\$ 3,705,882
2022 to 2028	3,705,882	74,118	3,780,000	0
TOTAL	\$ 6,352,941	\$ 206,471	\$ 6,559,412	

Water and Sewer Taxable Revenue Build America Bonds Series 2010A:

The city's water/sewer utility issued taxable, Build America Bonds, in the amount of \$6,035,000 in June 2010. These bonds were issued to fund completion of the waste water treatment plant and to replace certain aging water mains in the city's water system. Responsibility for the debt service on the bonds is: Water – 31 percent and Sewer – 69 percent. The bonds are Build America Bonds (BABs). This means that the city receives a 35 percent subsidy on the interest payments over the life of the bonds.

Debt service on the bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2017	\$ 265,000	\$ 165,998	\$ 430,998	\$ 4,410,000
2018	275,000	158,293	433,293	4,135,000
2019	285,000	149,777	434,777	3,850,000
2020	290,000	140,706	430,706	4,135,000
2021	300,000	131,063	431,063	\$ 3,850,000
2022 to 2030	3,260,000	771,900	4,031,900	0
TOTAL	\$ 4,675,000	\$ 1,517,737	\$ 6,192,737	

Water and Sewer Taxable Revenue Build America Bonds Series 2010B and Water and Sewer Revenue Bonds – Tax Exempt 2010C:

In August 2010 the city issued Water/Sewer revenue bonds in the amount of \$8,190,000 to finance construction of the waste water treatment plant outfall extension. The bonds are split between Build America Bonds (BABs) - \$5,580,000 and revenue bonds - \$2,610,000. Average annual net debt service over the remaining life of the bonds is \$424,000 (BABs) and \$348,000 (revenue).

Debt service on the BAB (2010B Series) bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2017	\$ 0	\$ 210,762	\$ 210,762	\$ 5,580,000
2018	0	210,762	210,762	5,580,000
2019	0	210,762	210,762	5,580,000
2020	420,000	210,762	630,762	5,160,000
2021	0	197,665	197,665	\$ 5,160,000
2022 to 2030	5,160,000	1,356,742	6,516,743	0
TOTAL	\$ 5,580,000	\$ 2,397,445	\$ 7,977,445	

Debt service on the Revenue (2010C Series) bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2017	\$ 385,000	\$ 9,650	\$ 424,650	\$ 805,000
2018	395,000	28,100	423,100	\$ 410,000
2019	410,000	12,300	422,300	0
TOTAL	\$ 1,190,000	\$ 80,050	\$ 1,270,050	

Public Works Board Loan – Phase 2

The city has a Public Works Trust Fund Loan from the state Public Works Board. The loan is for the waste water treatment plant phase 2 expansion project. The loan is for construction in the amount of \$4,845,850 million and is paid off in 2032. The interest rate for the loan is 0.25%.

Debt service for the loan is:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2017	\$ 275,909	\$ 22,073	\$ 297,982	\$ 4,138,637
2018	275,909	20,693	296,602	3,862,728
2019	275,909	19,314	295,223	3,586,818
2020	275,909	17,934	293,843	3,310,909
2021	275,909	16,555	292,464	\$ 3,035,000
2022 to 2032	3,035,000	91,050	3,126,050	0
TOTAL	\$ 4,414,546	\$ 187,618	\$ 4,602,164	

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 33,775	\$ 27,248	\$ 1,986	\$ 411,660	\$ 4,684
Intergovernmental	201,511	196,546	385,000	388,410	367,638
Miscellaneous	185	104	300	367	200
Transfers in	1,871,041	1,653,394	4,155,144	3,536,000	5,231,507
Other	-	-	5,594,200	4,226,809	6,500,000
Total revenues	2,072,737	1,850,044	10,134,644	8,151,586	12,099,345
Total resources	\$2,106,512	\$ 1,877,292	\$ 10,136,630	\$ 8,563,246	\$ 12,104,029

Expenditures By Type

Category	2013 Budget	2014 Actual	2015-16 Budget	2015-16 Actual	2017-18 Budget
Transfer out	\$ -	\$ -	\$ 5,594,200	\$ 4,226,809	\$ 6,500,000
Debt service	2,079,264	1,465,632	4,464,525	4,331,753	4,297,993
Total	2,079,264	1,465,632	10,058,725	8,558,562	10,797,993
Ending balance	27,248	411,660	77,905	4,684	1,306,036
Total uses	\$2,106,512	\$ 1,877,292	\$ 10,136,630	\$ 8,563,246	\$ 12,104,029

DESCRIPTION OF FUNCTION
WASTEWATER DIVISION – CAPITAL

This fund accumulates resources for major wastewater capital projects, and accounts for their purchase, construction and financing. Sources of revenue for the fund include wastewater connection fees, transfers from the wastewater operating fund, and interest earnings.

NARRATIVE OF GOALS 2017 – 2022
WASTEWATER DIVISION – CAPITAL

1. **Collection System.** Explore the opportunities for Utility Local Improvement District (ULID) expansion of the sewer system to serve all city residents. **2017 - 2022.**
2. **Lift Station and Collection System Improvements.** Develop and implement a plan for replacement and/or improving existing lift stations and collections system infrastructure. **2017 – 2022.**
3. **Reuse and Reclaimed water.** (See Water Capital.)
4. **Burnham/Harborview Connector including Bypass Connector.** Interconnect the sanitary sewer line along Harborview Drive to Burnham Drive to allow flow diversion capability. **2017 - 2022.**
5. **Dri-Prime Diesel Pump Installations.** Installation of Dri-Prime Diesel Pumps to replace aging generators at various lift stations. **2017 - 2022.**

**NARRATIVE OF OBJECTIVES 2017- 2018
WASTEWATER DIVISION – CAPITAL**

1. **Lift Station No. 6 Replacement (Ryan Street).** Verify right-of-way and complete final design and permitting for the replacement pump station at the existing site. **\$105,000 – 2017, \$550,000 - 2018.**
2. **Welcome Plaza / Lift Station No. 4 Replacement (Jerisich Park).** Complete the construction of the above ground replacement lift station/Welcome Plaza in accordance with the city's Comprehensive Plan. Paid in part thru a Municipal Bond and Utility Revenues. **\$4,500,000 – 2017.**
3. **Lift Station No. 17 Final Design and Permitting (Bujacich Dr.).** Reserved for city procurement of the property or easement. **\$270,000 – 2017.**
4. **Rehabilitation of Lift Station #9 (Longacres Subdivision).** This will be in conjunction with the replacement of the wet well by a private developer and will also include installation of related vaults, piping, controls, etc. **\$306,573 – 2017 (\$227,000 city and \$79,573 developer contribution).**
5. **Rehabilitation of Lift Station #1 (Crescent Creek Park).** Replace existing pumps, electrical and mechanical equipment and coat wet well. **\$85,000 – 2018.**
6. **Public Works Shop – Metal Building.** Install the metal building (72'x40') acquired from the Harbor History Museum property at the Public Works Shop for additional covered storage. This building will need new metal siding, a concrete slab and roofing. **\$100,000 - 2017 (Streets - \$15,000, Parks - \$15,000, Water - \$30,000, Storm - \$10,000, Wastewater - \$30,000).**
7. **Blower Replacement.** Replace a positive displacement blower with high efficiency Neuros Blower and provide a redundant backup blower. **\$700,000 – 2017.**
8. **50th Street Force Main Replacement.** In conjunction with the 50th St. improvement Project, relocate and replace the existing force main. **\$180,000 - 2018.**
9. **Wastewater Outfall Study at the Donkey Creek Delta.** Perform a study of sediment deposition in the Donkey Creek delta related to the installation of the wastewater outfall pipe. Depending on the results of the study this may include designing, permitting, and perform work to mitigate the City's impacts to the delta. **\$125,000 – 2017.**

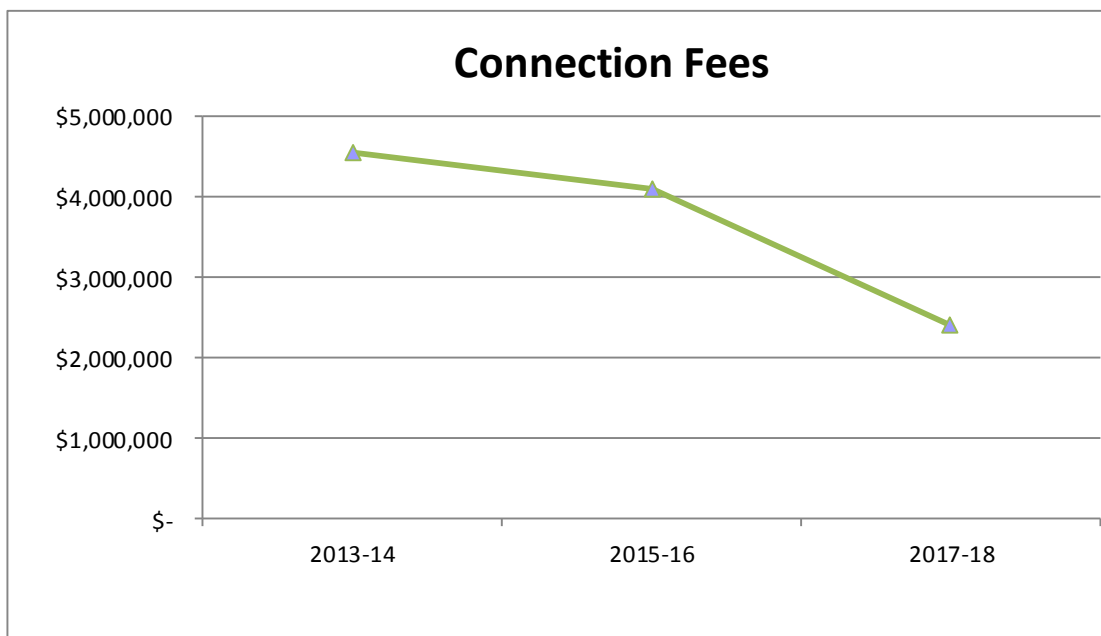
10. **Public Works Maintenance Facility Concrete Pad.** Install concrete pad and two foot concrete walls to re-use back shed area that will be taken down for the metal building. **\$8,500 - 2017 (Parks \$1,275, Streets \$1,275, Water \$2,550, Storm \$850, Wastewater \$2,550).**

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 4,713,138	\$ 6,008,111	\$ 6,591,053	\$ 5,702,614	\$ 1,672,350
Charges for services	2,892,273	1,651,726	1,708,000	4,105,268	2,410,000
Miscellaneous	7,399	5,715	10,000	37,474	119,573
Transfers in	-	735,876	3,345,850	4,196,059	4,600,000
Other	-	-	-	-	-
Total revenues	2,899,672	2,393,317	5,063,850	8,338,801	7,129,573
Total resources	\$ 7,612,810	\$ 8,401,428	\$ 11,654,903	\$ 14,041,415	\$ 8,801,923

Expenditures By Type

Category	2013 Budget	2014 Actual	2015-16 Budget	2015-16 Actual	2017-18 Budget
Salaries	\$ 185,460	\$ 205,127	\$ 530,600	\$ 474,620	\$ 572,300
Benefits	92,100	101,498	243,400	245,203	252,000
Services	4,392	-	200,000	-	-
Intergov't charges	50,729	24,802	29,890	65,253	60,000
Capital expenditures	572,018	2,367,387	9,839,474	11,064,298	7,878,466
Transfers out	700,000	-	500,000	519,691	-
Total	1,604,699	2,698,814	11,343,364	12,369,065	8,762,766
Ending balance	6,008,111	5,702,614	311,539	1,672,350	39,157
Total uses	\$ 7,612,810	\$ 8,401,428	\$ 11,654,903	\$ 14,041,415	\$ 8,801,923



DESCRIPTION OF FUNCTION
STORM WATER DIVISION - OPERATING

Maintain, operate and improve the city's storm water collection, treatment and discharge system to provide cost-effective conveyance and disposal of urban runoff from within the public right-of-way consistent with federal, state and local regulations and guidelines to minimize pollution and physical impacts to downstream properties, groundwater, surface water, and sensitive marine life. This function also includes administration of the NPDES Phase 2 permit, review of private development storm drain systems, and periodic update of the city's storm water standards.

NARRATIVE OF GOALS 2017 – 2022
STORM WATER DIVISION - OPERATING

1. **Storm Water Management Program.** Continue the implementation of a comprehensive city-wide Stormwater Management Program in accordance with the city's current NPDES Phase 2 municipal stormwater permit. The Stormwater Management Program includes the ongoing assessment program for identifying and prioritizing sources of storm water pollution, development of a capital improvement program to identify and resolve storm drainage problems, formal program for coordinating drainage basin issues, community outreach and education, and a program for inspection and enforcement of storm drainage and pollution regulations. Future program objectives will include a comprehensive revision to the city's municipal code, as required by the Washington State Department of Ecology, to remove possible hindrances across all city codes for requirements of future NPDES Phase 2 permits. **2017 – 2022.**
2. **Public Works Standards.** Update the storm section of the Public Works Standards as necessary to reflect the design manual and current policies and procedures as needed. **2017 – 2022.**
3. **Storm Drain Maintenance System Documentation.** Purchase and implement computer software able to record and track storm drain maintenance activities and provide documentation and maintenance schedules. **2017 – 2022.**
4. **Puget Sound Partnership.** In accordance with the new Puget Sound Partnership, become a partner with the new state agency department to be proactive and partner with the efforts to preserve and enhance the quality of adjoining Puget Sound waters. **2017 – 2022.**
5. **Stormwater Outfalls Maintenance. Perform routine** inspections of stormwater outfalls into the Puget Sound. Replace or improve outfalls that have deteriorated due to tidal action or lack of maintenance. **2017 - 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018
STORM WATER DIVISION - OPERATING

1. **NPDES Phase 2 Municipal Stormwater Permit.** Continue the implementation of comprehensive city-wide Stormwater Management Program in accordance with the city's current NPDES Phase 2 municipal stormwater permit, including sustained efforts for community outreach and education, and inspection and enforcement of storm drainage and pollution regulations. **\$15,000 – 2017, \$15,000 - 2018.**
2. **Local Source Control Program.** The City to enter into an Interagency Agreement with Tacoma-Pierce County Health Department with the purpose to reduce pollutants and impacts to surface waters and stormwater system as directed by the City's NPDES Stormwater permit issued by Washington Department of Ecology. To provide pollutant source control inspections and outreach to businesses that will increase operators awareness the necessary stormwater facilities maintenance, the best environmental stewardship practices education, management practices that reduce the pollutants discharging to the stormwater and elimination of illicit discharge connection to the stormwater system. An annual report to be provided itemizing the inspections and results realized **\$25,000 – 2017, \$25,000 - 2018.**
3. **Storm Ditch Cleaning.** Utilize interlocal agreement with Pierce County to clean approximately 5,000 feet of ditch. **\$8,000 – 2017, \$8,000 - 2018.**
4. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Estimated cost is \$123,000 - 2017 (Parks \$61,500, Street \$24,600, Water \$12,300, Storm \$24,600), \$123,000 - 2018 (Parks \$61,500, Street \$24,600, Water \$12,300, Storm \$24,600).**
5. **Comprehensive Plan Demographic Forecast Allocation Model (DFAM).** Update Comprehensive Plan for Demographic Forecast Allocation Model for Storm Water, whose results will be utilized in the 2017 city-wide Comprehensive Plan update. The model results will also be used to update the flow projections. **\$15,000 – 2017.**
6. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting Subscription and Support for 50 users. ArcGIS license pack for 50 users integrates system with Esri to use location to make work, asset, request and resource data more useful and accurate. Also obtain further support through AWCs GIS consortium. **\$25,000 – 2017 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250) \$25,000 – 2018 (Parks \$6,250, Streets \$6,250, Water \$6,250, Storm \$6,250).**

7. **Low Impact Development Implementation.** In accordance with the new NPDES permit requirements, and where geotechnically practical implement the LID features into both city and private developer sponsored projects. Addressed within the stormwater features of the individual projects. **\$50,000 - 2017, \$50,000 - 2018.**
8. **Storm Water Comprehensive Plan Update.** Utilize the storm water model flow information and complete City wide storm water comprehensive plan update. **\$60,000 – 2017, \$60,000 - 2018.**

**CAPITAL OUTLAY 2017-2018
STORM WATER DIVISION - OPERATING**

1. **Replace existing 18-year old Chevrolet 4x4 ¾ ton pickup truck (#1051) with a new 4x4 ¾ ton pickup truck and new utility box.** This truck was originally purchased at auction in 2001. The vehicle is a high mileage truck with 134,000 miles and has become expensive to maintain and is becoming unreliable. **\$51,000 – 2017 (Parks \$12,750, Streets \$12,750, Water \$12,750, Storm \$12,750) 101-017-594-44-64.**
2. **Replace 2003 Chevrolet 4x4 ¾ ton pickup truck with a 4x4 1/2 ton pickup truck.** This was a bad year for this truck engine with many issues that take up labor and resources. **\$40,000 - 2017 (Parks \$10,000, Streets \$10,000, Water \$10,000, Storm \$10,000) 101-017-594-44-64.**
3. **Replace 2007 street sweeper with a new regenerative or vacuum sweeper.** The existing sweeper has outlived its service life. It is a regenerative air machine and has served the City well, but it will require a major overhaul involving expensive parts within the year. The leaf screen and debris hopper are getting very thin due to work environment and these items are expensive to repair. The pervious concrete and asphalt streets are expanding and the new sweepers meet the needs to maintain the roadways properly. **\$180,000 – 2017 (Streets \$90,000, Storm \$90,000) 101-017-594-44-64.**
4. **Replace existing 1997 small equipment trailer (#2005).** The new trailer is four foot longer and has more capacity than the existing trailer. It will be more versatile for moving existing and newer equipment. **\$12,000 - 2017 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000) 101-017-594-44-64.**
5. **Portable Camera Unit.** Purchase portable camera unit for sewer and storm line inspections, side sewer locations and emergency situations. **\$70,000 – 2017 (Wastewater \$35,000, Storm \$35,000).**
6. **Sidewalk Vacuum Sweeper.** Due to the expanding amount of pervious sidewalks within the city, there is a need to purchase a riding vacuum sweeper to maintain pervious sidewalks. Vacuum sweepers are able to properly clean the voids in sidewalks allowing storm water to re-enter the ground. **\$30,000 – 2017 (Streets \$15,000, Storm \$15,000).**
7. **Walk behind concrete saw.** Replacement for existing equipment purchased in 1998, repaired several times and no longer viable. **\$6,000 (Parks \$1,500, Streets \$1,500, Storm \$1,500, Water \$1,500) – 2017.**

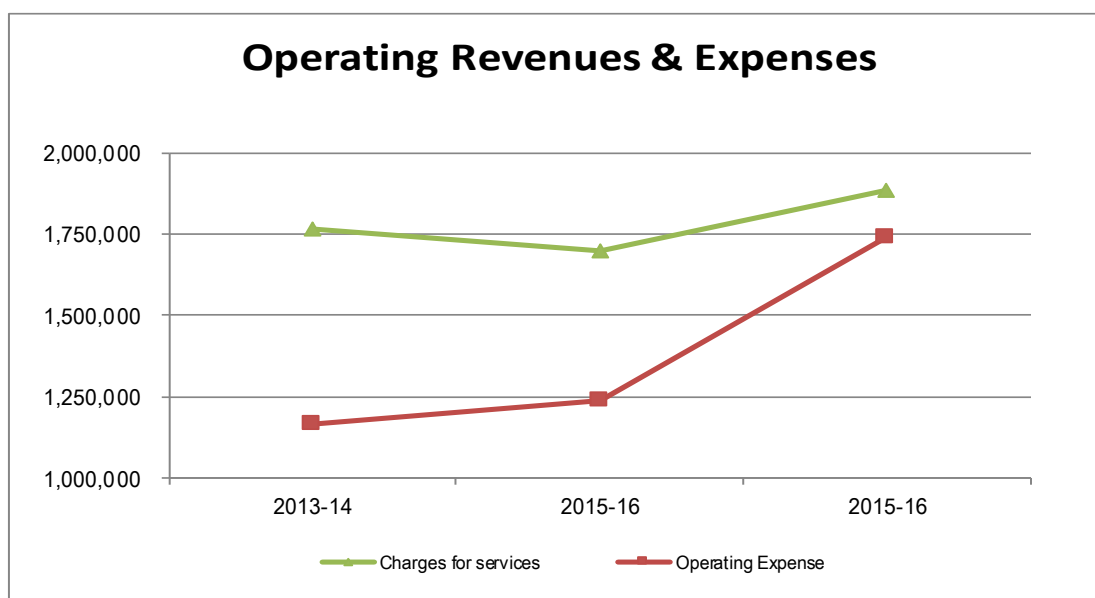
Total Capital Outlay is \$167,250

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 308,689	\$ 550,058	\$ 846,799	\$ 890,773	\$ 620,212
Taxes	-	-	-	-	-
Charges	848,873	917,840	1,681,403	1,696,548	1,886,611
Miscellaneous	405	565	1,000	5,895	4,000
Transfers in	-	13,997	-	189,807	-
Other	-	-	53,750	46,722	-
Total revenues	849,278	932,402	1,736,153	1,938,972	1,890,611
Total resources	\$ 1,157,967	\$ 1,482,460	\$ 2,582,952	\$ 2,829,745	\$ 2,510,823

Expenditures By Type

Category	2013 Budget	2014 Actual	2015-16 Budget	2015-16 Actual	2017-18 Budget
Salaries	\$ 287,985	\$ 293,467	\$ 708,000	\$ 627,230	\$ 757,412
Benefits	124,789	123,688	311,300	284,979	351,488
Supplies	78,618	28,421	61,000	70,782	66,625
Services	91,186	108,484	385,722	225,643	526,604
Intergov't charges	17,044	15,558	24,835	32,998	38,103
Capital expenditures	8,287	19,789	48,750	51,911	167,250
Transfer	-	2,000	900,000	900,000	400,000
Other	-	280	-	15,990	23,450
Total expenditures	607,909	591,687	2,439,607	2,209,533	2,330,932
Ending fund balance	550,058	890,773	143,345	620,212	179,891
Total uses	\$ 1,157,967	\$ 1,482,460	\$ 2,582,952	\$ 2,829,745	\$ 2,510,823



DESCRIPTION OF FUNCTION
STORM WATER DIVISION - CAPITAL

This fund accumulates resources for major storm water capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include connection fees and storm rates.

NARRATIVE OF GOALS 2017 – 2022
STORM WATER DIVISION - CAPITAL

1. **50th Street Box Culvert.** Design, permit, and construct a fish friendly box culvert under 50th Street east of 36th Avenue Ct. in anticipation of extending 50th Street improvements in a future project. **2017 - 2018.**
2. **Harborview Drive Stormwater Conveyance Improvements.** Eliminate stormwater conveyance under the Harbor History Museum. **2017 – 2018.**
3. **Wastewater Outfall Trench Cover Berm Regrading.** Design and permit the removal of the trench fish mix backfill over the outfall located in Austin Estuary tide flat. This backfill in the estuary is causing redirection of the outgoing tide to divert into Murphy's Landing Marina. **2017 – 2022.**

**NARRATIVE OF OBJECTIVES 2017 – 2018
STORM WATER DIVISION - CAPITAL**

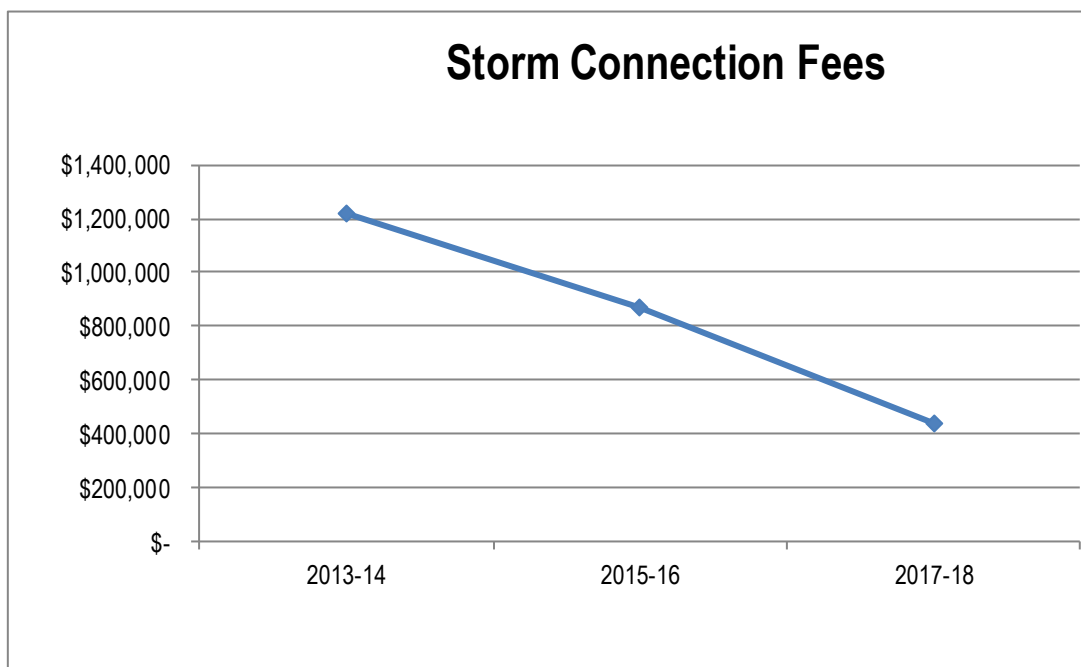
1. **Public Works Operations Center – Site Development.** Complete the site design and site permitting then construct the frontage improvements and site civil improvements related to the new Public Works Operations Center. **\$1,600,000 - 2017 (Parks \$400,000, Streets \$400,000, Water \$640,000, Storm \$160,000). \$600,000 - 2018 (Parks \$150,000, Streets \$150,000, Water \$240,000, Storm \$60,000).**
2. **Public Works Operations Center – Building Construction.** Complete the building design and building permitting of the new Public Works Operations Center. **\$3,000,000 - 2018 (Parks \$750,000, Streets \$750,000, Water \$1,200,000, Storm \$300,000).**
3. **Public Works Shop – Metal Building.** Install the metal building (72'x40") acquired from the Harbor History Museum property at the Public Works Shop for additional covered storage. This building will need new metal siding, a concrete slab, doors, and roofing. **\$100,000 - 2017 (Streets - \$15,000, Parks - \$15,000, Water - \$30,000, Storm - \$10,000, Wastewater - \$30,000).**
4. **Harborview Drive Stormwater Conveyance Improvements.** Disconnect the combined City-Harbor History Museum stormwater system and redirect the flow along another pipe configuration along Harborview Drive. Design and permitting only. **\$175,000 – 2017.**
5. **50th Street Box Culvert.** Complete the design, permit, and construct a fish friendly box culvert under 50th Street east of 38th Avenue in anticipation of extending 50th Street improvements in a future project. **\$840,000 – 2018.**
6. **Stormwater Outfall Upgrade and Restoration.** This project will upgrade the stormwater outfall and restore the surrounding habitat at one or more locations where the City discharges stormwater into Gig Harbor Bay. This project is planned in part to provide mitigation for environmental impacts at the Ancich Park site. **\$100,000 – 2018.**
7. **Public Works Maintenance Facility Concrete Pad.** Install concrete pad and two foot concrete walls to re-use back shed area that will be taken down for the metal building. **\$8,500 - 2017 (Parks \$1,275, Streets \$1,275, Water \$2,550, Storm \$850, Wastewater \$2,550).**

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 213,451	\$ 40,500	\$ 240,936	\$ 24,765	\$ 1,095,758
Charges	944,912	276,880	240,000	868,604	442,500
Miscellaneous	195	4,081	200	2,296	2,000
Transfer In	136,096	-	900,000	900,000	400,000
Total revenues	1,081,203	280,961	1,140,200	1,770,900	844,500
Total resources	\$ 1,294,654	\$ 321,461	\$ 1,381,136	\$ 1,795,665	\$ 1,940,258

Expenditures By Type

Category	2013 Budget	2014 Actual	2015-16 Budget	2015-16 Actual	2017-18 Budget
Salaries	\$ 33,198	\$ 47,281	\$ 85,100	\$ 99,272	\$ 108,156
Benefits	38,166	19,051	39,400	41,372	46,144
Capital expenditures	1,182,790	230,364	1,174,750	559,263	1,646,344
Total	1,254,154	296,696	1,299,250	699,907	1,800,644
Ending balance	40,500	24,765	81,886	1,095,758	139,614
Total uses	\$ 1,294,654	\$ 321,461	\$ 1,381,136	\$ 1,795,665	\$ 1,940,258



DESCRIPTION OF FUNCTION
WATER DIVISION CAPITAL

This fund accumulates resources for major water capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include water connection fees, transfers from the Water Operating Fund and interest earnings.

NARRATIVE OF GOALS 2017 – 2022

WATER DIVISION CAPITAL

1. **Gig Harbor North Well Site (Well No 9).** Construct a deep aquifer well as a primary source for the Gig Harbor North Tank and obtain the related primary water rights by working with USGS on the Kitsap peninsula-wide aquifer study, Department of Ecology, and Department of Health. Note: Completion of this well is contingent on receipt of a new additive water right from DOE based on the city's August 2000 water right application. **2017 – 2019.**
2. **Asbestos-Cement Water Main Replacement Program.** Continue to implement a program to identify and replace aging and/or vulnerable portions of the asbestos-cement water transmission and distribution system. Priority will be given to lines within areas identified for other capital improvements, such as pavement replacement or street reconstruction, and especially lines more than 40-years old where high ground water is present and/or areas where lines have historically ruptured. **2017 – 2022.**
3. **Reuse and Reclaimed Water.** Further develop the preliminary groundwater recharge feasibility report to explore the feasibility of recharging groundwater in the future. This refinement to the preliminary report would explore in more specific detail specific recharge sites, sources of recharge water, as well as other potential benefits that may result from performing groundwater recharge. **2017 – 2022.**
4. **Redundant Production Well.** Construct a redundant deep aquifer well in accordance with the City's Water System Plan as a non-additive water source. **2017 – 2022.**
5. **Primary Source Well Development.** As identified in the City Utility Rate Study and Comprehensive Plan, develop the location for this primary source well in the Gig Harbor North area and continue to work towards obtaining the primary water right for this much needed well. **2018 - 2022.**

NARRATIVE OF OBJECTIVES 2017 – 2018

WATER DIVISION CAPITAL

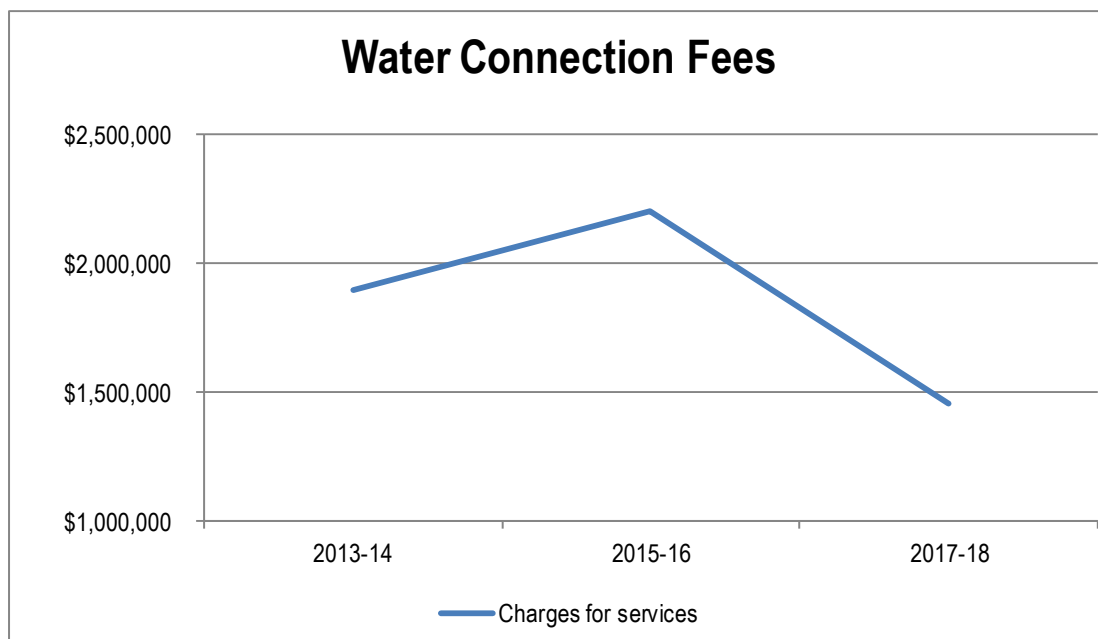
1. **Deep Aquifer Well Development (Well No. 11).** Construct the new well house, water treatment facility, telemetry, and associated appurtenances at the location of the drilled Well No. 11 well casing and place this well into service. Install necessary power supply. **\$3,000,000 – 2017.**
2. **Reuse and Reclaimed Water - Phase 2.** Continue the development of a feasibility report to refine previous reuse and reclaimed water studies to explore specific recharge sites and reuse locations, sources of recharge water, as well as other potential benefits that may result from generating reclaimed water. **\$50,000 – 2018.**
3. **Public Works Shop – Metal Building.** Install the metal building (72'x40') acquired from the History Museum property at the Public Works Shop for additional covered storage. This building will need new metal siding, a concrete slab and roofing. **\$100,000 - 2017 (Streets - \$15,000, Parks - \$15,000, Water - \$30,000, Storm - \$10,000, Wastewater - \$30,000).**
4. **Public Works Operations Center – Site Development.** Complete the site design and site permitting then construct the frontage improvements and site civil improvements related to the new Public Works Operations Center. **\$1,600,000 - 2017 (Parks \$400,000, Streets \$400,000, Water \$640,000, Storm \$160,000). \$600,000 - 2018 (Parks \$150,000, Streets \$150,000, Water \$240,000, Storm \$60,000).**
5. **Public Works Operations Center – Building Construction.** Complete the building design and building permitting of the new Public Works Operations Center. **\$3,000,000 - 2018 (Parks \$750,000, Streets \$750,000, Water \$1,200,000, Storm \$300,000).**
6. **Stinson Avenue Asbestos Cement Water Main Replacement.** Complete the design, permitting, right of way acquisition, and replace the existing asbestos cement (AC) water main with ductile iron water main. **\$1,285,000 – 2018.**
7. **Public Works Maintenance Facility Concrete Pad.** Install concrete pad and two foot concrete walls to re-use back shed area that will be taken down for the metal building. **\$8,500 - 2017 (Parks \$1,275, Streets \$1,275, Water \$2,550, Storm \$850, Wastewater \$2,550).**

Resources

Category	2013 Actual	2014 Actual	2015-16 Budget	2015-16 YE Estimate	2017-18 Budget
Beginning balance	\$ 1,156,441	\$ 18,134	\$ 670,519	\$ 1,516,513	\$ 2,764,022
Intergov't revenue	959,266	1,040,734	-	-	-
Charges	709,310	1,186,515	1,236,000	2,201,105	1,460,000
Miscellaneous	1,109	995	1,000	10,447	10,000
Transfers in	-	-	2,500,000	500,000	2,700,000
Total revenues	1,669,685	2,228,244	3,737,000	2,711,552	4,170,000
Total resources	\$ 2,826,126	\$ 2,246,378	\$ 4,407,519	\$ 4,228,065	\$ 6,934,022

Expenditures By Type

Category	2013 Budget	2014 Actual	2015-16 Budget	2015-16 Actual	2017-18 Budget
Salaries	\$ 45,776	\$ 52,294	\$ 138,900	\$ 187,091	\$ 195,500
Benefits	29,164	21,049	60,300	82,747	91,400
Supplies	-	-	-	-	-
Services	-	-	-	-	-
Intergov't charges	12,271	17,798	21,382	34,412	35,000
Capital expenditures	2,720,781	638,724	4,184,250	1,159,793	6,448,000
Total	2,807,992	729,865	4,404,832	1,464,043	6,769,900
Ending balance	18,134	1,516,513	2,687	2,764,022	164,122
Total uses	\$ 2,826,126	\$ 2,246,378	\$ 4,407,519	\$ 4,228,065	\$ 6,934,022



To: Councilmembers

From: Councilmember Michael Perrow

Date: November 28, 2016

RE: Preliminary Biennial Budget – Desired Changes

REVENUE ESTIMATES – Increased estimates of revenue from permits and sales tax, over and above what was originally presented to the Council, total \$1.08 million. Either revenue estimates should be reduced to those presented to Council or the ending fund balance should be increased by \$1.08 million above and beyond what Council would otherwise deem reasonable. **DECREASE REVENUE OR INCREASE ENDING BALANCE BY \$1.08 MILLION.**

PW OPERATIONS CENTER – Reevaluation of the project, including the design and other options. Additionally, there should be consideration of the funding allocation between Water, Storm, Streets and Parks. Since this project is proposed to be funded by enterprise funds and debt, it could be easily added back into the budget through a budget amendment. **REMOVE AND RECONSIDER OPTIONS.**

HBZ PROJECT FUNDING – The proposed budget includes the use of \$3.79 million of HBZ funds for projects that don't have a nexus with the intent of the of the HBZ fund. These projects include Ancich Park, Ancich Netshed, and Harborview Drive Pedestrian Improvements near Ancich Park, Crescent Creek Park and the Jerkovich Pier. The proposed use of HBZ funds for Harbor Hill Drive and the Cushman Trail Phase #5 are constant with the intent of the fund. **HBZ SHOULD NOT FUND THE \$3.79 MILLION IN PROJECTS THAT ARE NOT CONSISTENT WITH THE INTENT OF THE HBZ.**

STAFFING –

BUILDING – Consider need for additional staff and reclassifications after the Council has had the opportunity to consider the Larimer Study. **NO CHANGES IN STAFFING OR CLASSIFICATIONS.**

PLANNING – Consider need for additional staff and reclassifications after the Council has had the opportunity to consider the Larimer Study. **NO CHANGES IN STAFFING OR CLASSIFICATIONS.**

PUBLIC WORKS - Consider need for additional staff and reclassifications after there is an outside efficiency evaluation of the Operations of the Division. Except for increasing the Seasonal Help to eight. **INCREASE SEASONAL HELP FROM SIX TO EIGHT, OTHERWISE NO CHANGES TO STAFFING OF CLASSIFICATIONS.**

COURT- Consider need for additional staff after there is an evaluation of other options for court services and depending on the direction that leads the Except for increasing the Seasonal Help to eight. **NO CHANGE IN STAFFING.**

POLICE – Add three new positions in 2017, and continued evaluation of the department operations and needs before adding any additional. **ADD THREE POSIONS IN 2017.**

REMOVE – Eliminate or change funding for the following projects

- **Harborview Pedestrian Improvements** (Ancich Area) \$300,000 – **REMOVE**. Better fit with Harborview & Stinson intersection project.
- **Electric Vehicle Charging Station** \$25,000 – **REMOVE**. Consider use of those funding in 2015-16 budget and/or seek grant funding.
- **Stanich Trail** \$20,000 – **REMOVE**.
- **Economic Development -Downtown Waterfront Alliance** - \$70,000 – **CONTINUE DISCUSSING REDUCING FUNDING**
- **Donkey Engine Install** \$10,000 – **REMOVE** – Work with volunteers to fund project.
- **Water Bottle Filling Stations** \$4,000 (non-water division funds) – **REMOVE** – Add to donation list.
- **Movie Screen** \$6,000 – **REMOVE** – Funding this runs counter to movies in the park being funded by sponsors. The sponsors should pay for this, or maybe Lodging Tax would like to provide funding.
- **Law Day** \$1,200.00 – **REMOVE** – Seek volunteers and sponsors from the legal community.
- **Carpet Hard Floor Scrubber** \$13,000 – **REMOVE** – Consider options.
- **LED Lighting in Civic Center** \$70,000 – **REMOVE** – Seek funding from PenLight. BPA, State or Feds.
- **Trash Can Replacement Program** \$20,000 – **REDUCE OR REMOVE** – Elimination of the concrete receptacles seems to be a waste; they could be use in less prominent locations.

ADD –

- Funding for a **study of the operational efficiency of the PW Department**, with attention to the Operations Division. Amount TBD.
- Funding for **study to consider all options for court services**. Amount TBD.

**GH Waterfront Alliance Value to City's Economic Development
Nov-16**

Expenditures Directly/Indirectly to City

Trolley	\$ 5,000		
Flower Baskets	\$ 6,500		
Farmer's Market	\$ 21,500		
Christmas Lights	\$ 600		
Waterfront Map	\$ 1,000		
Gigging Up Harbor	\$ 350		
Walking Tours	\$ 1,280	Vol. Hrs.	Total
	\$ 36,230	\$19,550	\$ 55,780

Income Producing Expenditures

Wine & Food Festival	81,000
Chalk Harbor	900
Maritime Gig	500
Chamber Video	1,000
Girl's Night Out	20,000
Seattle Boat Show	<u>200</u>
	103,600

Volunteer Hours

		x \$23
Flower Baskets	600	\$ 13,800
Farmer's Market	492	
Walking Tours	154	
Girl's Night Out	200	
Gigging Up Harbor	200	\$ 4,600
Wine & Food Festival	500	
Seattle Boat Show	50	\$ 1,150
Other	<u>1,300</u>	
		\$ 19,550
	3,496	\$ 80,000

According to Non-Profit Times each Volunteer Hour is worth \$23

Directly measurable benefit to Downtown business' Girl's Night Out

2015	\$ 130,000
2016	\$ 175,000 (est.)
	<u>\$ 305,000</u> last 2 years