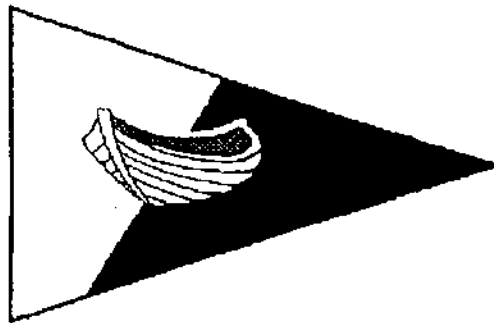


GIG HARBOR CITY COUNCIL MEETING



JANUARY 9TH, 1995

7:00 P.M., CITY HALL COUNCIL CHAMBERS

REGULAR GIG HARBOR CITY COUNCIL MEETING OF DECEMBER 12, 1994

PRESENT: Councilmembers Platt, Picinich, Ekberg, Markovich and Mayor Wilbert.
Councilmember Stevens Taylor was absent.

PUBLIC COMMENT / DISCUSSION: None.

CALL TO ORDER: 7:01 p.m.

APPROVAL OF MINUTES:

MOTION: Move approval of the minutes, with changes, of the November 28, 1994 meeting as presented.

Picinich/Platt - unanimously approved. Councilmember Markovich abstained.

OLD BUSINESS:

- I. Second Reading - Modification to the Harbor Ordinance. Mark Hoppen introduced the second reading of this Ordinance and introduced Mike Lunenschloss, President of the Washington Seaplane Pilots Association, and Bob Hamilton, Vice-president of the International Seaplane Pilots Association, both present to answer questions. Carol Morris explained the changes in language she made to the ordinance at Council's direction.

MOTION: Move adoption of Ordinance #687 amending Gig Harbor Municipal Code relating to seaplanes.

Markovich/Ekberg - unanimously approved.

NEW BUSINESS:

- I. Request to Revise Smoke Detector Ordinance - Northview Terrace. Steve Bowman gave a history behind this request by several owners of the Northview Terrace Condominiums to modify the existing smoke detector ordinance.

Pete Landry - 7400 Stinson Avenue #315. Mr. Landry stated that he and the other owners had not been notified of the requirements to install smoke detectors until September of this year. He explained the uniqueness of the building construction due to the vaulted ceilings in the top units, that are two feet higher than the rest of the ceilings. The vaulted ceilings, fire walls around the perimeter, and the radiant heat in the ceilings, are factors making it more difficult for the owners to install hard-wired smoke detectors in the living room area. He requested the requirements on penetrating a firewall. He asked if battery operated smoke detector could be used in the vaulted ceiling area in lieu of hard-wiring it to the other required detectors.

Marjorie Newman - 7400 Stinson Avenue #312. Ms. Newman mentioned three items making the requirements difficult to comply with: 1) the three level configuration of the condos; 2) the wiring in the ceiling; and 3) the first thing to go in a fire is the electricity, rendering the hard-wired detectors useless without battery back-up.

Rudy Nicholas - 7400 Stinson Avenue. Mr. Nicholas also described the structural design of the dwellings on the top floor. He said installing a junction box in the firewall would defeat the integrity of the firewall, violating the fire code.

Ken Oller - 7400 Stinson Avenue #104. Mr. Oller explained that the condominiums were not apartments, that they are an existing residence, not new construction, and that there are no common hallways or exits. He asked why these condos were being compared with apartments.

Councilman Markovich explained that Council had put a great deal of thought into the ordinance and were proud of the fact that the City's regulations were more restrictive than state code, therefore raising the level of safety in multi-family dwellings.

Councilman Platt suggested allowing usage of battery-operated smoke detectors in the vaulted ceiling areas, and added that the City of Gig Harbor could provide new batteries and an inspection once a year to make sure the detectors were in working order.

Pat Nicholas - 7400 Stinson Avenue #309. Ms. Nicholas said her husband and she had spend \$1,000 to lower their ceilings so they wouldn't have to install a smoke detector. She added the one in her hallway works so well, that it goes off every time she uses her oven. She said she believed the condominiums should be grandfathered.

Glen Stenbak - Assistant Fire Chief. Chief Stenbak stated that the fire district supported the ordinance. He added that nation-wide statistics support the fact that smoke detectors save lives. He said he believed the City had the foresight to bring the minimum level of standards up to a higher level to protect lives. He said he recognized the problems with installation in these particular dwellings, but he felt they were not insurmountable.

Councilman Ekberg asked Chief Stenbak what the impact would be in battery powered detectors were allowed in the raised areas, with the hard-wired detectors in the remainder of the condo. Chief Stenbak stated that if it were laid out correctly, it might be OK. The problem he felt was with battery maintenance. He added that these ceilings are a main area of concern.

Councilman Markovich stated he was not willing to amend the ordinance just for Northview Terrace, but he would support a waiver for their unique circumstances. Carol Morris explained to the Councilmembers that although there was a provision for alternative methods to be utilized, an administrative waiver was not an option.

MOTION: Move to authorize the Staff to come back with a plausible, economical, solution to the unique construction areas in the top 19 units, while still protecting the safety of the residents.
Ekberg/Picinich - unanimously approved.

2. Sewer Extension Request - Sabsowitz/Turner. Ben Yazici introduced this emergency request for sewer hook-up due to a twice-failed septic system. Mr. Sabsowitz explained the problems with the property, and answered council's questions. Mr. Turner asked if it would be permissible to install sewer stubs for the other properties up from them, allowing these

properties to hook up in case of future failures. Mr. Yazici recommended Mr. Turner to work out those details with the other property owners, but advised Council not to enter into a Latecomers Agreement at this time.

MOTION: Move we approve the sewer extension to this site.
Markovich/Picinich - unanimously approved.

3. First Amendment / Peninsula School District Interlocal Agreement. Mark Hoppen introduced this amendment to the School District's sewer extension contract allowing for completion of the last 2100 linear feet of the line and allowing for pro-rated use of the District capacity commitment payment.

MOTION: Move we authorize the execution of this Interlocal Agreement.
Markovich/Picinich - unanimously approved.

4. Liquor License Renewals - Marco's Restaurant & Mimi's Pantry. No action taken.
5. Special Occasion Liquor License - Gig Harbor Lions. No action taken.

MAYOR'S REPORT: There were no comments on the Mayor's Report included in the packet.

COUNCIL COMMENTS: Councilman Platt asked that a copy of the salary surveys currently being considered in Guild Negotiations be supplied to all Councilmembers.

STAFF REPORT:

Public Works. Ben Yazici gave an update on the scaled down Harborview Drive Overlook Project.

Police Department. Chief Richards gave a report on the current stats. He reported on the Marine Service program and how the State allocates funds.

ANNOUNCEMENT OF OTHER MEETINGS:

Pierce County Council - Tuesday, December 13th, 7:00 p.m. at City Hall. They will be discussing parks proposals.

APPROVAL OF BILLS:

MOTION: Move approval of warrants #13299 through #13395 in the amount of \$208,999.89
Platt/Ekberg - unanimously approved.

APPROVAL OF PAYROLL:

MOTION: Move approval of warrants #10503 through #10615 in the amount of \$166,909.60.
Platt/Ekberg - unanimously approved.

ADJOURN:

MOTION: Move to adjourn at 9:37 p.m.
Picinich/Platt - unanimously approved.

Cassette recorder utilized.
Tape 372 Side B 218 - end.
Tape 373 Side A 000 - end.
Tape 373 Side B 000 - end.
Tape 374 Side A 000 - end.
Tape 374 Side B 000 - end.
Tape 375 Side A 000 - 234.

Mayor

City Administrator



THE PENINSULA Gateway

P.O. Box 407
7521 Pioneer Way
Gig Harbor, WA 98335

THE NEWSPAPER SERVING GIG HARBOR AND THE PENINSULA AREA

Gig Harbor • 851-9921

Tacoma • 272-1842

Fax • 851-3939

Dec. 12, 1994

Mayor Gretchen Wilbert
City of Gig Harbor
Gig Harbor, Wa. 98335

Dear Mayor Wilbert:

The eighth annual Gig Harbor car show, *Cruzin' The Gig*, is again slated for the month of May. This event brings to Gig Harbor 300 classic cars and trucks for people to enjoy at a one day event. The Peninsula Gateway is the prime sponsor and we are now confirming our use of the city park on Sunday, May 21, 1995.

The city park at the head of the harbor has served as the home of this event each year. The classic cars are on display from 9 a.m to 3 p.m. that Sunday and clean up takes place between 4-5 p.m. We would need the gates opened at 6:30 a.m. to allow for setup.

Besides being a day for viewing classic cars, the event serves as a major fundraiser for the Peninsula High School's senior class year-end party committee. This group uses the covered areas to serve hot-dogs and pop to the event goers.

In the past, the city has cooperated by allowing use of the park and the police department has advised our committee on parking and traffic control. We've also added sani-cans and 2 fire extinguishers. This past year we addressed the new layout in relation to the baseball field and roped off the pitcher's mound.

It is a family-fun time for all and we look forward to holding the event in the city park. Please let us know as soon as possible if there are any questions. We are beginning to put out publicity to insure the best selection of classic cars will come to the *1995 Cruzin' The Gig*.

Sincerely,

Thomas C. Taylor
Cruzin' The Gig Committee

cc: Chief Denny Richards
Linda Dishman (Gateway coordinator)

RECEIVED

DEC 9 1994

CITY OF GIG HARBOR

December 7, 1994

Mayor Gretchen Wilbert
City of Gig Harbor
Gig Harbor, Washington 98335

Dear Gretchen:

Re: Senior Center at Gig Harbor Green

I understand there currently is discussion regarding building a Senior Center at Gig Harbor Green. I own a home right across the street from the park on Grandview Street, 3311. I do not live in the house, but rent it out to a family. However, I still think of it as a home and I am concerned about the fact that this site is being considered for a center. The need for such a center I understand, I just would prefer it were somewhere else.


First of all the thought of taking down trees and decreasing open areas such as the park offers, saddens and distresses me. True, the park is in disrepair, as far as parks go, but it does offer space for the soul and a body to wander through and explore. These public accessible areas are few and I feel it's just too precious to give up as the people population grows.

I was once told that this center would only take one small corner of the park. Somehow I can imagine the center's activity growing as population ages and will require enlarging not long after it is built. I do not believe the center will only take one small corner.

Also I also understand that the parking lot would most likely be fronting Grandview, giving me another reason for not wanting it located there. I don't want to have a parking lot across the street from my house--does anyone?

Moving from Wisconsin in 1979 from a community that had neighborhood parks, I remember asking a real estate agent where were the parks for kids and people to play in, and I was told that play could be done in the plentiful woods that were in the area. The woods are no longer plentiful and available. Blackberries enough for pie or jam are getting a lot harder to find. Please keep this special place for everyone.

Sincerely,



Karen Drum
6401 S. Park Avenue "B"
Tacoma, WA 98408



ASSOCIATION OF WASHINGTON CITIES

RECEIVED
DEC 21 1994
CITY OF GIG HARBOR

1076 S. Franklin St.
Olympia, WA 98501
(206) 753-4137

December 20, 1994

Gretchen Wilbert
Mayor
City of Gig Harbor
P.O. Box 145
Gig Harbor, WA 98335-0145

Dear Mayor Wilbert:

On behalf of the Association of Washington Cities (AWC) Board and entire membership, I would like to take this opportunity to thank you for assisting AWC this year. Your efforts aided AWC promote and insure the passage of helpful legislation, and defeat a number of harmful bills during an active legislative session. Your assistance via participation on AWC committees, speakers or panelists for AWC sponsored workshops, and other activities was also very valuable and greatly appreciated.

AWC has recently adopted our 1995 Budget and legislative priorities for the upcoming session. Detailed information regarding the legislative priorities will be sent to you within the next week as we prepare for a very hectic session. This is the first year the Governor and Legislature must approve a budget within the constraints of Initiative 601. This will make for a very difficult legislative year. Please be prepared for requests for quick assistance. Legislators' need to hear directly from city officials regarding city priorities.

AWC's 1995 Budget includes monies for a small city and town scholarship program. The Board wants to ensure our officials from smaller cities and towns can attend our training events. The Board also set aside monies for AWC to begin regional meetings in the Fall of 1995. Our intent is to provide an additional means of communication amongst your local colleges and with AWC on critical city issues. We are excited about sponsoring these meetings this Fall.

The budget will also allow us to continue an aggressive training and publications schedule in 1995. The training calendar for the first half of 1995 will be mailed to you soon. We have a number of new and exciting publications planned for 1995 including "survival kits" for small cities and additional materials associated with our mayor/council project.

Enclosed is the invoice for your city's/town's service fee to AWC for the 1995 calendar year. Payment outlined in the invoice will enable AWC to provide the services you need. Please return one copy of the invoice with payment by January 31, 1995.

If you have any questions regarding this invoice or services available from AWC, please feel free to contact me or Jim Justin at (206) 753-4137, SCAN 234-4137, or toll-free message line 1-800-562-8981. Thank you again for your assistance this past year. We look forward to working with you during the coming year.

Sincerely,

Stan Finkelstein
AWC Executive Director

SF/JJ:mll

Enclosure: 1995 Service Fee Invoice

cc: Finance Director or City Clerk

[SF94:95svcfee.Mr]



December 28, 1994

TO: Mayors, Councilmembers (c/o Clerk)
FROM: Stan Finkelstein, Executive Director
SUBJECT: NLC Policy Committees--1995

The National League of Cities (NLC) has issued a call for membership on their six policy committees, including the newly formed Public Safety and Crime Prevention Committee. Association of Washington Cities (AWC) President Judy Boekholder will appoint four members to each policy committee next month. Elected city officials interested in serving on one of NLC's policy committees should contact Curt Pavola at AWC no later than Wednesday, January 11, 1995. A list of current committee members is attached for your information.

NLC's policy committees help to identify priority issues within their area of jurisdiction, specify a work agenda for NLC's steering committees, and finalize policy recommendations for consideration by the Resolutions Committee and for delegates at the Annual Business Session during the fall Congress of Cities. Policy committees meet twice a year--at the Congressional City Conference in March (Washington, D.C.) and at the Congress of Cities in December (Phoenix, Arizona, in 1995).

NLC's Six Policy Committees

The **Community and Economic Development (CED) Committee** is responsible for national urban policy in local economic development, community development and community development block grants, housing and neighborhood development, federal buildings, land use, recreation and parks, and historic preservation.

The **Energy, Environment and Natural Resources (EENR) Committee** is responsible for policy on air quality, water resources, wastewater treatment, energy, waste management, infrastructure, urban esthetics, noise control, and disaster relief.

The **Finance, Administration and Intergovernmental Relations (FAIR) Committee** deals with national economic policy, general financial assistance programs, liability insurance, intergovernmental relations, municipal bonds and capital finance, municipal management, antitrust issues, citizen participation and civil rights, labor relations, and fire policy.

-over-

The **Human Development (HD) Committee** deals with employment and job training, social security and unemployment insurance, income support programs, immigration and refugees, health and education, equal opportunity, and social services.

The **Public Safety and Crime Prevention (PSCP) Committee** considers national policies related to issues such as juvenile justice, crime prevention, community policing, sentencing guidelines, and regional uses of public safety resources.

The **Transportation and Communications (TC) Committee** is responsible for policy on public transit, streets and highways, air transportation, railroads and waterways, and cable television and telecommunications.

Please contact Curt Pavola of AWC at (206) 753-4137, SCAN 234-4137, or toll-free message line 1-800-562-8981 if you would like to be considered for appointment to an NLC committee.

SSF/CP

attachment

**Washington State NLC Policy & Steering Committee Members
(February 1994)**

Community and Economic Development (CED)

Chris Heaton; Councilmember, Bellevue

Larry Haler; Councilmember, Richland

* Al Koetje; Mayor, Oak Harbor

Sharon Rutherford; Councilmember, Lynnwood

Phyllis Shrauger; Mayor, Hoquiam

Energy, Environment, and Natural Resources (EENR)

Bill Blackburn; Councilmember, Lynnwood

Clif Groff; Councilmember, Kennewick

* Sherry Harris; Councilmember, Seattle

Arun Jhaveri; Mayor, Burien

Richard Kennedy; Mayor, Des Moines

Finance, Administration, and Intergovernmental Relations (FAIR)

Frank Anderson; Councilmember, Everett

Rose Besserman; Councilmember, Vancouver

* Sue Donaldson; Councilmember, Seattle

Vicki Lash; Mayor, Langley

* Bev Numbers; Councilmember, Spokane

Human Development (HD)

Margot Blacker; Councilmember, Bellevue

Cheryl Chow; Councilmember, Seattle

Richard Dougherty; Councilmember, Pullman

* Carl Gipson; Councilmember, Everett

* Linda Horowitz; Councilmember, Vancouver

Tina Roberts; Mayor, Lynnwood

Transportation and Communications (TC)

Mike Deal; Councilmember, Puyallup

Dean Dossett; Mayor, Camas

Bob Olson; Councilmember, Kennewick

* Dale Pope; Councilmember, Everett

* Doreen Strawick; Councilmember, Richland

Shirley Thompson; Councilmember, SeaTac

* Steering Committee Member

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DEC 21 1994

1076 S. Franklin St.
Olympia, WA 98501
(206) 753-4137

CITY OF GIG HARBOR



November 22, 1994

Mayor Gretchen Wilbert
City of Gig Harbor
PO Box 145
Gig Harbor, WA 98335-0145

Dear Mayor ^{Gretchen} Wilbert and Councilmembers:

A quick update on AWC activities as the 1995 Legislative Session quickly approaches. Please forward this information onto your colleagues.

1995 Legislative Session

AWC's 1994-95 Legislative Committee met on November 10. The purpose of this meeting was to review the work of the Legislative Subcommittees and prepare recommendations for AWC Board review and approval regarding AWC's 1995 Legislative priorities. The Board will adopt the priorities during our December 9 meeting. We will distribute the priorities to you shortly thereafter.

Board Review Process

The Board has decided to implement a new process for reviewing legislation impacting cities during the legislative session. Previously, the AWC Board met only once during the legislative session, the City Legislative Action Conference. This practice placed a significant burden on the AWC Executive Committee and staff regarding major policy decisions that need to be made throughout the session. Hence, the Board has created an eight-member subcommittee. The purpose of the subcommittee will be to meet periodically throughout the legislative session, review legislation impacting cities, and provide staff guidance. The subcommittee is likely to meet every three weeks at the beginning of the session and every other week as the session nears conclusion. We believe this process will insure a thorough review of legislation impacting cities. As always, please feel free to contact us at any time if you have any questions regarding AWC's position on specific pieces of legislation.

Small Cities Committee

The AWC Board recently formalized the AWC Small Cities Advisory Committee. The purpose of this committee is to provide AWC recommendations regarding the needs of our smaller cities and towns. AWC President Boekholder will soon appoint members to this committee. Please contact Deanna Krell of the AWC staff if you are interested in serving on the committee. The committee has limited positions but is interested in new volunteers. The committee will be made up of elected and appointed officials who reside in cities and towns of less than 5,000 population.

Mayor/Council Project

AWC is currently in the process of embarking upon a mayor/council project. The goals of this project are to develop informational and training tools that will help you understand the respective roles of the mayor, council, administrator/city manager, and key staff members. We are attempting to provide practical and readily applicable ideas in skills designed to help you:

Cooperation for Better Communities

- be effective in fulfilling your respective role,
- be effective as a member of a municipal leadership/governing team,
- establish and maintain productive mayor-council-staff relationships; and
- resolve legitimate differences of opinion that can occur within the membership of a governing body.

The project is expected to stretch over the next 18 months to two years. Our immediate focus is the development of written resources that can be read quickly and serve as simple reference guides. We will also prepare a facilitator directory. The directory will include individuals with goal setting, team-building, conflict resolution, mediation, and other skills that are reasonably priced. We are also reviewing the possibility of advanced leadership training sessions that build upon skills AWC addresses during the newly elected training workshops.

The Board is very excited about this project as we attempt to provide you some additional tools to efficiently and effectively conduct your business.

Visioning Committee Document/Process

The AWC Visioning Committee has met three times over the past five months. The committee has drafted a visioning document that describes the changing world faced by local government officials and offers guidance on working with other jurisdictions. This document will be presented to the AWC Board for review and approval in December.

We believe the document will be very helpful to you by outlining a process to work through local issues including local government service agreements. As you may recall, the 1994 Legislature mandated that county, city, and special purpose districts meet by March 1995 to discuss the development of local government service agreements. These agreements may shift the responsibility for the delivery of local services and may include revenue transfers to accommodate that shift. We believe the visioning document/process will be very helpful to you as you meet with your colleagues.

We expect to distribute this document in late 1994. Please contact Curt Pavola of the AWC staff if you have any questions regarding this project. Once again, the AWC Board is excited about the assistance we believe your Association will provide you through this project.

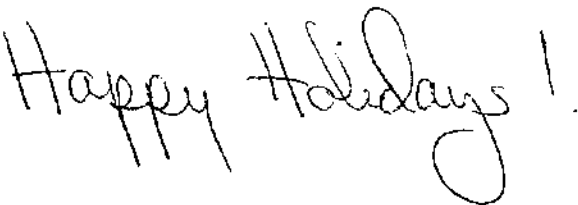
I'm hopeful this update has been helpful. Again, I encourage you to share this letter with your colleagues. As always, please feel free to contact me at (206) 863-9674 (city hall) or the AWC staff at (206) 753-4137 or toll-free message line 1-800-562-8981 if you have any questions regarding AWC's services.

Sincerely,



Councilmember Sharon Boekelman, Bonney Lake
AWC Board District #6 Representative

SB/JJ:ml





City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: *SB* STEVE BOWMAN, BUILDING OFFICIAL/FIRE MARSHAL
DATE: DECEMBER 19, 1994
SUBJECT: NORTHVIEW TERRACE/SMOKE DETECTOR ORDINANCE

INTRODUCTION / BACKGROUND

In preparation for the City Council Meeting on January 9, 1995, I am submitting the following information for your review:

HISTORY

On December 12, 1994 the Gig Harbor City Council requested the Gig Harbor Building Official/Fire Marshal to forward to the Gig Harbor City Council details on how to install smoke detectors for the raised ceiling for units within Northview Terrace Condominiums.

DISCUSSION

In their request for consideration of an alternation to the Smoke Detector Ordinance, representatives from Northview Terrace have stated:

1. The installation of a smoke detector in the raised ceiling of upper units at Northview Terrace would cause possible injury to the ceiling heating system.
2. The installation of a smoke detector in the wall adjacent to the raised ceiling of upper units at Northview Terrace would cause possible injury to the fire wall.
3. The connection of electrical wiring from an existing switch box or outlet box could be in violation to the WA State Electrical Code.

Please consider the following information when reviewing the above concerns:

1. All of the smoke detectors which have been installed at Northview Terrace have been in the walls to avoid causing damage to the heating system.
2. The interior wall in the upper units where smoke detectors are being installed in Northview Terrace are not fire walls as defined by the Uniform Building Code.
3. Smoke detectors have been installed in Northview Terrace by licensed electricians in accordance with the WA State Electrical Code. While it could be presumed that smoke detectors could be installed in non-conformance to the WA State Electrical Code, it would be more appropriate to determine the correct method of installation. The WA State Department of Labor and Industries Electrical Division will make

an electrical inspection to verify compliance upon application for an electrical permit.

After research of the building construction at Northview Terrace and review of existing installations, the following information is submitted for your consideration:

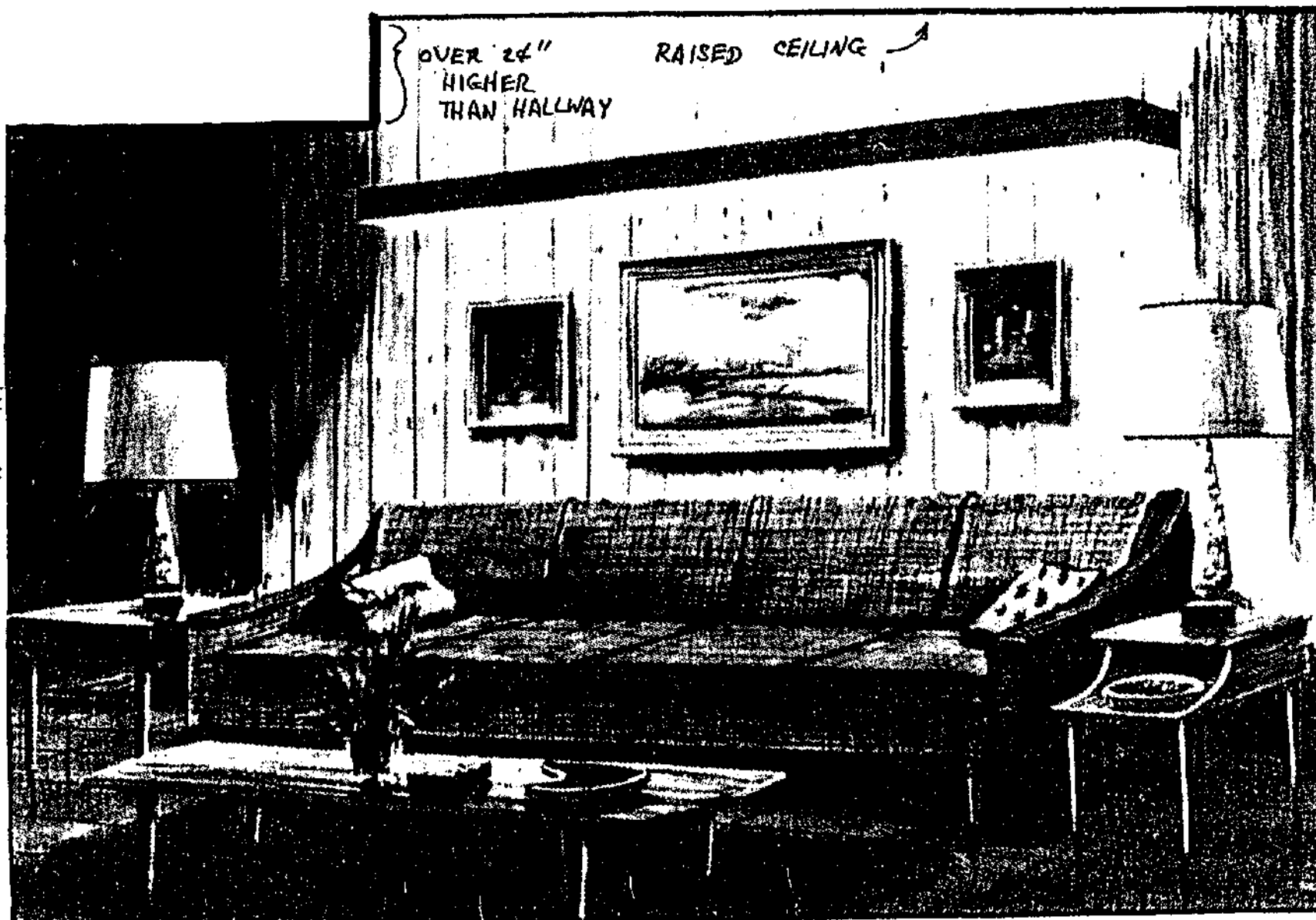
1. A smoke detector has been installed in the raised ceiling area of Northview Terrace. The installation has been achieved by running a wire from an outlet box to a junction box for the smoke detector all within a common wall with the raised ceiling. (See detail-A attached)
2. Alternate installation methods may be achieved by fishing wires from the attic above the laundry room or a switch box.

Review has been completed of the proposed revision to the Smoke Detector Ordinance by personnel from Pierce County Fire District No. 5 and the Gig Harbor Building Code Advisory Board. An alternate method of installation also has been reviewed by PCFD5 and the GHBCAB which would allow the installation of one hard wired smoke detector in each living unit which would be inter-tied with a common monitored alarm system.

RECOMMENDATION

As stated by the City Attorney, the City Council may adopt a revision to the Ordinance No. 632 which is less restrictive than the existing ordinance, but may not adopt a revision which is less restrictive than the minimum Washington State Code. It is the recommendation of the Building Official/Fire Marshal that the ordinance not be revised as proposed by property owners at Northview Terrace Condominiums. If the City Council would like to entertain a revision to the ordinance, it is the recommendation of PCFD5, GHBCAB and the Gig Harbor Building Official/Fire Marshal that a fire alarm system be installed with one hard wired smoke detector in each living unit which would be inter-tied with a common monitored alarm system.

HALLWAY



OVER 24"
HIGHER
THAN HALLWAY

RAISED CEILING ↗

SMOKE
DETECTOR

WIRE
RUN
IN WALL
TO S.D.

FISH
WIRE

SWITCH
BOX



OUTLET

ALTERNATE :

FISH WIRE
FROM OUTLET
TO SMOKE
DETECTOR

SMOKE DETECTOR INSTALLATION

- 1) SEE MANUFACTURER'S INSTALLATION INSTRUCTIONS
- 2) USE APPROVED WIRING PER WA. STATE ELECTRICAL CODE (WA STATE DEPT. OF LABOR & IND.)
- 3) THE MANAGER'S UNIT IS AVAILABLE FOR VIEWING



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MH*
SUBJECT: HEALTH DEPARTMENT CONTRACT FOR 1995
DATE: JANUARY 4, 1995

INFORMATION/BACKGROUND

The Tacoma-Pierce County Health Department has submitted amendment agreements to the City of Gig Harbor so that the city can pay its allocation for 1995 in the amount of \$31,857. Although this amount may vary contingent on whether or not the State ultimately decides to use motor vehicle excise tax revenues to fund the Health Department, the city has budgeted in the 1995 budget for this exact amount. Staff assessment indicates that the Health Department has treated all jurisdictions equitably. The question of whether we receive adequate value for our jurisdiction's dollar, as always, remains open. This increase, as stated in the recently approved budget, is an increase of 10%. Should the State follow through with its original funding plan for this year, then the city would ultimately see a net reduction of expenditures from last year's funding level.

RECOMMENDATION

Staff recommends approval of the amendment agreement.



TACOMA-PIERCE COUNTY HEALTH DEPARTMENT

Community Based, Competitive, Integrated, Preventive

Governed by a local Board of Health

Director of Health

FEDERICO CRUZ-URIBE, MD, MPH

RECEIVED

DEC 9 1994

CITY OF GIG HARBOR

December 1, 1994

The Honorable Gretchen Wilbert
Mayor, City of Gig Harbor
P. O. Box 145
Gig Harbor, WA 98335

Dear Mayor Wilbert:

Enclosed are four duplicate original copies of the Amendment to Agreement for Public Health Services between your city and the Tacoma-Pierce County Health Department for the provision of basic health services to the citizens of your jurisdiction. As provided for in the current agreement, this amendment extends the current agreement to December 31, 1995 and adjusts the amount payable for the 1995 year.

On November 10, 1994, the Tacoma-Pierce County Board of Health approved the content of this amendment, and it is now ready for you to take through your legislative process for approval to sign. We ask that you return all four signed, duplicate original amendments on or before **January 30, 1995** in order that we might present them to the Tacoma-Pierce County Board of Health for signature in **March**.

The amendments will then go to the City of Tacoma and Pierce County councils for ratification; and we will then forward your fully executed original amendment to you.

If you have any questions about the amendment, please call me at 591-6421.

Sincerely,

Eletta Tiam-Quiboloy
Eletta Tiam-Quiboloy
Business Manager

ETQ:ev

Enclosures



AMENDMENT TO AGREEMENT FOR PUBLIC HEALTH SERVICES

WHEREAS, there exists an agreement dated September 4, 1991 by and between Tacoma-Pierce County Health Department, hereinafter called "Health Department" and the City of Gig Harbor, hereinafter called the "City," and

WHEREAS, the City desires that the Health Department continue in 1995 to administer and render public health services for the benefit of the City, and

WHEREAS, the City agrees to pay the amount for provision of these public health services as calculated for 1995 using the funding formula set forth in the *Agreement Providing for Creation and Operation of a Combined County-City Health Department*, and

WHEREAS, provisions in said Agreement for Public Health Services allow for the extension of said Agreement,

NOW, THEREFORE, it is agreed to amend said Agreement for Public Health Services as follows:

1. Provision 2. City Contribution---the amount shall be amended to be \$31,857 (Thirty-One Thousand Eight Hundred Fifty-Seven Dollars). Said sum shall be paid to the Health Department in at least quarterly installments during the calendar year 1994. Said sum is to be paid in full before December 31, 1995.

2. Provision 4. Term---the term of this Agreement as amended shall commence January 1, 1995 and shall terminate December 31, 1995.

All previously existing terms and conditions of this Agreement shall remain the same and shall be in continuous full force and effect. In the case of conflict between this Amendment and the above identified Agreement, the terms of this Amendment shall prevail.

TACOMA-PIERCE COUNTY HEALTH DEPARTMENT

By: _____
Chair, Board of Health

Date: _____

By: _____
Health Officer

Date: _____

CITY OF GIG HARBOR, a municipal corporation

By: _____
Mayor

Date: _____

Attest: _____
City Clerk

Annual Payment due for 1995: _____

CITY OF GIG HARBOR

By: _____
City Attorney

This amendment to agreement is hereby accepted and approved this _____ day of _____, 19__.

CITY OF TACOMA

By: _____
Mayor

Date: _____

PIERCE COUNTY

By: _____
County Executive

Date: _____



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
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TO: MAYOR WILBERT AND CITY COUNCIL
FROM: TOM ENLOW, FINANCE DIRECTOR
SUBJECT: FIRST READING - DEPT. OF ECOLOGY LOAN ORDINANCE
DATE: January 3, 1995

INTRODUCTION

This is the first reading of an ordinance authorizing the issuance of an \$890,851 water and sewer revenue bond to evidence the Dept. of Ecology State Revolving Fund loan.

BACKGROUND

When we were finalizing the bond sale for the ULID#3 project, our bond counsel discovered that the Dept. of Ecology loan agreement placed the loan on parity with our revenue bonds. Our previous revenue bond ordinances require us to comply with certain conditions before we can issue additional parity debt. These conditions formally extend the restrictions and policies we follow with our other revenue debt to this loan.

FISCAL IMPACT

In order to comply with our own laws, we must have this ordinance in place before we can request any loan advances from the state. We have already expended over \$160,000 of which over \$125,000 is reimbursable, once the ordinance is approved.

RECOMMENDATION

Staff recommends approval of the ordinance at its second reading.

CITY OF GIG HARBOR
WATER AND SEWER REVENUE BOND
(DEPARTMENT OF ECOLOGY LOAN)

ORDINANCE NO. _____

AN ORDINANCE of the City Council of the City of Gig Harbor, Washington providing for the issuance of a water and sewer revenue bond not to exceed \$890,851 in principal amount to evidence a loan to the City from the Department of Ecology to provide financing for part of the cost of improvements to the City's Wastewater Treatment Facility; fixing the date, form, maturity and terms and covenants of such a bond; and establishing terms and conditions for the issuance of additional bonds on a parity with such bond.

PASSED ON: _____, 1994

Prepared by:

PRESTON GATES & ELLIS
Seattle, Washington

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* This Table of Contents is provided for convenience only and is not a part of this Ordinance

ORDINANCE NO.

AN ORDINANCE of the City Council of the City of Gig Harbor, Washington providing for the issuance of a water and sewer revenue bond not to exceed \$890,851 in principal amount to evidence a loan to the City from the Department of Ecology to provide financing for part of the cost of improvements to the City's Wastewater Treatment Facility; fixing the date, form, maturity and terms and covenants of such a bond; and establishing terms and conditions for the issuance of additional bonds on a parity with such bond.

WHEREAS, the City of Gig Harbor, Washington (the "City") now owns, operates, and maintains a combined water and sewerage system; and

WHEREAS, the City plans to make certain improvements to the City's Wastewater Treatment Facility (the "Improvements"); and

WHEREAS, the State Department of Ecology (the "Department") has offered to lend the City not to exceed \$890,851 from the Washington State Water Pollution Control State Revolving Fund in order to finance a portion of the costs of the Improvements; and

WHEREAS, to evidence such loan the Council deems it necessary to now issue and sell a water and sewer revenue bond in principal amount not to exceed \$890,851 par value; and

WHEREAS, the City has issued and outstanding the following series of outstanding revenue and refunding revenue bonds secured by a parity lien on the revenues of the System as follows:

Authorizing Ordinance	Date of Issue	Designation	Original Principal Amount	Current Amount Outstanding
468	December 15, 1985	Water and Sewer Revenue Refunding Bonds, 1985 (the "1985 Bonds")	\$ 740,000	\$ 335,000 265,000
553 and 557	May 1, 1989	Water and Sewer Revenue Bonds, 1989 (the "1989 Bonds")	2,040,000	1,620,000 105,000
677	July 1, 1994	Water and Sewer Revenue and Refunding Bonds, 1994 (the "1994 Bonds")	2,995,000	2,995,000

(which 1985 Bonds, 1989 Bonds and 1994 Bonds are referred to herein collectively as the "Outstanding Parity Bonds"); and

WHEREAS, each of the ordinances authorizing the issuance of the Outstanding Parity Bonds permits the City to issue bonds in the future on a parity of lien therewith upon compliance with certain conditions;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON DOES ORDAIN, as follows:

Section 1. Definitions. As used in this ordinance, unless a different meaning clearly appears from the context:

"Annual Debt Service" means, with respect to any issue of Parity Bonds, the amount required in a given calendar year for the payment of the principal of and interest on such Parity Bonds.

"Arbitrage Certificate" means the certificate of that name executed and delivered by the City at the time of issuance and delivery of the Bond.

"Assessments" means any assessments levied in any utility local improvement district of the City created for the acquisition or construction of additions and improvements to and extensions of the System, if such assessments are pledged to be paid into the Bond Fund. The word "Assessments" shall also include any installments of assessments and any interest or penalties which may be due thereon.

"Assessment Income" means the principal of and interest on assessments levied in any utility local improvement district and pledged to be paid into the Bond Fund. In the case of assessments payable in installments, Assessment Income shall be allocated to the years in which it would be received if the unpaid principal balance of each assessment roll were paid in equal principal amounts over the remaining number of installments with interest on the declining balance at the times and at the rate provided in the ordinance confirming the assessment roll.

"Average Annual Debt Service" means the average amount of annual debt service which will become due in any fiscal year hereafter on all Parity Bonds then outstanding.

"Bond Fund" means the City of Gig Harbor Utility Bond Redemption Fund created in the office of the Treasurer of the City pursuant to Section 13 of Ordinance No. 468.

"Bond Register" means the books or records maintained by the Bond Registrar containing the name and mailing address of the owner of the Bond or nominee of the owner and the remaining principal amount of the Bond held by the owner or nominee.

"Bond Registrar" means the Clerk-Treasurer of the City as registrar and paying agent for the Bond.

"Bond" means the not to exceed \$890,851 par value of "Water and Sewer Revenue Bond (Department of Ecology Loan)" of the City evidencing a loan from the Washington State Water Pollution Control State Revolving Fund authorized by and to be issued for the purposes provided in this Resolution and in the Loan Agreement.

"City" means the City of Gig Harbor, Washington, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Washington.

"Code" means the federal Internal Revenue Code of 1986, as the same shall be amended from time to time, and all regulations promulgated or applicable thereunder.

"Completion Date" means the date on which the City accepts the completed Improvements from the contractor. Punch list items may remain to be completed after this date.

"Construction Fund" means Fund No. 410 Sewer Capital Fund of the City.

"Costs of Maintenance and Operation" mean all necessary operating expenses, current maintenance expenses, expenses of reasonable upkeep and repairs, and insurance and administrative expenses with respect to the System, but excludes depreciation, payments for debt service or into reserve accounts, costs of capital additions to or replacements of the System, municipal taxes or payments to the City in lieu of taxes.

"Council" means the City Council as the general legislative authority of the City as the same shall be duly and regularly constituted from time to time.

"Debt Service Account" means the account of that name created in the Bond Fund by Ordinance No. 468.

"Department" means the State of Washington Department of Ecology, as lender for the Loan.

"Future Parity Bonds" means any water and sewer revenue bonds which the City may hereafter issue having a lien upon the Revenue of the System for the payment of the principal thereof and interest thereon equal to the lien upon the Revenue of the System of the Bond.

"Improvements" means those additions, betterments and improvements authorized to be undertaken by Ordinance No. 617.

"Loan" means the loan from the Department to the City made pursuant to the Loan Agreement.

"Loan Agreement" means the agreement with respect to the Loan between the City and the Department approved pursuant to Section 16 hereof.

"Net Revenue" means the Revenue of the System less the Costs of Maintenance and Operation.

"Outstanding Parity Bonds" means those water and sewer revenue and refunding bonds identified in the recitals of this ordinance. The Outstanding Parity Bonds include the 1985 Bonds, the 1989 Bonds and the 1994 Bonds.

"Outstanding Parity Bond Ordinances" means, collectively, Ordinance No. 468, passed by the Council on December 9, 1985, and Ordinance No. 677 passed by the Council on July 11, 1994.

"Parity Bonds" means the Bond, the Outstanding Parity Bonds and any Future Parity Bonds.

"Registered Owner" means the person in whose name the Bond is registered on the Bond Register.

~~"Repair and Replacement Fund" means the fund of that name created pursuant to Section 20 of this ordinance:~~

"Reserve Account" means the account created in the Bond Fund by Section 15 of Ordinance No. 468 and shall include any subaccount created therein.

"Reserve Requirement" means the lesser of (i) Average Annual Debt Service on all Parity Bonds or (ii) the maximum amount permitted to be deposited therein under Section 148 of the Code.

"Revenue Fund" means the "City of Gig Harbor Utility Revenue Fund" created by Section 12 of Ordinance No. 468, into which fund all of the Revenue of the System is to be deposited, as collected.

"Revenue of the System" means all earnings, revenue and moneys received by the City from or on account of the operation of the System, including the income from investments of money in the Revenue Fund and the Bond Fund or from any other investment thereof. "Revenue of the System" shall also include any federal or state reimbursements of operating expenses to the extent such expenses are included as "Costs of Maintenance and Operation."

"System" means the existing sanitary sewerage collection and treatment system of the City, as it now exists and as it may later be added to, extended and improved, and the existing water supply and distribution system of the City, as it now exists and as it may later be added to, extended and improved for as long as any Parity Bonds remain outstanding.

"Term Bonds" means any Parity Bonds identified as such in the ordinance authorizing the issuance thereof, the payment of which is provided for by a requirement for mandatory deposits of money into a "sinking fund account" in the Bond Fund.

"Treasurer" means the City Administrator, Clerk-Treasurer.

Words importing the singular number include the plural number and vice versa.

Section 2. Compliance With Parity Conditions. The Council hereby finds and determines as required by Section 21 of Ordinance No. 468 and Section 12 of Ordinance No. 553, as follows:

First: At the time of the issuance of the Bond, there will be no deficiency in the Bond Fund or the Reserve Account.

Second: Pursuant to Section 11 of this ordinance, the principal of and interest on the Bond is payable out of the Bond Fund, and the requirements for funding the Reserve Account

pursuant to Section 15 of Ordinance No. 468, Section 8(B) of Ordinance No. 553 and Section 18 of Ordinance No. 677 have been met in Sections 11 and 14 of this ordinance.

Third: Prior to the delivery of the Bond, the City shall have on file a certificate of an independent professional engineer or certified public accountant dated not earlier than 90 days prior to the date of delivery of the Bond and showing that the Net Revenue determined and adjusted as provided in the Outstanding Parity Bond Ordinances for each calendar or fiscal year after the issuance of the Bond together with Assessment Income will equal at least 1.30 times the amount required in any such year for the payment of the principal of and interest on all Parity Bonds currently outstanding, including the Bond.

The limitations contained and the conditions provided in the Outstanding Parity Bond Ordinances having been complied with or assured, the payments required herein to be made out of the Revenue of the System to pay and secure the payment of the principal of and interest on the Bond shall constitute a lien and charge upon such Revenue equal in rank to the lien and charge thereon of the payments to be made into the Bond Fund and Reserve Account to pay and secure the payment of the principal of and interest on the Outstanding Parity Bonds.

Section 3. Authorization of the Bond. In order to pay part of the costs of carrying out the system or plan of additions to and betterments and extensions of the System described herein as the Improvements, the City shall issue and sell its Water and Sewer Revenue Bond (Department of Ecology Loan) in the principal amount of not to exceed \$890,851 to evidence the Loan. The Bond shall be dated as of the date of its delivery to the Department; shall be fully registered; shall be in the denomination of the principal amount; shall bear interest on the actual outstanding principal balance of the Loan at the rate of 3.5% per annum.

Following the Completion Date, the Department shall calculate the final amount of the Loan, including the actual amount of all disbursements and interest accrued thereon through the Completion Date, in accordance with the Loan Agreement. This final Loan amount shall be repaid, with interest thereon at the rate of 3.5% per annum, in equal semiannual payments of principal and interest beginning no later than one year after the Completion Date or five years

from the first disbursement, whichever is earlier, with the last payment to be due 14 years after the Completion Date.

Both principal of and interest on the Bond shall be payable in lawful money of the United States of America to the registered owner thereof. Principal and interest on the Bond shall be paid by check or draft mailed to the registered owner at the address appearing on the records maintained by the Bond Registrar as of the 15th day preceding the interest payment date; provided that the last principal payment of the Bond shall be payable upon presentation and surrender of the Bond to the Bond Registrar by the registered owner.

Section 4. Registrar. The Bond Registrar shall be the Clerk-Treasurer of the City.

Section 5. Transfer of Bond. In every case of a transfer of the Bond, the surrendered Bond shall be cancelled by the Bond Registrar. As a condition of any such transfer, the City, at its option, may require the payment by the transferor of a sum sufficient to reimburse it for any tax or other governmental charge that may be imposed thereon.

The Bond Registrar shall not be required to issue, transfer, or exchange the Bond after the 15th day prior to any interest payment date.

The Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. The City may deem the person in whose name the Bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such Bond and for any and all other purposes whatsoever.

Section 6. Prior Redemption. The City reserves the right to redeem the Bond, as a whole on any interest payment date or in part at any time upon 30 days' written notice (mailed as provided in the Loan Agreement) to the Department or other registered owner, at a price of par plus accrued interest to the date of redemption. Upon redemption of a portion of the Bond, the principal and interest payments shall be adjusted, based on the remaining balance of the final Loan amount, so that such payments remain approximately equal.

Section 7. Form of the Bond. The Bond shall be in substantially the following form:

No. 1

\$890,851

UNITED STATES OF AMERICA
STATE OF WASHINGTON
CITY OF GIG HARBOR
WATER AND SEWER REVENUE BOND
(DEPARTMENT OF ECOLOGY LOAN)

Registered Owner: State of Washington Department of Ecology

Principal Amount: EIGHT HUNDRED NINETY THOUSAND EIGHT HUNDRED FIFTY
ONE AND NO/100 DOLLARS

The City of Gig Harbor, Washington (the "City"), for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, a principal amount not to exceed \$890,851, and interest thereon, calculated as set forth below, at the rate of 3.5% per annum solely from the special fund of the City known as the "City of Gig Harbor Utility Bond Redemption Fund" (the "Bond Fund"). Reference is made to the Bond Ordinance for definitions of capitalized terms not otherwise defined herein.

This bond evidences a loan (the "Loan") to the City by the State of Washington Department of Ecology (the "Department") made pursuant to that certain Loan Agreement by and between the City and the Department, as amended (the "Loan Agreement").

In accordance with the Loan Agreement, the Department shall calculate the final amount of the Loan following the Completion Date (as such term is defined in the Bond Resolution), by adding the actual amount of all Loan disbursements and interest accrued thereon through the Completion Date. This final Loan amount shall be repaid in equal semiannual payments of principal and interest beginning one year after the Completion Date, with the last payment to be due 14 years after the Completion Date. The Department shall attach a copy of this amortization schedule to this bond when it makes this calculation, and this bond shall be paid in accordance therewith.

Both principal of and interest on this bond are payable in lawful money of the United States of America. Principal and interest shall be paid by mailing a check or draft (on the date such interest is due) to the registered owner or assigns at the address shown on the Bond Register as of the 15th day of the month prior to the interest payment date, provided, that the last principal

payment shall be paid to the registered owner or assigns upon presentation and surrender of this bond at the office of the City Treasurer.

The City does hereby pledge and bind itself to set aside from the Revenue Fund out of the Revenue of the System and to pay into the Bond Fund and the accounts created therein the various amounts required by the Bond Ordinance to be paid into and maintained in such Fund and accounts, all within the times provided by the Bond Ordinance.

To the extent more particularly provided by the Bond Ordinance, the amounts so pledged to be paid from the Revenue Fund out of the Revenue of the System into the Bond Fund and the accounts therein shall be a lien and charge thereon equal in rank to the lien and charge upon said Revenue of the amounts required to pay and secure the payment of the City's water and sewer revenue refunding bonds and water and sewer revenue bonds issued under dates of December 15, 1985, May 1, 1989, and July 1, 1994, respectively, and any revenue bonds of the City hereafter issued on a parity with the such outstanding bonds and the bonds of this issue and superior to all other liens and charges of any kind or nature, except the Costs of Maintenance and Operation of the System.

This bond is not a general obligation of the City. The City hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Ordinance.

The City reserves the right to redeem this bond as a whole on any interest payment date or in part at any time at par plus accrued interest to the date of redemption.

This bond is transferable only upon the registry books of the Bond Registrar by surrender of this certificate to the Bond Registrar, duly assigned and executed as indicated below. Such exchange or transfer shall be without cost to the owner or transferee. The City may deem the person in whose name this bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such bond and for any and all other purposes whatsoever. The Bond Registrar shall not be obligated to transfer or exchange this bond during a period beginning at the opening of business on the 15th day next preceding any interest payment date and ending at the close of business on the interest payment date, or, in the case of any proposed redemption of the bond, after the mailing of notice of such redemption.

This bond shall not become valid or obligatory for any purpose until the certificate of authentication set forth hereon has been signed by the Bond Registrar.

It is hereby certified and declared that this bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and the ordinances and resolution of the City and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, have been done and have been performed as required by law.

IN WITNESS WHEREOF, the City has caused this bond to be signed by the manual or facsimile signature of its President of the Board and attested by the manual or facsimile signature of its Secretary of the Board and its corporate seal to be impressed or a facsimile thereof imprinted hereon this ___ day of _____, 199_.

CITY OF GIG HARBOR, WASHINGTON

By _____
Mayor, City of Gig Harbor

ATTEST:

Clerk, City of Gig Harbor

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is the Water and Sewer Revenue Bond (Department of Ecology Loan) of the City dated _____, 199_, described in the within mentioned Bond Resolution.

CLERK-TREASURER OF THE CITY OF
GIG HARBOR, as Bond Registrar

By _____

Section 8. Execution and Authentication of the Bond. The Bond shall be signed on behalf of the City by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk and shall have the seal of the City impressed or a facsimile thereof imprinted thereon.

Only such Bond as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be

conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered hereunder and is entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bond shall cease to be an officer or officers of the City before the Bond so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bond may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. The Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of the Bond shall be the proper officers of the City although at the original date of the Bond any such person shall not have been such officer of the City.

Section 9. Lost, Stolen or Destroyed Bond. In case the Bond shall be lost, stolen or destroyed before redemption, the Bond Registrar may deliver a new bond of like amount, date, maturity, interest rate, tenor, and effect to the registered owner or nominee thereof upon the owner paying the expenses and charges of the City in connection therewith and upon filing with the Bond Registrar evidence satisfactory to said Bond Registrar that such bond was actually lost, stolen or destroyed and ownership thereof, and upon furnishing the City with indemnity satisfactory to both.

Section 10. Priority of Payments from Revenue Fund. There has heretofore been established in the office of the City Administrator a special fund of the City known as the "City of Gig Harbor Utility Revenue Fund" (the "Revenue Fund"), as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the City, the Revenue of the System shall be used only for the following purposes and in the following order of priority:

First, to pay the Costs of Maintenance and Operation of the System;

Second, to make all payments required to be made into the Bond Fund to pay the interest on any Parity Bonds;

Third, to make all payments required to be made into the Bond Fund to pay the maturing principal of any Parity Bonds;

Fourth, to make all payments required to be made into the Reserve Account created to secure the payment of the Parity Bonds;

Fifth, to make all payments required to be made into any revenue bond redemption fund or revenue warrant redemption fund and debt service account or reserve account created to pay and secure the payment of the principal of and interest on any revenue bonds or revenue warrants of the City having a lien upon the Revenue of the System junior and inferior to the lien thereon for the payment of the principal of and interest on the Parity Bonds; and

Sixth, to retire by redemption or purchase in the open market any outstanding revenue bonds or revenue warrants of the City, to make necessary additions, betterments and improvements and repairs to or extensions and replacements of the System, or for any other lawful City purposes.

Section 11. Bond Fund. A special fund of the City known as the "Utility Bond Redemption Fund" (the "Bond Fund") has heretofore been created by the City for the sole purpose of paying and securing the payment of Parity Bonds.

(a) Payments into Debt Service Account. A special account to be known as the "Debt Service Account" has heretofore been created in the Bond Fund for the purpose of paying the principal of, premium, if any, and interest on Parity Bonds.

As long as any Parity Bonds remain outstanding, the City hereby obligates and binds itself to set aside and pay from the Bond Fund into the Debt Service Account those amounts necessary, together with such other funds as are on hand and available in the Debt Service Account, to pay the principal of and the interest on such Parity Bonds as the same respectively become due and payable. Such payments from the Bond Fund shall be made in a fixed amount without regard to any fixed proportion on or before the 20th day of each month, an amount such that, if the same amount were so set aside and paid into said Debt Service Account on the 20th day of each succeeding calendar month thereafter prior to the next date upon which an installment of interest or principal and interest falls due on the Bond, the aggregate of the amounts so set aside and paid

into the Debt Service Account will on such date be equal to the installment of interest or principal and interest.

(b) Payments into Reserve Account. A Utility Reserve Account has heretofore been created in the Bond Fund for the purpose of securing the payment of the principal of and the interest on all bonds payable out of such Fund.

Commencing in 1995, the City shall make approximately equal annual payments to the Reserve Account so that no later than five years following the date of the Bond, there shall have been paid into the Reserve Account an amount with the money already on deposit therein (or insurance policy or letter(s) of credit), will be equal to the Reserve Requirement.

In the event that the City issues any Term Bonds in the future and provides for the payment thereof by a mandatory schedule of payments into a sinking fund account in the Bond Fund, the term Average Annual Debt Service shall be deemed to exclude from principal an amount of Term Bonds equal to such mandatory payments, and from interest, the interest on such Term Bonds subsequent to the date of the respective deposits, and to include in lieu thereof the mandatory sinking fund deposits as of the date required and interest on Term Bonds provided for by such deposits only to the dates of the respective deposits.

The City hereby further covenants and agrees that in the event it issues any Future Parity Bonds that it will provide in the ordinance authorizing the issuance of the same that it will pay into the Reserve Account out of the Revenue of the System or Assessments (or, at the option of the City, out of any other funds on hand legally available for such purpose) not less than approximately equal additional annual payments so that by five years from the date of such Future Parity Bonds there will have been paid into the Reserve Account an amount which, with the money already on deposit therein, (or insurance policy or letter(s) of credit), will be equal to the Reserve Requirement.

The City further covenants and agrees that when the required deposits have been made into the Reserve Account, it will at all times maintain therein an amount at least equal to the Reserve Requirement. Whenever there is a sufficient amount in the Revenue Bond Fund,

including the Reserve Account and the Debt Service Account, to pay the principal of, premium if any, and interest on all outstanding Parity Bonds, the money in the Reserve Account may be used to pay such principal, premium and interest. Money in the Reserve Account may also be withdrawn to redeem and retire, and to pay the premium, if any, and interest due to such date of redemption, on any outstanding Parity Bonds, as long as the monies left remaining on deposit in the Reserve Account are equal to the Reserve Requirement.

In the event there shall be a deficiency in the Debt Service Account to meet maturing installments of either interest on or principal of and interest on the outstanding bonds payable out of such Account, such deficiency shall be made up from the Reserve Account by the withdrawal of monies therefrom. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up out of Revenue of the System or Assessments after making necessary provision for the payments required to be made by subparagraphs First, Second, Third, Fourth and Fifth of Section 10 hereof.

(c) Priority of Lien of Payments into Bond Fund. The amounts so pledged to be paid into the Bond Fund are hereby declared to be a lien and charge upon the Revenue of the System junior in lien to the Costs of Maintenance and Operation, equal to the lien of the charges upon such Revenue to pay and secure the payment of the principal of and interest on Outstanding Bonds and any Future Parity Bonds, and prior and superior to all other charges of any kind or nature whatsoever.

(d) Application and Investment of Money in the Bond Fund. Moneys in the Bond Fund shall be invested in any investments that are permitted by law for the investment of City funds. Investments in the Debt Service Account shall mature prior to the date on which such money shall be needed for required interest or principal payments. Investments in the Reserve Account shall mature not later than the last maturity of the Parity Bonds secured thereby. All interest earned and income derived by virtue of such investments shall remain in the Bond Fund and be used to meet the required deposits into any account therein.

(e) Sufficiency of Revenues. The Council hereby finds that in fixing the amounts to be paid into the Bond Fund out of the Revenue of the System, it has exercised due regard for the Costs of Maintenance and Operation and has not obligated the City to set aside and pay into such Fund a greater amount of such Revenue than in its judgment will be available over and above the Costs of Maintenance and Operation.

Section 12. Tax Covenants. The City hereby covenants that it will not make any use of the proceeds of sale of the Bond or any other funds of the City which may be deemed to be proceeds of such Bond pursuant to Section 148 of the Code which will cause the Bond to be an "arbitrage bond" within the meaning of said section. The City will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bond) and the applicable Regulations thereunder throughout the term of the Bond.

The City further covenants that it will not take any action or permit any action to be taken that would cause the Bond to constitute a "private activity bond" under Section 141 of the Code.

The Bond is hereby designated as qualified tax-exempt obligations pursuant to Section 265(b) of the Code for investment by financial institutions. The City does not expect to issue more than \$10,000,000 in tax-exempt obligations during 1994 or 1995.

Section 13. Bond Covenants.

(a) Maintenance of System. The City shall at all time maintain, preserve and keep the properties of the System in good repair, working order and condition and will from time to time make all necessary and proper repairs, renewals, replacements, extensions and betterments thereto, so that at all times the business carried on in connection therewith will be properly and advantageously conducted and said properties of the System and the business in connection therewith administered in an efficient manner and at a reasonable cost.

(b) Collection and Application of Assessments. The City will promptly collect all Assessments levied in utility local improvement districts that have been heretofore created by the City and all Assessments levied in utility local improvement districts heretofore created and all utility local improvement districts that are hereafter created to secure the payment of the principal

of and interest on Parity Bonds and will pay the same into the Bond Fund. The same may be used to meet required payments into any Account of the Bond Fund and may be used to pay the principal of and interest on any Parity Bonds without said Assessments being particularly allocated to the payment of any particular series of bonds payable out of such Fund. It is hereby further provided, however, that nothing in this ordinance or in this subsection shall be construed to prohibit the City from issuing revenue bonds having a lien on the Revenue of the System and the money in the Revenue Fund junior to the lien on such revenue and money for the payment of the principal of and interest on the Bonds and pledging as security for the payment of such junior lien bonds assessments levied in any utility local improvement district that may have been created to pay part or all of the cost of improvements to the System for which such junior revenue bonds were specifically issued.

(c) Rates and Charges. The City shall fix, maintain and collect rates and charges for the use of the services and facilities and all commodities sold, furnished or supplied by the System, which shall be fair and nondiscriminatory and shall adjust such rates and charges from time to time so that:

(1) the Revenue of the System derived therefrom, together with Assessments collected, will at all times be sufficient (A) to pay the Costs of Maintenance and Operation, (B) to pay the principal of and interest on all Parity Bonds, as and when the same shall become due and payable, (C) to make adequate provision for the payment of the any Term Bonds, (D) to make when due all payments which the City is obligated to make into the Reserve Account and all other payments which the City is obligated to make pursuant to this ordinance, and (F) to pay all taxes, assessments or other governmental charges lawfully imposed on the System or the revenue therefrom or payments in lieu thereof and any and all other amounts which the City may now or hereafter become obligated to pay from the Revenue of the System by law or contract; and

(2) the Net Revenue together with Assessment Income in each calendar year will equal at least 1.30 times the maximum amount required to be paid in any succeeding calendar year for the principal of and interest on all Parity Bonds then outstanding. In the event the City

issues any Term Bonds, and provides for the payment thereof by a mandatory schedule of payments into a sinking fund account in the Bond Fund, the words "principal of and interest on all outstanding Parity Bonds" in the preceding sentence shall be deemed to exclude from "principal" an amount of Term Bonds equal to such mandatory payments, and from "interest" the interest on such Term Bonds subsequent to the date of the respective deposits, and to include in lieu thereof the mandatory sinking fund deposits as of the date required and interest on Term Bonds provided for by such deposits only to the date of the respective deposits.

(d) Net Revenue. After making or providing for the monthly payments from the Revenue Fund as required by Section 11 hereof, there shall be maintained in the Revenue Fund sufficient moneys to enable the City to meet the Costs of Maintenance and Operation of the System on a current basis. The City shall not change any rate or charge for service of the System as now established by the existing rate ordinance or ordinances that will reduce substantially the annual Net Revenues below that which would have been obtained before such change, unless the City shall have on file a certificate from a licensed professional engineer experienced in the design, construction and operation of municipal utilities stating that the rates and charges as so changed will provide Net Revenues sufficient to comply with all the covenants and requirements of this ordinance.

(e) Sale of Properties. The City will not sell or otherwise dispose of the System in its entirety unless simultaneously with such sale or other disposition, provision is made for the payment into the Bond Fund of cash or Government Obligations sufficient (taking into account interest to be earned on any such Government Obligations) to pay the principal of and interest on all then outstanding Parity Bonds, nor will it sell or otherwise dispose of any part of the useful operating properties of the System unless such facilities are replaced or provision is made for payment into the Bond Fund of the greatest of the following:

(1) An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (defined as the total amount of the Parity Bonds less the amount of cash and investments in the Bond Fund and Accounts therein) that the Revenue from the portion

of the System sold or disposed of for the preceding year bears to the total Revenue of the System for such period; or

(2) An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (defined as the total amount of the Parity Bonds less the amount of cash and investments in the Bond Fund and Accounts therein) that the Net Revenue from the portion of the System sold or disposed of for the preceding year bears to the total Net Revenue of the System for such period; or

(3) An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the depreciated cost value of the facilities sold or disposed of bears to the depreciated cost value of the entire System immediately prior to such sale or disposition.

The proceeds of any such sale or disposition of a portion of the properties of the System (to the extent required above) shall be paid into the Reserve Account in the Bond Fund.

Notwithstanding any other provision of this paragraph, the City may sell or otherwise dispose of any of the works, plant, properties and facilities of the System or any real or personal property comprising a part of the same which shall have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the System, or no longer necessary, material to or useful in such operation, without making any deposit into the Bond Fund.

(f) No Encumbrances. The City will not at any time create or permit to accrue or to exist any lien or other encumbrance or indebtedness upon the System or the Revenue of the System, or any part thereof, prior or superior to the lien thereon for the payment of Parity Bonds, and will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Revenue of the System, or any part thereof, or upon any funds in the hands of the City, prior to or superior to the lien of Parity Bonds, or which might impair the security of Parity Bonds.

(g) Insurance. The City will keep the works, plants and facilities comprising the System insured, and will carry such other insurance, with responsible insurers, with policies

payable to the City, against risks, accidents or casualties, at least to the extent that insurance is usually carried by private corporations operating like properties, or will implement a self-insurance program with reserves adequate, in the judgment of the Council, to protect City and the owners of the Bond against loss. In the event of any loss or damage, the City will promptly repair or replace the damaged portion of the insured property and apply the proceeds of any insurance policy for that purpose; or in the event the City should determine not to repair or reconstruct such damaged portion of the properties of the System, the proceeds of such insurance shall be paid into the Reserve Account to the extent that such transfer shall be necessary to make up any deficiency in said Reserve Account and the balance, if any, shall at the option of the City, be used either for repairs, renewals, replacements, or capital additions to the System, for the redemption of Parity Bonds, or for deposit into the Reserve Account.

(h) Books and Accounts. The City shall keep proper books of account which shall be kept in accordance with any applicable rules and regulations prescribed by the State of Washington. The City shall prepare, and any owner of Parity Bonds may obtain copies of, balance sheets and profit and loss statements showing in reasonable detail the financial condition of the System as of the close of each year, and the income and expenses of such year, including the amounts paid into the Revenue Fund, the Bond Fund, and into any and all special funds or accounts created pursuant to the provisions of this ordinance, and the amounts expended for maintenance, renewals, replacements, and capital additions to the System.

(i) No Free Service. The City will not furnish or supply or permit the furnishing or supplying of any commodity, service or facility furnished by or in connection with the operation of the System, free of charge to any person, firm or corporation, public or private, so long as the Bond is outstanding and unpaid.

(j) Sound Expenditures. The City will not expend any of the Revenues derived by it from the operation of the System or the proceeds of any indebtedness payable from Revenue of the System for any extensions, betterments and improvements to the System which are not legally

required or economically sound, and which will not properly and advantageously contribute to the conduct of the business of the System in an efficient manner.

(k) Enforcement of Collection of Service Charges and Assessments. The City shall promptly take action to enforce the payment of delinquent service charges and Assessments by such means as are legally available.

Section 14. Issuance of Future Parity Bonds. The City hereby further covenants and agrees with the owners of each of the Bonds for as long as any of the same remain outstanding as follows:

The City will not issue any bonds having a greater or equal priority of lien upon the Revenue of the System to pay and secure the payment of the principal of and interest on such bonds than the priority of lien created on such bonds than the priority of lien created on such Revenue to pay and secure the payment of the principal of and interest on the Parity Bonds except as follows:

(a) The City reserves the right to issue Future Parity Bonds for the purposes of

First, providing funds to acquire, construct, reconstruct, install, or replace any equipment, facilities, additions, betterments, or other capital improvements to the System for which it is authorized by law to issue revenue bonds, or

Second, refunding at or prior to their maturity, any revenue bond anticipation notes, or outstanding revenue bonds or other obligations payable out of the Revenue of the System and to pledge that payments will be made out of the Revenue of the System and into the Bond Fund and the Reserve Account therein to pay and secure the payment of the principal of and interest on such Future Parity Bonds on a parity with the payments required herein to be made out of such Revenue into such Fund and Account to pay and secure the payment of the principal of and interest on any Parity Bonds then outstanding, upon compliance with the following conditions:

(1) At the time of the issuance of any Future Parity Bonds there is no deficiency in the Bond Fund or the Reserve Account.

(2) If there are Assessments levied in any utility local improvement district to pay for additions and improvements to and extensions of the System which will be constructed from the proceeds of such Future Parity Bonds, the ordinance authorizing such Future Parity Bonds shall require that such Assessments be paid into the Bond Fund.

(3) If there are Assessments pledged to be paid into a warrant or bond redemption fund for revenue bonds or warrants being refunded by Future Parity Bonds, the ordinance authorizing the Future Parity Bonds shall require such Assessments to be paid into the Bond Fund.

(4) The principal of and interest on the Future Parity Bonds shall be payable out of the Bond Fund and the requirements for Reserve Account payments in Section 11(b) hereof shall be met.

(5) Prior to the delivery of any Future Parity Bonds the City shall have on file a certificate of an independent professional engineer or certified public accountant dated not earlier than 90 days prior to the date of delivery of such Future Parity Bonds and showing that the Net Revenue determined and adjusted as hereafter provided for each calendar or fiscal year after the issuance of such Parity Bonds (the "Adjusted Net Revenue") together with Assessment Income will equal at least 1.30 times the amount required in any such year for the payment of the principal of and interest on all Parity Bonds then outstanding, including the Future Parity Bonds proposed to be issued. In the event the City issues any Term Bonds, and provides for the payment thereof by a mandatory schedule of payments into a sinking fund account in the Bond Fund, the words "principal of and interest on all outstanding Parity Bonds" in the preceding sentence shall be deemed to exclude from "principal" an amount of Term Bonds equal to such mandatory payments, and from "interest" the interest on such Term Bonds subsequent to the date of the respective deposits, and to include in lieu thereof the mandatory sinking fund deposits as of the date required and interest on Term Bonds provided for by such deposits only to the dates of the respective deposits.

The Adjusted Net Revenue shall be the Net Revenue for a period of any 12 consecutive months out of the 24 months immediately preceding the date of delivery of such proposed Parity Bonds as adjusted by such engineer or accountant to take into consideration changes in Net Revenue estimated to occur under one or more of the following conditions for each year after such delivery for so long as any Parity Bonds, including the Future Parity Bonds proposed to be issued, shall be outstanding:

(i) any increase or decrease in Net Revenue which would result if any change in rates and charges adopted prior to the date of such certificate and subsequent to the beginning of such 12-month period, had been in force during the full 12-month period;

(ii) any increase or decrease in Net Revenue estimated by such Engineer or Accountant to result from any additions, betterments and improvements to and extensions of any facilities of the System which (a) became fully operational during such 12-month period, (b) were under construction at the time of such certificate or (c) will be constructed from the proceeds of the Parity Bonds to be issued;

(iii) the additional Net Revenue which would have been received if any customers added to the System during such 12-month period were customers for the entire period;

Such Engineer or Accountant shall base his or her certification upon, and his or her certificate shall have attached thereto, financial statements of the System audited by the State Examiner (unless such an audit is not available for a 12-month period within the preceding 24 months) and certified by the City Administrator, showing income and expenses for the period upon which the same is based.

The certificate of such Engineer or Accountant shall be conclusive and the only evidence required to show compliance with the provisions and requirements of this subsection (5).

Notwithstanding the foregoing requirement, if Future Parity Bonds are to be issued for the purpose of refunding at or prior to their maturity any part or all of the then outstanding Parity Bonds and the issuance of such refunding Parity Bonds results in a debt service savings and does

not require an increase of more than \$5,000 in any year for principal and interest on such refunding Parity Bonds, the certificate required by subsection (a)(5) of this section need not be obtained.

(b) Nothing herein contained shall prevent the City from issuing revenue bonds or other obligations which are a charge upon the Revenue of the System junior or inferior to the payments required by this ordinance to be made out of such Revenue into the Bond Fund and Reserve Account to pay and secure the payment of any outstanding Parity Bonds.

(c) Nothing herein contained shall prevent the City from issuing revenue bonds to refund maturing Parity Bonds for the payment which moneys are not otherwise available.

Section 15. Adoption of System and Plan and Application of Bond Proceeds. The City hereby specifies and adopts a plan for the expansion of its Wastewater Treatment Facility increasing it to an average flow capacity of 1.6 million gallons per day.

This expansion consists of:

- A new 45 foot diameter secondary clarifier.
- Additional aeration basin
- Conversion of existing clarifier to gravity thickener
- Addition of aerobic selector zones in the existing aeration basins
- A sludge recycle line
- Autothermal thermophilic aerobic digester
- Dechlorination facility

Construction will be in accordance with approved Department plans and specification. This project will help eliminate some failed individual and community drainfield in the Gig Harbor area and improve surface water quality.

The City shall provide all equipment, connections and appurtenances together with all work as may be incidental and necessary to complete the Improvements. Plans and specifications for the Improvements are on file in the offices of the City.

The City shall acquire by purchase, lease or condemnation, all property, both real and personal, or any interest therein, or rights-of-way and easements which may be found necessary to acquire, construct and install the Improvements.

The estimated cost of this plan of additions and betterment and all costs incidental thereto, is hereby declared to be as nearly as practicable the sum of \$2,090,851, of which amount not to exceed \$890,851 is to be provided by the Loan.

The proceeds from the sale of the Bond shall be used for the sole purpose of paying a part of the cost and expense connected with carrying out the Improvements, to pay and redeem warrants, notes or interfund loans heretofore issued for any of such costs, and to pay costs of issuance of the Bond.

Section 16. Construction Fund; Disposition of Bond Proceeds. The City maintains a special fund designated as Fund No. 410 Sewer Capital Improvement Fund (the "Construction Fund") for the purpose of paying costs of the Improvements and other capital improvements to the System.

Amounts received as Loan disbursements shall be deposited in the Construction Fund and shall be used to pay costs of the Improvements and to pay costs of issuing the Bond.

Pending their expenditure, the ^{CITY}~~District~~ may temporarily invest the proceeds of the Bond in any investments permitted by law. The investment earnings shall be retained in the Construction Fund and expended for the purpose of such Fund.

If any principal or investment proceeds of the Bond remain after completion of the Improvements, or if completion of the Improvements should be determined not to be feasible or should be substantially delayed, the money remaining shall be used to pay the Bond.

Section 17. Repair and Replacement ^{ACCOUNT}Fund. There is hereby authorized to be created in the office of the Treasurer a special ^{ACCOUNT}~~fund~~ of the City known as the "Repair and Replacement ^{ACCOUNT}Fund" (the "Repair and Replacement ^{ACCOUNT}Fund"). The City covenants and agrees that commencing on the first interest payment date on the Bond, and annually thereafter, so long as the Bond remains outstanding, it will pay into the Repair and Replacement ^{ACCOUNT}Fund out of the Revenue Fund (after

making necessary provision for the payments required to be made by subparagraphs First through Fourth of Section 10 hereof) amounts in approximately six equal payments sufficient to establish a balance therein by six years from the Completion Date that will be equal to half of the Annual Debt Service on the Bond. So long thereafter as the Bond remains outstanding, a balance shall be maintained in the Repair and Replacement ^{Account} Fund, as recalculated as of any date, equal to half of the Annual Debt Service on the Bond.

Money in the Repair and Replacement ^{Account} Fund may be withdrawn to make necessary repairs to or extensions and replacements of the System. Any deficiency in the Repair and Replacement ^{Account} Fund by reason of any such withdrawal shall be made up within three years out of the Revenue Fund after making necessary provision for the required payments described above.

Section 18. Sale of the Bond; Approval of Loan Agreement. The Bond shall be sold to the Department pursuant to the terms of this ordinance and the Loan Agreement, as amended, between the City and the Department, which is attached hereto and incorporated herein by this reference, is hereby approved in substantially the form attached. The Mayor and City's bond counsel are hereby authorized to execute such Loan Agreement, as amended, with such minor changes as they shall approve.

Section 19. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance or the Bond.

Section 20. General Authorization. The Mayor, the City Administrator and Clerk-Treasurer and the Finance Director of the City and each of the other appropriate officers, agents and representatives of the City are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or

desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, this ordinance.

Section 21. Prior Acts. All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 22. Effective Date. This ordinance shall be effective five days after its passage and publication in the manner required by law.

Read for the first time on _____, 199__, passed by the Council of the City of Gig Harbor, Washington, at a regular meeting held on the ____ day of _____, 199__.

CITY OF GIG HARBOR, WASHINGTON

By _____
Mayor

ATTEST:

City Clerk

Published:

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Clerk of the City of Gig Harbor, Washington, and keeper of the records of the Council of the City (herein called the "Council"), DO HEREBY CERTIFY:

1. That the attached Ordinance No. ____ (herein called the "Ordinance") is a true and correct copy of an ordinance of the City, as finally passed at a regular meeting of the Council held on the ____ day of _____, 199__, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City this ____ day of _____, 199__.

City Clerk, City of Gig Harbor,
Washington

(CITY SEAL)



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: RAY GILMORE, PLANNING DIRECTOR
DATE: JANUARY 9, 1995
SUBJECT: PROPOSAL TO FORM A DESIGN GUIDELINES TECHNICAL COMMITTEE

INTRODUCTION/BACKGROUND

The design element of the comprehensive plan is a new element which places strong emphasis on design guidelines. Design guidelines would provide a specific criteria for reviewing buildings, signs, and site plans. Currently, the community has had to depend upon standard zoning requirements for reviewing projects (including setbacks, parking and landscaping), and also upon the applicants' sensitivity toward design and community character. As demonstrated by recent development, these do not necessarily assure that projects are compatible with existing character or surrounding development.

POLICY

The design element of the comprehensive plan includes several goals and policies on design guidelines including the following:

Pg. 22 - Goal: Articulate an architectural style which reflects Gig Harbor's built and natural environment and which appeals to the human spirit.

Pg. 22 - Goal: Encourage building designs which define and respect the human scale.

Pg. 23 - Goal: Develop an hierarchy in building and site design.

Pg. 24 - Goal: Identify, preserve, and develop an appropriate waterfront architecture.

Pg. 27 - Goal: Preserve the character of those sites or districts which reflect the style of Gig Harbor's historical development.

Develop guidelines which promote compatible development within designated areas.

Pg. 32 - Goal: Keep signage as a subordinate element in building designs

Avoid using signage as a dominant architectural statement.

Signage should complement building designs without being overpowering.

RECOMMENDATION

Attached for the Council's consideration is a resolution which would authorize the formation of a citizens committee to develop a design guidelines manual which implements the revised City of Gig

Harbor Comprehensive Plan Design Element. The committee would consist of the following:

- * Two members of the City of Gig Harbor Planning Commission.
- * One professional building designer, engineer or land-use planning specialist.
- * One professional architect.
- * One professional contractor or builder.
- * One lay citizen residing within the City who has displayed interest in community design.
- * One lay citizen residing within the unincorporated area of the City's Urban Growth Area who has displayed interest in community design.

**CITY OF GIG HARBOR
RESOLUTION NO.**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR AUTHORIZING THE FORMATION OF A CITIZENS COMMITTEE TO DEVELOP A DESIGN GUIDELINES MANUAL WHICH IMPLEMENTS THE COMMUNITY DESIGN ELEMENT OF THE REVISED CITY OF GIG HARBOR COMPREHENSIVE PLAN.

WHEREAS, the City of Gig Harbor Planning Commission, in its role as the citizens land-use advisory commission for the City of Gig Harbor, needs to allocate sufficient time to accomplish assigned tasks for 1995; and,

WHEREAS, the Planning Commission's work schedule for 1995 requires that several tasks be accomplished within the first six months of the year; and,

WHEREAS, an efficient and timely method of accomplishing multiple planning tasks is the use of planning commission subcommittees and/or ad-hoc citizens technical/advisory committees; and,

WHEREAS, the development of design guidelines should be undertaken by a group of interested citizens who have varied experience, backgrounds and interests in construction, development and design; and

WHEREAS, a design guidelines technical committee should represent the citizens of the City of Gig Harbor and the affected community; and,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GIG HARBOR:

Section 1 Formation of Design Guidelines Technical Committee. There shall be formed an ad-hoc committee (Design Guidelines Technical Committee) to develop a Design Guidelines Manual for presentation to the City of Gig Harbor Planning Commission. The Mayor shall provide public notice on the formation of the adhoc committee and shall request interested citizens to submit a statement or letter of interest to serve on said committee for a limited period of time. A statement or letter of interest must be submitted by no later than February 15, 1995. Membership shall be by appointment of the Mayor and by approval of the City Council by no later than March 1, 1995.

Section 2 Representation on the Design Guidelines Technical Committee. The Design Review Technical Committee shall be composed of the following:

- ♦ Two members of the City of Gig Harbor Planning Commission.
- ♦ One professional building designer, engineer or land-use planning specialist.

- ♦ One professional architect.
- ♦ One professional contractor or builder.
- ♦ One lay citizen residing within the City who has displayed interest in community design.
- ♦ One lay citizen residing within the unincorporated area of the City's Urban Growth Area who has displayed interest in community design.

Section 3. Responsibilities of the Design Guidelines Technical Committee. The Design Guidelines Technical Committee shall develop, with assistance provided by the City of Gig Harbor Planning-Building staff, a design guidelines manual which implements the goals and policies of the City of Gig Harbor Comprehensive Plan Community Design Element. The Technical Committee shall provide a recommendation to the City of Gig Harbor Planning Commission on the proposed design guidelines manual. The Technical Committee may meet as often as it deems necessary and all meetings shall be in accordance with the Open Public Meetings Act. A recommendation to the Planning Commission shall be submitted by no later than September 30, 1995.

PASSED AND APPROVED, at the regularly scheduled City Council meeting of the 9th day of January, 1995.

Gretchen Wilbert, Mayor

ATTEST:

Mark E. Hoppen, City Administrator
Filed with City Clerk: January 4, 1995
Passed by City Council:

MAYOR'S REPORT

January 9, 1995

URBAN FOREST MANAGEMENT

Trees, as they relate to greenbelts, right-of-ways, views, view corridors, and property owner's rights regarding trees, have been an important topic of discussion over the past few years. Landscaping and screening are addressed in our City Code in Chapter 17.78. Preservation of significant trees (17.78.050), is addressed in the code, but we have never really defined or discovered what trees are or should be considered significant.

Harbor Green Park

The subject begins to take center stage as we look at Gig Harbor Green Park and contemplate management of this public space. In looking for a professional opinion, I accepted the volunteer offer of Dr. William Pierce, a retired University of Montana professor and resident of Shoreacres, to give an assessment of the health of the forest and what suggestions he would have toward maintenance.

He told me that area was probably logged in the 1920's but that there are two or three trees remaining that are at least 250 years old. There will be a loss of smaller trees and everything less than 6" could be cleaned out. There is storm evidence on the east side of the park with dead trees on the east and south sides. The big leaf maple and alder in the northwest corner should and could be removed, making room for any structure proposed. The forest is basically healthy and is a unique amenity within an urban environment and should be retained.

When I thanked Dr. Pierce for his comments he replied, "Any time." Dr. Pierce has just finished a long term as Chairman of Peninsula Advisory Committee.

The Remainder of the City

Councilmembers are encouraged to really take a look at our existing urban forest and determine how important the urban forest is to the overall livability of the city. As you drive along North Harborview Drive, take time to view the city from the shoreline and imagine what it would look like without the trees as a backdrop to the historical homes. Look at the city from Stinson, Grandview, Pioneer, Peacock, Soundview, Rosedale, and East Gig Harbor. In addition, we must not take the view from Harbor Ridge Middle School for granted. I encourage you to visit the site and enjoy that view one more time.

Specifically

I'm told there are seven Monkey Puzzle trees in town. I can only locate four. I'm also told four California Redwoods were planted years ago. I'm able to locate two along the horizon of the

city. As I look out my office window, I wonder about the species of trees in Mary Bonneville's beautiful inner-city courtyard. Each spring we all enjoy the three huge native rhododendrons gracing Rosedale, Harborview, and Stinson streets.

Reference Library

An urban forest reference section has been added to our reference library in the City Hall Conference Room. Municipal Research will be sending us information already available from other cities.

Further Research

University of Puget Sound and Pacific Lutheran University will be asked if there is any interest in participating in an urban forest inventory project within the City of Gig Harbor.

Urban Forest Inventory

An inventory would provide an informational tool for property owners, realtors, and city residents in recognizing the urban forest as the aesthetic backdrop. Whereas other cities throughout the country are struggling to regain street trees, Gig Harbor would be taking the lead in recognizing the importance of retaining and maintaining an healthy urban forest.

Regulations & Property Rights

Management regulations could grow out of this exercise. Those regulations could enable the property owner to manage his/her urban forest by cooperative agreement within the neighborhood. The regulations should not prevent the property owner from determining the fate of trees on his/her own property.

Comments from council are always welcome.



DENNIS RICHARDS
Chief of Police

City of Gig Harbor Police Dept.
3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-2236

GIG HARBOR POLICE DEPARTMENT

MONTHLY ACTIVITY REPORT

DECEMBER 1994

	DEC 1994	YTD 1994	YTD 1993	%chg to 1993
CALLS FOR SERVICE	<u>248</u>	<u>3239</u>	<u>3134</u>	+ <u>3</u>
CRIMINAL TRAFFIC	<u>20</u>	<u>234</u>	<u>278</u>	- <u>13</u>
TRAFFIC INFRACTIONS	<u>50</u>	<u>859</u>	<u>843</u>	+ <u>1</u>
DUI ARRESTS	<u>5</u>	<u>75</u>	<u>52</u>	+ <u>44</u>
FELONY ARRESTS	<u>6</u>	<u>70</u>	<u>59</u>	+ <u>18</u>
MISDEMEANOR ARRESTS	<u>12</u>	<u>212</u>	<u>131</u>	+ <u>61</u>
WARRANT ARRESTS	<u>1</u>	<u>68</u>	<u>75</u>	- <u>9</u>
CASE REPORTS	<u>56</u>	<u>808</u>	<u>736</u>	+ <u>9</u>

