

**AGENDA FOR
GIG HARBOR CITY COUNCIL MEETING
June 26, 2006 - 7:00 p.m.**

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

These consent agenda items are considered routine and may be adopted with one motion as per Gig Harbor Ordinance No. 799.

1. Approval of the Minutes of Special City Council Meeting of June 5, 2006 and City Council Meeting of June 12, 2006.
2. Second Amendment to the Utility Extension Agreement – Request for Additional Residential Service Connection – Canterwood Development Company.
3. First Amendment – Contract for Evaluation of the Community Development Department.
4. Interagency Data Sharing Agreement with the Department of Revenue.
5. Liquor License Change of Ownership: Albertson's.
6. Liquor License Application: Gourmet Essentials.
7. Liquor License Renewals: The Keeping Room; Harbor Rock Café; Hunan Garden; Kinza Teriyaki; and Spiro's Bella Notte'.
8. Payment of Bills for June 26, 2006.
Checks #50645 through #50784 in the amount of \$441,795.06.

OLD BUSINESS:

1. Second Reading of Ordinance – Amendments to Business License Code.
2. Public Hearing and Second Reading of Ordinance – Comprehensive Plan Amendments and Development Agreements – **Postponed until next Meeting on July 10, 2006.**
3. Second Reading of Ordinance – Amendments to the Harbor Code.

NEW BUSINESS:

1. Public Hearing and Resolution Executing a Utility Extension Agreement for 12718 Burnham Drive.
2. Wetland Evaluations – Consultant Services Contract.

STAFF REPORT:

1. John Vodopich, Community Development Director - Proposed City-initiated Annexation.

PUBLIC COMMENT:

COUNCIL COMMENTS / MAYOR'S REPORT:

ANNOUNCEMENT OF OTHER MEETINGS:

1. Proposed Marina Fire Safety Requirements: June 27th, 5:30 p.m. Civic Center Community Rooms.
2. Gig Harbor North Traffic Options Committee: June 28th, 9:00 a.m., Civic Center Community Rooms.
3. Friends of the Parks Commission: July 5th, 5:30 p.m., Civic Center Community Rooms.

ADJOURN:

GIG HARBOR SPECIAL CITY COUNCIL MEETING OF June 5, 2006

PRESENT: Councilmembers Ekberg, Young, Franich, Conan, Dick, Payne and Mayor Hunter.

CALL TO ORDER: 2:03 p.m.

PLEDGE OF ALLEGIANCE:

AGENDA:

Eddon Boat Park – Historic Structures Report Update

Due to the content, much of this transcription is verbatim.

Lita Dawn Stanton provided an overview of the Historic Structures Report on the Eddon Boat Property. She described that in April 2006, City Council approved a contract with Gerald Eysaman of Eysaman and Company to perform a Historic Structures Report on the Eddon Boat property. Ms. Stanton stated that the Historic Structures Report is the first step to finalizing a comprehensive plan to make the structure safe, publicly accessible and to fulfill the Heritage programming piece of the 2004 Park Acquisition Bond. She further explained that last week after a meeting on site with Gerald Eysaman and Michael Sullivan of Artifacts Consulting, it became clear that there were a number of unanswered questions that could effect not only the eventual upgrades to the site itself but more importantly its current and future funding power.

Michael Sullivan provided a brief description of a Historic Structures Report and stated that the report is designed specifically for buildings that are listed on the National Register or eligible for designation as Historic Properties. He explained that the primary function is to guide stewardship, upgrading, repairs and in some cases, additions and modifications to historic buildings. He further explained that the report primarily identifies key character defining features such as the fabric in a historic building and in some cases will even steer modifications and changes towards areas that are not high in historic importance when modifying or upgrading. He stated that it is a somewhat specialized document and in the case of Eddon Boat property, a prudent step to take given that a very likely source of funding for the rehabilitation work planned is a state Heritage Grant which is a funding source provided by the state of Washington that is specific to historic heritage buildings. He further explained that especially for the larger grants a Historic Structures Report is typically required as either a condition for funding or required out of the funding as a tool in planning the work that is being paid for by the Heritage Grants.

Mr. Eysaman discussed that the city's Historic Structures Report is considered a two-pronged approach. He explained that the first phase consisted of information gathering, which includes analyzing the building to see what the

resource is as well as the character and condition of the resource. The second phase, which was the reason for this meeting was how best to move forward with the Eddon Boat property with what's there, the condition of the buildings, what people want to do with it, and how to best achieve this. He further explained that the large boat building has both pros and cons. He explained that the research work for the Historic Structures Report has so far looked only at the boat building, which is a light frame wooden structure and considered a fairly low key wooden building. Mr. Eysaman related that he had already met with Building Official/Fire Marshal Dick Bower to discuss how to achieve some of the proposed other uses with mixing and blending them into the building. He stated that it was then that they moved with the idea of finding other opportunities for the services, i.e. public restrooms and assembly requirements. He explained that it would be costly to try to achieve these services in the boat building and suggested the possibility of shifting the need for these services into the brick house and maybe utilize some of the funding that would have gone into the boat building into restoring the brick house. He said that what the city would end up with is a boat building maintaining more of its historic character and integrity while still providing the services and realizing the funding for both.

Mr. Sullivan then spoke about adding some specific action recommendations beyond the objective content of the Historic Structures Report that is a type of documentary information about the building at the city's request recognizing that work was going to be planned for the building, and maybe point to some scope issues that might be funded out of the Heritage Grant funding, should this funding come through.

Mr. Sullivan explained that as a first step in doing the Historic Structures Report was to identify what is historic on the site from a historic preservation stand point. He said that the city will need to balance their recommendations against an assortment of other concerns, such as social and financial to name a few.

Mr. Sullivan further explained that the boat building is eligible for listing on the National Register of Historic Properties, but in doing the nomination and looking at a scan of the property, the dock and the brick house are also eligible. He recommended that all structures should be eligible for the national register of historic places as a grouping. The house and the boat building are contemporary, as they were built at the same time and represent a narrative of an activity that took place on the waterfront of a family-owned small boatyard. This is considered the core "story" and the historic significance of the site. The site and the story are more complete by keeping the brick house. Mr. Sullivan explained that looking at Heritage Funding and looking at a funding source to do work on the boatyard, that funding source is somewhat dependent upon a preservation ethic based on following the Secretary of Interior's standards for rehabilitation. He stated that there may be other sources of funding, but in terms of guiding the city as to what is historic, it is important to look at what are the factors that the city needs to be aware of in terms of using that funding source.

The reality is that money going in to any or all of the buildings for rehabilitation, upgrade, improvement, modernizing, creating, putting in restrooms are perfectly acceptable for this source of funding. The demolition and removal of portions of the “grouping” with those funds will not be permitted. As you begin to take away from this historic group, the city may very likely diminish the eligibility and the appeal of the granting agency that will be funding this project. The scope of work for the grant request does not specifically talk about the house in any way and there is no reason that these funds cannot be used for the dock or the house as well. He further explained, for those that live in the Tacoma-Gig Harbor immediate area, seeing a house down by the waterfront with a dock and a boathouse right next to it is not particularly remarkable and especially today where it has only been there 60-70 years. It doesn't seem particularly old or important. He said that they did a quick scan of the National Register sites on the west coast that relate to this and they found that there is nothing else of this significance anywhere on the National Register on the west coast. He added that the city has the potential for a historic complex and a historical narrative to be told here that is simply unmatched. He said that if we consider Gig Harbor and what has gone on here, there are not very many protected inland harbors like this that are purely for fishing to begin with – even in San Francisco there aren't any complexes like this family-owned boathouse at this scale left. Mr. Sullivan expressed that to he and Mr. Eysaman, it was highly important that the unique value of this property was not overlooked.

Mr. Sullivan said their recommendation was that the city retain the building's current waterfront dependent use, program and marine industrial functions in their current configuration. He further recommended that wherever possible, continue the historic uses of specific spaces such as open marine ways, shop and machine areas, lofting and retail storefront on the upper level. He stressed that this is its true character, and as long as it continues to function as a working boathouse, it tells this story articulately in all of its spaces. He stated that there are no superfluous spaces in it – it is a very functional straightforward building. He said that he hoped that the city can keep as much of this property in place as possible. He added that they feel that the open timber framing on the inside is something that is part of the story with the surface mounted building systems, all of the conduit and electrical wiring and stated that they didn't even notch the framing. He described the building, with siding on the outside of framing, and with building systems and electrical conduit running right along the outside where it can be easily moved around. He said that if the city were upgrading the building, changing the use in the building, triggering upgrades in building code, a lot of the character will be lost and the city will end up converting it when other uses are added to the building. The code modifications that will be required will change the way the building reads to visitors and others in terms of what it is about and how it looks as a historic place.

He further stated that with regard to the program for improvements on the park space and around the boathouse, it is their recommendation to locate public

access and visitor accommodations in a design that does not change the building type from a building code and life safety standpoint. He said that one of their observations and recommendations to the city is to look at trying not to modify the boat building to the point that changes the use type from a building code standpoint. If uses are put in the building like assembly space, kitchens, and restrooms, this will lead to significant modifications to the character of code changes to the building. One of historical strengths of this building is that in the years shortly after the Second World War, when the plywood association challenged boat designers to come up with a pleasure sailboat made out of plywood, Hoppen and Seaborne came together and designed the Thunderbird. There were thousands of Thunderbirds built. Thunderbird Hull No. 1 is still here and he feels that it should be in the boat building where it was born. He said that there are no small vessels of this type that are currently listed on the Historic Register.

Mr. Sullivan rhetorically asked how do we deal with public improvements, restrooms, public assembly and storage place? They believe that the most practical way is to keep the buildings together. The large building will trigger an expensive code improvement package. Keeping the restrooms in the brick house is much better suited to dealing with public bathrooms, and from a code standpoint could accommodate a small assembly area as well as bathrooms and not have a large package of code improvements to be able to get this use in the building. Without getting down to real specific brass tacks, Mr. Sullivan explained that they feel fairly confident in terms of a total package, it would be significantly less costly to renovate the small house, the boat yard and the dock, locate the bathrooms in the residential brick house and upgrade what structural repairs need to be made to the boat house and keep it as an industrial marine building, light framed and not change the use. This entire cost would be significantly less than the cost of locating bathrooms, public assembly in the historic boat yard building. The cost in terms of modification to a historic building, in terms of changing the boat building and having to meet the Secretary of Interior's standards would also be greatly reduced. He further stated that he had a brief conversation with Garry Schalliol, who manages the Heritage Grant Program. Mr. Sullivan stated that his firm was under contract with the State Historical Society to review projects that were completed under this grant and stated that he knew quite a bit about the way that this program works. He said that Mr. Schalliol doesn't feel that there would be a problem if the city ended up identifying a complex of buildings at the Eddon Boat Property and spreading the grant over all the historic buildings in this complex.

Councilmember Ekberg asked if Mr. Sullivan if he was aware of the proposal that has been put forward for the boat building for housing a non-profit boat facility. Mr. Ekberg asked for clarification on what was foreseen for the "assembly." Mr. Sullivan responded and clarified that "assembly" from a building code standpoint, is defined as a place where a group of people can come visit the site and can all be assembled in one place. He added that this was at least a discussed

potential use for the lofting area on the upper story of the boat house building. Mr. Eysaman added that there was discussion about the potential of public programs upstairs, where groups might come in and have a small program presented to them. This could be a problem if the upper floor is no longer F-1 associated with downstairs and it becomes an A-3 occupancy, which needs a 3-hour fire separation. Councilmember Ekberg clarified that the consultants would not recommend the upper floor being used as an assembly location.

Mr. Eysaman explained that maybe at this time, trying to put in bathrooms and those kinds of things is not within the scope of what the city is trying to accomplish with the Heritage Grant. He recommended to not take the brick house down until after a permanent solution is developed for the restrooms and facilities. He further recommended that if the brick house is demolished, then another building should be built for the restroom accommodations and assembly location. He said that when this was first presented to them, the brick house was going to be demolished and replaced with a one-story toilet facility/public building on the brick house site. He said that they are also working with the Shoreline Management Board for a project on the Foss Waterway. He said from his experience it would be very difficult to rebuild on this site right away. He encouraged the city to make sure that the shoreline permits and the building code issues are resolved before the brick building is taken down. He also mentioned that there was concern about the obstruction of the view from the property owners across the street, but explained that the views would be affected by a one-story building near the roadway much more than they are by a one and one-half story that is at the bottom of the hill.

Councilmember Franich asked staff for input on what would be rebuilt and where. John Vodopich explained that as previously discussed, the more relevant issue is the recently passed Critical Areas Ordinance and the likelihood of a Category 2 Estuarine Wetland in front of the house due to the hydrophetic vegetation. Mr. Vodopich said that he was not aware of anything in the city's Shoreline Master Program that would preclude the rebuilding of houses or a restroom down on the shoreline. If it is a Category 2 wetland, there are several options available under the new Critical Areas Ordinance and stated that he was not advocating any one of the following options: a variance provision for wetland buffers, a reasonable use exception section, an outright exemption section, but until we have a wetland biologist put together a wetland mitigation plan, he stated that it is premature to even speculate what could be built within the wetland buffer. The Shoreline Management Master Program is 20+ years old and asserted that the wetland buffer in his opinion is the larger concern.

Councilmember Franich asked what the next steps are. Mr. Vodopich replied that Council would need to retain outside consultant services assistance of a wetland biologist to perform a Wetland Delineation on site and propose a mitigation plan consistent with the city's recently adopted Critical Areas regulations. Councilmember Franich responded that he believed the Council set

a direction for allowing Guy Hoppen to move forward and bring back a business proposal for the main structure which is the boat building. He further asked if the city would allow potential funding power to influence the creation of a park that would be the best park for the citizens. He said that this would be something that Council will need to discuss further.

Councilmember Dick asked what kind of matches of local funds are required from the Heritage Grant Program. Mr. Sullivan responded that the match for the Heritage Grant is 2:1 match requirement but half of this could be in-kind which means that city staff could be utilized. (The city puts in \$2 for every dollar of grant funding). This year's funding pool is 10M and acquisition costs can be counted as the city's match. He thought the chances were very good for qualified grant applications and added that this funding source only comes available every two years. He added that the chair people from the Heritage Caucus are Senator Jim Honeyford from eastern Washington and Representative Pat Lantz.

Councilmember Ekberg asked if it was known how much it would cost to retrofit the building for continued use as a boat yard. Mr. Eysaman said that if there was not a change of use and the city didn't trigger a big package of code improvements, that doing things like the needed structural work, some seismic reinforcing, probably sprinklers, the rough estimate would be approximately be upwards of \$500,000. The bathrooms would approximately cost \$250,000 to upgrade to public standards.

Councilmember Ekberg asked if there were other sources for funding. Mr. Eysaman said he was sure that there were, i.e. Outdoor Recreation Commission for Parks, but he was most familiar with the historical heritage funding sources.

Councilmember Ekberg asked if the grant application has already been submitted to the state and if it is tied to the specific boat building, house and dock. Mr. Eysaman said that the brick house was not included. Lita Dawn Stanton confirmed that the house had not been included. Mr. Sullivan stated that his thought was that the grant funding could also be used for the improvements to the brick house for public facilities, which he added seemed to be a logical step.

Councilmember Young thanked Messrs. Sullivan and Eysaman for presenting this information. He asked the staff what the rush was to have this special meeting and wanted to know if Council needed to make a decision today. Lita Dawn Stanton stated that it was her understanding the Heritage Grant was going to be under review in July and was interested in the city's stand on the site in light of the city applying for the grant only to tear down half the project. Councilmember Ekberg stated that he thought the grant did not include the brick house. Ms. Stanton confirmed that this was true, and Mr. Eysaman added that as the research recently developed, it exposed the family operation and complex with

these pieces together. Councilmember Young thanked the consultants for this information because he said that up until now, he had been looking at the structure, not the “story.” He said that the part that he was having difficulty with was the public process that hadn’t involved the Council to date except for the demolition and stated that he couldn’t figure out why we are bypassing this particularly in an emergency meeting. City Administrator Hoppen stated that it was his understanding that the consultants wanted to make a timely presentation before they issued the Historic Structures Report and to make the Council aware of two points: The first is that the entire site, the layout of the site, the house, the shop, the ways and dock could be eligible to be placed on the National Historic Register. The second point is this opportunity is unique on the West Coast, which could have economic consequences. Councilmember Young asked what is the reason that it couldn’t have been presented at a normal council meeting when the rest of the public could have attended. The consultant said that there were rumors that the house was in risk of being demolished. Councilmember Young expressed his irritation with staff because there has been no information brought to Council to tear it down. He further stated that it is so unusual to call an emergency meeting and stated that he thought that there should be some cause, some action that needed to be taken in a timely fashion.

Councilmember Dick asked if the grant application needed to be changed and if this justified the immediacy of this meeting. Mr. Eysaman responded, and said that the grant application is in a draft version at this point and they wanted to make sure that the Historic Structures Report didn’t contain information that was in conflict with the grant application. Mr. Eysaman said that there was still time to change the grant application to include the house.

Councilmember Franich said that if in fact the Historic Structures Report is factual, then why should the Council have any influence over what goes into the report. Mr. Eysaman responded that while this is true, there is no need to make recommendations if there is no interest on the executive level to follow through. The core content of the Historic Structures Report will not change; however, in this case, the consultants were asked to look at some recommendations and give some specific guidance that could clarify for the Heritage Grant process the nature of the city’s direction. He further stated that this meeting was not about the Historic Structures Report core documentation so much, but more about the recommendations that they would publish inside it. He further added that the purpose of the meeting was also to develop some draft recommendations and let Council have a chance to review and comment.

Councilmember Franich stated that several meetings ago, Council made a decision on the future of the boat building structure if Guy Hoppen’s business plan is approved.

Lita Dawn Stanton said that the city still needs to wrestle with the idea of where the services and bathroom are going to be and ultimately with or without Guy

Hoppen in the boat building, how is the city going to accommodate public facilities. She further stated why waste any time making recommendations that reduce the cost of the boat building restroom upgrade if you have an option of using the brick house for the restroom upgrade. Councilmember Franich said that nobody knew better than she knew that the Eddon Boat property was brought before the public with the house down and no bathrooms. He said that he is not against bathrooms on the site, but was concerned with how the process was going. Ms. Stanton said that as this investigation unfolded in the last week with Messrs. Sullivan and Eysaman, she felt it was not her position to advise them on Council's behalf. She further asked that since it was the city's intent to get the boat building going in the next year or two, especially in light of the potential grant funding, what direction did they want to go.

Mayor Hunter stated that very recently, we have discovered that we have something special. He explained that we started out with the idea that we were going to save the historic Eddon Boat Yard. It turns out that now the boat yard includes the house and the dock and said that this is a revelation that has come about in the last few weeks where there has been a lot of pressure to tear down the brick house. He added that he didn't feel badly about asking Council to come together for this meeting because Council is getting a chance to listen to this presentation and be able to make a better decision whether to go forward and try to save it all or demolish the house.

Councilmember Ekberg said that while he appreciates the information, he agrees with Councilmember Young that it is too bad that a special meeting was called at 2:00 p.m., when most of the citizens are at work. He further added that he thought that the Council was at a disadvantage because the Mayor's ad hoc committee has been meeting on this for quite some time, there has been a lot of citizen involvement during the process and it hasn't all been brought to the Council other than the demolition of the two buildings and the plan for the boat house. He further stated that all of the activities that have gone on have not been forwarded. He said that at the last meeting on the park design there was a focus on the fact that the house did not need to continue on in the park design but there was no anticipation of tearing it down until all of the issues as to whether something could be rebuilt on the site were decided. He added that he didn't think that the wrecking ball was running the street anytime soon to take the house down. He summarized that what he felt was presented today is the city can go ahead with the grant for the boat house and good luck or we can go add the brick house to the grant and package it as a whole complex and have better luck. He further stated that at some point, the Council will have to take this information and get back to staff, because a decision will not be made at this meeting.

Councilmember Young said this information first should have been taken to the ad hoc committee for their recommendation, and then present their recommendation to Council for a decision.

Mr. Sullivan stated that the preservation effort has focused on the boat building and they tried to bring forward the historical observation that the boat building is great, it is remarkable and unique to the area, but it is not “big time” unique to everything. He explained that when you add a family component to a boat building facility where right out the back door you go to work everyday, with its location right on the water, in town, these kinds of narrative complexes have disappeared, which makes this property remarkable. It is the family element, almost more than the boathouse that makes it so remarkable. He said that he teaches Northwest history at the University of Washington in Tacoma and Ed Hoppen’s name is going to be an extremely important name in the Pacific Northwest history due to what was accomplished at the property and what he did with the construction design of the Thunderbird boat, analogous to the design work of Ben Seaborne, so that Ed Hoppen will be one of the historic names after which we name that streets and schools.

Councilmember Payne said that it was his understanding that the project that Guy Hoppen has presented would include some public viewing or access into the boat building itself so that the public could witness boat building on the lower level or in the industrial areas and presumed that the ADA accessibility would be an issue. He asked would this have any impact on the use of the building. Mr. Eysaman acknowledged that Councilmember Payne was correct in his presumption and explained that they worked up some possibilities to introduce a limited amount of access for non working participants in the industrial areas inside the building that can be worked out. Other boat building facilities and glass blowing facilities have mechanisms for allowing this to happen. Mr. Sullivan added that the limited accessibility would not mean limited to access but limited in regards to numbers of people who can gather in one space at one time and gave the example of a bus load of forty students; the limitation would be that the students would need to be broken down into maybe groups of ten at a time. Councilmember Payne said that if the city is going to allow this kind of public access, then he presumed that there would be code requirements for restrooms facilities and assembly. Mr. Sullivan explained that the assembly and the bathrooms are the ones that they would like to see shifted down to the brick house. Mr. Eysaman stated that those uses aren’t going to be put in the boat building and as a designated historic property the building codes allow some non complying elements. He gave the example that as a historic structure, akin to a classic church or the rotunda in the state capitol building; there is no ADA access to the rotunda. The access question alone does not trigger required upgrades to the building, however if there are restrooms installed or assembly or change of use in the building, then there is a whole set of seismic, building systems upgrades, life safety, exiting and related code issues. Councilmember Payne asked that if the building is used strictly as a boat building facility with some limited public access, are there code requirements for restroom facilities. The consultants agreed that a restroom would need to be in a close proximity to the building, and believed that the brick house would serve this requirement.

Councilmember Payne then asked if the restrooms and assembly area are located inside the brick house, does this jeopardize the historic value of the house. Mr. Eysaman explained that in complying with Secretary of Interior's standards for the treatment of historic buildings, they looked at this and felt that the building would accommodate public restrooms, three to four fixtures per gender and a small assembly area on the ground floor and possibly even a kitchen and still stay within the Secretary of Interior's standards. He further explained that if the upper floor were used for a small collection storage area or offices, a use that would not require ADA access, then the overall building envelop would not change very much at all. He further explained that what was once a garage is now a door into a family room kind of space, which would probably convert over to an identifiable entrance into restrooms.

Councilmember Franich asked if the staff had information on the Secretary of Interior's criteria of how much a building could be changed. Ms. Stanton replied that she did have these guidelines. Councilmember Franich requested that Ms. Stanton provide him a copy. Mr. Eysaman added that the Parks Service provides an exhaustive website with the Secretary of Interior's standards with case studies of applications.

Councilmember Payne asked that without the house and the dock, would there be a problem for filing with the National Registry for the two features. Mr. Eysaman stated that he thought that it could still get on the National Registry. He said that in terms of demolishing the brick house, if a public entity undertakes any action that has an adverse affect on a National Registry site or a site eligible for the National Registry, then there is a Section 106 process that is a negotiating process that needs to be entered into which requires mitigation in exchange, but it won't block the project but could delay what is planned there.

Mr. Eysaman concluded the meeting and said that he has not found many City Councils that have shown up at such short notice for a meeting, and he hoped that the members of the community recognizes the responsiveness of this City Council.

ADJOURN:

MOTION: Move to adjourn at 3:17 p.m.
Franich / Payne – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1-7

Charles L. Hunter, Mayor

Maureen Whitaker, Asst. City Clerk

GIG HARBOR CITY COUNCIL MEETING OF JUNE 12, 2006

PRESENT: Councilmembers Ekberg, Young, Franich, Conan, Dick, Payne, Kadzik and Mayor Hunter.

CALL TO ORDER: 7:00 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

These consent agenda items are considered routine and may be adopted with one motion as per Gig Harbor Ordinance No. 799.

1. Approval of the Minutes of City Council Meeting of May 22, 2006.
2. Rosedale St. Pedestrian Improvement Project – Dedication of Temporary Slope and Construction Easement Agreement and Quit Claim Deed.
3. Wastewater Treatment Plant Blower Room Climate Control – Contract Authorization.
4. City-wide Traffic Capacity Monitoring Program, Interim Traffic Impact Fee Revisions and Hospital Benefit Zone Boundary – Consultant Contract.
5. Liquor License Application: Harbor Brix 25 Inc.
6. Payment of Bills for June 12, 2006.
Checks #50478 through #50644 in the amount of \$370,143.34.
7. Payment of Payroll for the month of May:
Checks #4254 through #4288 and direct deposit entries in the amount of \$262,336.68.

MOTION: Move to approve the Consent Agenda as presented.
Ekberg / Young – unanimously approved.

OLD BUSINESS:

1. Second Reading and Public Hearing of Three Ordinances Adopting the Land Use Matrix. Jennifer Sitts, Senior Planner, presented background information on these three ordinances that would adopt the land use matrix. Ms. Sitts explained that the first ordinance is for the re-consolidation of the land-use list into one matrix, and the other two make the parking and definitions ordinance consistent with the matrix. She explained that three motions would be required to adopt the ordinances.

MOTION: Move to adopt Ordinance No. 1045 adding a Land Use Matrix and making other housekeeping changes to Chapter 17 of the Gig Harbor Municipal Code.
Kadzik / Young – unanimously approved.

MOTION: Move to adopt Ordinance No. 1046, Amending Chapter 17.04 Definitions.
Young / Conan – unanimously approved.

MOTION: Move to adopt Ordinance No. 1047 amending Chapter 17.72 Off-Street Parking and Loading Requirements.
Kadzik / Conan – unanimously approved.

Councilmember Kadzik thanked the Planning Commission and staff members for the hard work that went into these ordinances. Councilmember Dick echoed this comment and further said he was excited for the Planning Commission to begin the process to make recommendations to amend the matrix.

2. Second Reading of Ordinance Relating to Annexation and Zoning – Resource Properties (ANX 05-910). John Vodopich, Community Development Director, presented this ordinance that would finalize the annexation of 9.8 acres located east of Peacock Hill Avenue.

MOTION: Move to adopt Ordinance No. 1048 relating to the annexation and zoning requirements for Resource Properties.
Dick / Payne – unanimously approved.

3. Proposed Annexation – Klatt (ANX 05-927). John Vodopich explained that this annexation of two parcels is in the notice of intention stage, and it is up to Council to accept, reject, or modify the boundaries of the proposed annexation. He said that at the last meeting, Council deferred action on this proposal and requested information on annexation of the unincorporated area adjacent to the proposed annexation, and explained that the requested information is provided in a separate agenda item for consideration later in the meeting. Mr. Vodopich recommended that Council approve the notice of annexation and authorize the circulation of a petition and request that the applicant submit a wetland delineation and agree to assume all existing indebtedness of the city.

Councilmember Young asked if adjacent parcel owners had been contacted. Mr. Vodopich said that they had expressed interest a few years ago, but never followed up. Councilmember Young said that it makes sense to do it all at once rather than by piecemeal. Mr. Vodopich said that this is the stage that Council has the discretion to modify the boundaries.

Councilmember Dick asked if this could be continued until the other property owners were contacted to determine interest. Mr. Vodopich explained that there is a statutory obligation to take action within 60 days and the application came in on April 18th.

Councilmember Kadzik asked for clarification on the difference in doing one large annexation rather than accepting several smaller applications. Mr. Vodopich explained that an annexation is time and labor intensive regardless of the size. If this was delayed there would be an added burden on the applicant to re-submit an amended application and boundary adjustment.

MOTION: Move to accept the Notice of Intent to commence annexation and further authorize the circulation of a petition to annex the subject property on the following conditions: 1. The City shall require that the property owner(s) assume all of the existing indebtedness of the area being annexed; 2. The City will require the simultaneous adoption of Medium-Density Residential (R-2) zoning for the proposed annexation area in substantial compliance with the Comprehensive Plan as adopted by City of Gig Harbor Ordinance No. 981; and 3. A wetland analysis report must be submitted together with the annexation petition pursuant to Gig Harbor Municipal Code Section 18.08.090.
Kadzik / Payne – unanimously approved.

NEW BUSINESS:

1. First Reading of Ordinance – Amendments to Business License Code. Molly Towslee, City Clerk, presented this ordinance that would amend the city’s licensing code to reflect the recent agreement with the State Department of Licensing to act as the city’s agent for business license purposes. This will return for a second reading at the next meeting.

2. Public Hearing and Resolution Executing a Utility Extension Agreement – Veitenhans. Mayor Hunter recused himself from presiding on this agenda item. He left the Council Chambers and Mayor Pro Tem Ekberg asked John Vodopich to give a brief report.

Mr. Vodopich explained that this is a resolution for an outside utility extension to two vacant parcels on Crescent Valley Drive. This has come before Council in the past, and an ordinance was passed that changed the criteria by which the city would authorize extension of utilities outside the urban growth area. Mr. Vodopich read the criteria that Council is required to consider before authorizing the extension and pointed out that there are no pre-annexation zoning conditions in the agreement because the property is located outside the city’s UGA. The zoning is Pierce County R-10 and the applicant will be responsible for paying for the extension of lines.

Mayor Pro Tem opened the public hearing at 7:18 p.m. No one came forward to speak and the public hearing closed.

MOTION: Move to approve Resolution No. 674 authorizing the execution of the Utility Extension Agreement with Mark Veitenhans for two ERU’s.
Payne / Conan – unanimously approved.

Mayor Hunter returned to the Council Chambers at this time.

3. Public Hearing and First Reading of Ordinance – Comprehensive Plan Amendments and Development Agreements. John Vodopich explained that this is the

ordinance adopting the 2005 Comprehensive Plan Amendments. He gave an overview of the four amendments, explaining that the Development Agreements would be available at the June 22nd meeting as they were still being revised.

Mayor Hunter opened the public hearing on the Huber/Bingham Property Amendment #04-01 at 7:28 p.m. No one came forward to speak and the public hearing closed.

He then opened the public hearing on the Franciscan Health Systems – West Amendment #05-01.

Laurie Nichols – 2703 No. Yakima Avenue, Tacoma. Ms. Nichols gave an overview of the history of the project to date. She stressed that if the amendment is not approved, the hospital project will not be feasible.

No one else came forward to speak and the public hearing closed at 7:31 p.m. Mayor Hunter then opened the public hearing on the HMT Partnership Amendment #05-03.

No one signed up to speak and the public hearing closed. Mayor Hunter then opened the last public hearing on the City of Gig Harbor – Transportation Element Revisions. No one signed up to speak and the public hearing closed at 7:32 p.m. Mayor Hunter asked if Councilmembers had any questions or comments on the amendments.

Councilmember Young asked for clarification on the comment in the Planning Commission minutes regarding larger access points for the Huber/Bingham Property Amendment. Mr. Vodopich responded that this would be addressed during the actual project development level rather than with the Comp Plan amendment.

4. First Reading of Ordinance – Amendments to the Harbor Code. Mike Davis, Chief of Police, presented this ordinance that adopts by reference RCW 79A.60 which outlines the regulation of recreational vessels. It also establishes a monetary penalty for all civil infraction violations.

Councilmember Franich asked for clarification on current citations. Chief Davis explained that citations are not normally written. This would give the ability in the case of an infraction. This will return for a second reading at the next meeting.

5. “Road Map” for Interchange Improvements on SR-16 – Consultant Contract Authorization. Steve Misiurak, City Engineer, presented this on-call services contract to provide the city assistance in working with the State Department of Transportation to obtain a new interchange at both SR-16/Burnham and potentially at 144th. He said that the city would seek pro-rata share of reimbursement for these services from the development community.

Councilmember Young clarified that this recommendation came from discussions held during the Traffic Option Committee meetings.

Councilmember Franich stressed that it would be helpful to have copies of the minutes from these meetings. He asked if the county had been part of the discussion and if they support improvements to the 144th Interchange. Mr. Misiurak responded that further discussions are needed with both the county and the state.

Councilmember Young explained that this is not a city project, but in order to get a new interchange on the state's list, there are a series of steps that need to occur. He said that the committee thought this would be one solution to take the traffic off the Borgen Boulevard Interchange. This idea came from the DOT officials who had attended the meeting.

Councilmember Payne said that \$25,000 for the contract seemed like a low amount for this scope of work; then asked if staff felt comfortable with this amount. Mr. Misiurak responded that this number is just to begin the process and there will be contract amendments in the future once the road map is established.

MOTION: Move to authorize the consultant service contract with David Evans and Associates, Inc. for the "Road Map" for interchange improvements on SR-16 in the amount not-to-exceed Twenty-five Thousand Dollars (\$25,000.00).
Ekberg / Kadzik – unanimously approved.

6. Proposed City-initiated Annexation. John Vodopich explained that at the last meeting, Council realized that the proposed Klatt Annexation area was completely surrounded by city limits. Council directed him to obtain staff input in the implication of a city-initiated annexation of the whole area.

Mr. Vodopich said that there are provisions in the RCW's provide for the city initiating annexing by resolution; however, one caveat is that the territory has at least eighty percent of the boundaries contiguous to the city if these boundaries existed before June 30, 1994. After consulting with the city attorney and reviewing the legislative intent of this provision, they determined that this area has been surrounded by city property limits only due to recent annexations, which means that this statute could not be used. He said that the other alternative is the election method in which the city would pay for the cost of the annexation.

Mr. Vodopich gave an overview of the comments from the other departments regarding the effects of annexing this area. He said that it was determined that cemeteries are not an identified use in the city's zoning code which means if annexed, Haven of Rest would have to assume a non-conforming status or zoning code text amendments could be made. There are a number of issues surrounding the annexation of this area and it is up to Council to decide whether or not to move forward with the election method.

Councilmember Young asked how many residents live within the area in question. Mr. Vodopich responded that the property is mostly vacant, but there are some houses off 96th. Councilmember Young then said that the election method doesn't seem prudent

due to the low residency of the area, but an attempt to contact the property owners should not be ignored. This is a large area that will require city services whether or not it is annexed. He suggested addressing the Haven of Rest concern and also meeting with the property owners now to see if they are interested in annexing. If there is an overwhelming interest, the city could move forward with the election method.

Councilmember Payne agreed that it would be wise to acquire the property as part of the city before it is developed.

Councilmember Dick also agreed that the staff should contact the property owners to see if they are interested in annexation before the property is developed. They may find the tax situation advantageous. He added that he is not confident that the election method would be successful.

Councilmember Franich said that he is uncomfortable with this idea and would have to look into it further. He agreed being pro-active has advantages, but this is a big step. He said that he tentatively supports contacting the property owners to obtain feedback.

Mark Hoppen said that the most prudent course of action would be to table this and have staff bring back more information at the next meeting. He voiced concern about the process, adding that Council may have to pass a resolution before discussion with the property owners is initiated. Councilmember Ekberg asked to be also be provided with the number of residents and property owners.

7. Eddon Boat Park – EPA Brownfields Grant – Consultant Contract Authorization. Steve Misiurak presented this contract for preparation of a grant application for an EPA sponsored clean-up of the Eddon Boat Park. The city is one of the finalists, and has been selected for potential funding of a \$200,000. Monies used for this would come from the remediation account set up by the sellers of the property.

MOTION: Move to authorize the consultant services contract with Anchor Environmental, LLC in an amount not to exceed Six Thousand Five Hundred Four Dollars and Zero Cents (\$6,504.00).
Kadzic / Payne – unanimously approved.

8. Building Inspector Starting Pay Rate. Dick Bower, Building Official / Fire Marshal, asked for concurrency in hiring a new building inspector at a pay rate above the mid-point range. He said that the applicant is highly-qualified who would be a great asset to the city and the staff. Mr. Bower answered questions regarding salary ranges in other jurisdictions and the other applicants.

Mr. Hoppen explained that the City's Personnel Regulations require that in order for an employee to be brought in above the mid-point that Council has to approve. He added that occasionally, the issue of vacation time arises as the city has a start-over provision. Some applicants have longevity in a different location, and would like to keep their accrued vacation. That is why this recommendation for a higher salary range is before

Council. The vacation days were converted to per diem and added into the salary range.

Councilmember Ekberg said that in order to attract employees with a career elsewhere the city needs to do something to allow more flexibility on vacation rather than offering a higher salary. Mr. Hoppen said that he intended to bring this up as an adjustment at a later date. Mayor Hunter added that it is difficult to get good people, and it would pay to take a look at this.

MOTION: Move to approve the starting monthly salary point of \$4,675 to hire Mr. Christensen.
Dick / Conan – unanimously approved.

9. Eddon Boat Grant Status – Hoppen House. Mark Hoppen explained that the city's two historical structures consultants reported their findings that the entire Eddon Boat Park site has the potential for the National Historic Registry. He said that the 16th of June is the deadline for adjusting the grant application so that the house can be included and can utilize part of the grant funding. The Parks Commission has reviewed the data and has recommended that the Hoppen House be adaptively reused to create public facilities that enhance the use of the park. Mr. Hoppen said that what is being sought is a decision that would lead to an adjustment of the grant application this week.

Councilmember Payne asked for clarification on any indication of ranking of the grant application. Mr. Hoppen responded that a short list had been issued in which the city is listed number eleven. He added that he has no indication what that actually means as far as actual ranking. Adjusting the grant to include the narrative history of the property would cause the application to be viewed more favorably according to the historical consultants.

Councilmember Franich asked about past grants and if being listed this high meant a better chance of obtaining the funds and if he knew the total amount of the ten applications listed ahead of the Eddon Boat Park. Mr. Hoppen responded that this grant process was different than the others in which the city has participated. Mayor Hunter said that the ten other grant application requests totaled less than the money available.

Councilmember Ekberg said he was sorry that this was coming as such a hasty issue, as the other Councilmembers haven't had much of a chance to be involved in the process. He said that the meeting last week came as a surprise and now staff is asking for a recommendation from the Council to amend an application. He asked if there was something in writing as to what is being agreed to and if the money is being tied to all three structures.

Mr. Hoppen explained that if the application is amended, the grant will be tied to both the shop and the house. He added that it is his understanding that there is flexibility on how the interior of the house can be used, but the exterior would be maintained in its original condition.

Councilmember Payne further explained that he asked the same question about restoration at the special meeting, and Mr. Sullivan indicated that it could be used for other services such as restrooms or gathering areas and would not lose its stature as a historic structure.

Councilmember Franich asked how the dock ties into this and if there would be restrictions on use, expansion, or restoration of the structure. Mayor Hunter responded that the dock is part of the package, but he did not think there would be restrictions.

Mark Hoppen said that the dock is integral to the clean-up of the property, and any grant funding from this application cannot be involved. As the grant will be adjusted to maintain the historic site, the grant will involve the uplands, the shop and the house. Councilmember Young asked if this is a recommendation to leave out the dock. Mr. Hoppen responded yes.

Lita Dawn Stanton, Community Development Assistant, explained that this type of grant has greater flexibility than others that the city may have received. The grant evaluation group likes to know the city's intent for the property. Because they will receive the Historic Structures Report that includes the house as part of the history of the site, they may give weight to the grant if there is shown an interest in an adaptive reuse of the house.

Councilmember Young clarified that his understanding of Councilmember Franich's concern is that if the city does not commit to preserving the dock, and the dock is part of the historic structures report of the site as a whole, then where is the difference between the dock and the house.

Mayor Hunter responded that all three structures are a unique package. There are no other facilities like this and so if the grant evaluation committee knows the city doesn't plan on tearing down the house, then there is a chance the evaluation of the grant will go up and we will get more money to use.

Ms. Stanton said that the issue is if Council is prepared to say "If the funding is available, the city will preserve the brick house to adaptively reuse it" because the climate has been to tear the house down. Councilmember Franich again asked if it is her opinion that the dock should be included, and if so, would this handcuff the city on what can be done.

Mark Hoppen attempted to clarify the issue. He said that the bathrooms need to be placed somewhere on the property. The possibility of using the house adaptively for bathrooms is something that the grant will allow and some of the grant money can be used for that purpose. The entire site is part of the "sales pitch" that encourages the grant, but the portions of structure that can be utilized for the expenditure of the grant funds would not include the dock because the dock is intimately involved with the clean-

up on the beach. Ms. Stanton added that this grant will not apply to any contaminated properties.

Councilmember Franich asked if the dock being part of the “sales pitch” places any restrictions on the dock. Ms. Stanton said that it is her understanding that it does not. It is not the purpose of the heritage funding to preserve a site so it can continue to deteriorate. She said that if you take money from the state you are not required to keep the dock in its deteriorating state.

Councilmember Franich asked if the dock could be built outside its existing structure and be used for such things as a maritime pier. Mr. Hoppen clarified that there is nothing about the grant that would restrict the use of the dock in the future.

Councilmember Payne restated his understanding of the issue. He said that the money being requested currently is for the boat building. Through the special meeting last week, we learned that there is a story to tell about all three structures. All three are identified in the historic structures report, which will be attached to the grant application. If the house is included as part of the grant application and the grant is awarded, the money will only be available for the house and the boat building, and the only thing that this particular grant could restrict is the house or boat building. No restriction could be made on the dock itself because no money is being requested for that.

Ms. Stanton said to keep in mind that those restrictions are the Department of Interior’s Guidelines for Historic Preservation. Mr. Hoppen responded that Councilmember Payne’s analysis of the issue is correct.

Councilmember Dick asked who would craft the language for the modification to the grant that has been suggested by the historic structures consultants to not unduly restrict but enable us to have a better grant application. Mr. Hoppen said that he and Ms. Stanton will work together with the consultants.

Councilmember Ekberg voiced concern that the city may potentially tie the house to a million dollar grant and yet there are no firm estimates on what it would cost to readapt the house. He said that we may end up with only one-half a million from the state which may not be enough to redo the boat house, and yet the city will be required to keep the house without any funds to do an upgrade. He asked what would happen if the city didn’t receive the whole million. Ms. Stanton responded that the draft historic structures report contains numbers provided by Ellis Port Engineering. Mr. Sullivan said that if the bathrooms were placed in the house rather than the boat house, it would be approximately \$600,000 to upgrade the boat house and maybe \$200 - \$250,000 to adaptively reuse the house.

Councilmember Ekberg asked if this would take care of replacing the roof, chimney and all other work that needs to be done. Mayor Hunter stressed that you can do quite a bit with \$200,000. He stressed that at this time, Council is only being asked to agree to not tear the house down right now.

Councilmember Dick said that it is his understanding that the grant is for one million dollars. If we receive \$500,000 and then determine it isn't enough to do everything, we don't have to accept the grant, and therefore, do not incur any obligation. If the money is accepted and it isn't enough, then there may be a problem, and this should be considered if and when we are offered the grant. Estimates were provided at the last meeting of the cost for an adaptive reuse of the house and what the savings would be by not placing the restrooms in the boat building.

Councilmember Ekberg said that he saw the assessment of the boat building differently. Adapting it for a meeting place it would cost so much that it isn't practical, adding that he would not proceed with an upgrade at those estimates. Councilmember Dick responded that he takes comfort in the fact that Council can decide at the time of the grant award whether or not it is worthwhile to accept.

Councilmember Young voiced concern that Council is being asked to commit to preserving the house without a lot of information. He said the only park design he has seen is the one used during the vote. He said that he isn't sure of the impact of placing the restrooms elsewhere on the site versus demolishing the building and placing them there. He said that he is confident that an application can be made at a later date if Council decides to keep the house, but if a commitment is made now we are stuck with the building and so he is reluctant to do so during this grant cycle. He continued to explain that during his campaign he door-belled in his neighborhood, and at that time no one was interested in the building, only in a waterfront park. He said he would like to slow down, finish the design process, and decide what makes the most sense. If it includes the house, then that is okay. He agreed that the story is compelling, but stressed that there are two purposes for the site, and for his money, the bond measure that was passed is like a big grant that has been given to the city. Going back on what was said at the time has to involve more public process.

Mayor Hunter stressed that the proposition stated that it was to "initiate restoration of the Eddon Boat Yard for historical, cultural, educational and recreational purposes." No one said that the all the buildings would be torn down. Councilmember Young said that the picture that went along with the campaign showed a big, open park. He agreed that the city doesn't have to stick with that drawing one hundred percent, but it is important to go through the public process. So far, this is the first time anyone has heard about the request to commit to keeping the building and we are asked that it be done in one meeting. This is bad stance to take when there has been so much public buildup. He added that this is being done out of fear of not getting the grant, but the city can go back and apply at a later date per the consultants.

Ms. Stanton said that the discussion tonight doesn't have to be an absolute that the city is going to preserve the house. She said that the public has invested 3.5 million dollars into the site, and if there is one million dollars available to get the property open and functioning, that is one million that the public doesn't have to invest. This is based on an idea that if the city gets the funding, they would preserve the brick house.

Councilmember Young said he is presuming that the city will get funding, and is willing to say that yes, he wants to preserve the house. He said that he just thinks that the people ought to know.

Councilmember Ekberg said that Council has not been advised of all activity that has been going on. There are renderings done on the park side, adding that whether or not you save the building, there is still a park function. He said that it is unfortunate that what has been done so far has not been able to come to Council. The lack of information is adding to the confusion.

Mayor Hunter said that there are two paths that can be taken. If you place the bathrooms in the boat building, it degrades its historical value. If you try to make a fire separation between the first and second levels in order to get an assembly area, you will spend a horrid amount of money that could be better spent on putting the restrooms in the house. The restrooms have to be within so many feet of the boat building to meet ADA requirements. So far, the right decision has been made to not tear down the house, but for the wrong reasons. Councilmember Young pointed out that Council talked about it once, and the vote was to not demolish the house. He said that Council wasn't even aware there was a problem with the grant until last Monday.

Councilmember Payne said that he has been very vocal about tearing down the house and that he believes there are other Councilmembers that have also expressed the same opinion. He asked if the house isn't included as part of the application process, when would another opportunity to apply come around. Ms. Stanton replied that the grant is every two years, and each year they determine how much is going to be funded.

Councilmember Kadzik said that from what he has heard from everyone, keeping the house is a positive thing. The only negative is the fear of not being able to remove it. He asked for the arguments for why it should be removed. Councilmember Franich said that several people in the community want to take it down. One reason is the cost to upgrade, noting that they are not aware of the grant fund possibilities, but the biggest reason to take it down is the park would be more aesthetically pleasing without the house. He added that he tends to agree.

Councilmember Ekberg added that at the Ad Hoc Committee meetings, it has been almost universal agreement from the beginning to remove the house for a variety of reasons: one, it is in the way; two, it's in a spot where the public can get close to the water; three, it looks terrible; four, the city doesn't need to collect houses; and five, it doesn't have any historical value on its own. Until last week's meeting, he was one of the chief proponents for removing the house, but now he understands that it can be part of the story that helps get the grant money.

Councilmember Kadzik said that the city paid for the consultants and he believes that they should be listened to. He referred to the letters from the DRB and the Historic

Preservation Committee that really speak in favor of keeping the house. He said that it is common sense, and although time worn, the house looks better than most of the bathrooms that the city has built. If it can be adaptively used for that, we could do a good job with it. If other restrooms are to be placed on-site, they would have to be placed closer to the street due to the wetlands, making them more visually encumbering.

Councilmember Payne added that based on the numbers received at the special meeting, the worst case scenario is finding out the restoration to the house is more expensive than funds available, then having to give the money back. He said he would rather do that than miss the opportunity altogether. He said that he is inclined to be in favor of whatever can enhance the grant application. Mr. Hoppen explained that none of the grantors give a big pot of money at the outset. They will reimburse the grantee upon proof that the money was used the right way. If you decide not to improve the house, you don't take the grant.

Councilmember Franich stated that giving back the funds would jeopardize the boat yard. Mr. Hoppen said that there is no guarantee that without including the house, that the grant would be awarded. Councilmember Franich referred back to the preliminary numbers, saying that it appears that the city is in.

Councilmember Payne said that he didn't get the impression that the list was an actual ranking. Councilmember Franich said that Mr. Hoppen indicated that this is the way that other grants have been done in the past. Mr. Hoppen responded by saying that he did not indicate that there was any sort of ranking to this list.

Mayor Hunter added that we don't know what the ranking is, but the letter states that the final selection will be made on July 26th.

Roseanne Sachson, Vice-Chair of the Design Review Board, said that she is speaking on her own behalf. She said that the Board was unable to meet on this issue, and then pointed out that the Board is the governing body of the Certified Local Government and Historic Preservation. She asked if Council had the opportunity to read all the letters submitted by the DRB. Council responded affirmatively.

Ms. Sachson continued by saying she had been involved with historic preservation for years, and would attempt to answer some of the questions. She explained that granting is really tricky, and there is no ranking system. They narrow it to a short list, but they never let the potential recipients know ahead of time. She then said that in the report given to the DRB last Thursday, Michael Howser's letter states that this site was eligible for the National Register in 2004. She said that the DRB has not had one working session on CLG or Historic Preservation on this site. There are numerous grants around the nation; but this is a Washington State Grant available every two years. She stressed that before anything takes place the house needs to go through the CLG process. The board has requested that numerous times, but this has not been granted adding that the grant process has to be readdressed. She stressed that the Design Review Board

needs to be brought up to date and kept up to date on everything that goes on involving a historic property. If the city wants to be good stewards of historic preservation and set an example to property owners to help maintain what we love about Gig Harbor, you need to reevaluate how this is going to be done.

Councilmember Payne asked for clarification on her statement to stop and/or slow down and whether she was referring to stopping the grant application. Ms. Sachson said that she believes that the house needs to be submitted for CLG and the whole property needs to be submitted for the grant application. She added that she doesn't want to see the city take the whole grant amount applied to the boat building and then tear down the house as this will set a bad precedent for future historic grant funding. She used the placement of the carport on the Skansie Brother's Park as an example of little things that are noted in historic preservation.

Bill Coughlin – 8904 Franklin Avenue. Mr. Coughlin serves on the Eddon Boat Ad Hoc Steering Committee, and said he is a professional Anthropologist with a focus in cultural history of cities across the US and in Japan. He said that initially he was in favor of tearing down the house as it is unsightly. Once he read the report from the historic consultants he has completely changed his vote. He agreed that you must preserve the home not just for this cycle, but any subsequent grant applications.

Chuck Carlson – 3505 Harborview Drive. Mr. Carlson serves on the Design Review Board. He said that when the boat building was nominated for historic status, the house was not included. He added that a nomination for the house should go forward to show intent. In regards to the comments about those who want to tear down the house, he said that there hasn't been a lot of information other than the picture without it. Parks are a wonderful thing, but we all talk about preserving the character of the downtown harbor. The history of the town is as a working harbor, fishermen's houses, netsheds, docks, grocery stores, boathouses and sawmills. It wasn't parks. So anything we can combine and save as park is a real plus.

Mike Dillon – 3802 Harborview Drive. Mr. Dillon said that he is not in favor of saving the house. It is hypothetical that the city will even get the grant and so the argument is that if you include the house you have a better chance. He said that he read the report and the narrative is fascinating, and what we are doing here is fantastic, but there is a story before the boat building. If they would have put a trailer house where the house is located, no one would be screaming to keep it even though it had a 60-year history and was part of a working waterfront. So now they are saying this house has a historical value, but the house is not compelling on its own to look at. He said that history is important, but it's not compelling enough to keep the house. He said that he thinks that a city employee is advocating keeping the house and that Lita Dawn Stanton has influence on the historical report because of her involvement. He said that this is a conflict of interest. He finalized by saying that he is in favor of what the city is doing.

Rosanne Sachson asked for a copy of the written report. Staff will forward that to her.

Councilmember Young suggested that this issue be given to the people who have been left out of the process or have yet to be given the direction. He stressed that we should slow down and not commit to keeping the house yet. He said that he was compelled to keep the house by the recent report, but he would like to see the public involved. The city will have this for generations, and \$200,000 seems insignificant compared to how it will affect the nature of the park or the historical preservation.

Councilmember Ekberg said he has been a vocal proponent of tearing down the house until last week's meeting. He said that he has never looked at the site as a total package and didn't think the city needs to acquire any more houses. He then agreed with Councilmember Young that we seem to always be bumping up against deadlines. Councilmember Ekberg continued to say that he would hate to lose the chance to obtain funding this time around because there is no guarantee that two-years from now the legislature will have any money or there will be any fewer applicants. He also said he doesn't want to slow down the restoration of the boat building which he believes is the center point. We need to stay focused on the building now that there is a proposal to operate the building for the citizens and community at large. He said that he doesn't like this process or committing to something without the total figures, but if including the house in the package is a better sell to get the money, then he could see moving forward in that direction.

Councilmember Payne said that given the fact the Council recently passed a Critical Areas Ordinance, he would never want the city to lead the way to a variance or exception to our own rules. He said that the compelling story, the fact that including the house would potentially increase the appeal of the grant application, and the practicality of using the existing structure to provide some of the needed services, has convinced him to be in favor of including the house in the application.

Councilmember Franich said that he was not as compelled by the meeting last Monday. He said that the main thing that people are concerned with is preserving the nature of the boat building and to have a nice open space park. We have a nice product to sell to the people awarding the grants, and I think that it can be done without the house. He said that we would have a better park without the house.

Councilmember Dick said that he thought the house was of little value unless it had a unique historic look or something, and that he found the information from the meeting last week to be important. He explained that last year, there was a surplus in the legislature which was placed in the historic grant funding that likely won't be there again. He agreed that the comments made by Councilmember Ekberg are important. If the city wants to restore the historic character of the boat building, we have to have the money to do so. Saving the house is a small price to pay to achieve the principle goal of preserving the boat building. He stressed that he is not happy with the process and the speed in which this came about. He voiced concern with the special meeting and the lack of involvement of the other committees, which he believes are an important part of the new historical preservation effort. Councilmember Dick continued to say that historical preservation is a new adventure and the Design Review Board is there to

help. He said that the DRB spends a lot of volunteer time and need to be kept involved. The Friends of the Parks and the Parks Commission are two other groups that haven't been involved with this issue, leaving Council to struggle with this decision.

Councilmember Dick stressed that he is unsatisfied with the lack of communication and the process. He said that each of these important groups needs to be engaged more in the future in order for everyone to be on the same page to help to get a better park, and to have a better historic representation of the past. He finalized by saying that it is worth amending the grant application to include the house for readaptive use. He again reiterated that he wants to make sure that all the important players are engaged.

Mayor Hunter said that he will guarantee that one of his top priorities will be to keep all these groups informed. He agreed that this has moved quite fast and a lot of changes came about with the Critical Areas Ordinance and the information from the consultants.

MOTION: Move to direct staff to amend the grant to include the Hoppen House to be adaptively reused.
Payne / Ekberg –

Council Kadzik offered an amendment to the motion to forward the house to the DRB to begin the CLG process. Councilmember Young pointed out that this would guarantee that the house stays even though we may not get grant funding and could also trigger other steps such as restrictions that it couldn't be used as a commercial bathroom. Councilmember Kadzik said that the CLG and Historic Preservation process is not that restrictive.

Lita Dawn Stanton clarified that the CLG for historic preservation recognition says you can tear it down if you decide to. There is a sixty-day wait for evaluation, but there is no restriction if listed. It is all voluntary by the owner.

AMENDMENT: Move to include direction to send the house and application to the Design Review Board to begin the CLG recommendation.
Kadzik / Ekberg – unanimously approved.

AMENDED MAIN MOTION: Move to direct staff to amend the grant to include the Hoppen House to be adaptively reused and to send the Hoppen House back to the Design Review Board to begin the CLG recommendation.
Payne / Ekberg – five yes, two no. The motion carries. The roll call vote follows.

Ekberg – yes; Young – no; Franich – no; Conan – yes; Dick – yes; Payne – yes; Kadzik – yes.

STAFF REPORT:

Mike Davis, Chief Davis – GHPD May Report. Chief Davis gave a brief report of recent vandalism and offered to answer any questions on the monthly report.

PUBLIC COMMENT:

Jim Pasin – 2710 39th St., Gig Harbor. Mr. Pasin said that he recently attended an introductory session in Olympia on the Open Public Meetings Doctrine, documents, public hearings and those things that the Planning Commission, DRB and City Council deal with. He complimented City Attorney, Carol Morris for the sessions that she has conducted for the city in the past, as her presentations are at a higher level compared to the one he attended last week. He said that it is nice to know that the guidance that he has received over the last few years from Carol is valid, and that others are trying to get this message across.

Mike Dillon – 3802 Harborview Drive. Mr. Dillon said that there was a picture explicitly showing what people voted for during the campaign to save the Eddon Property. He said that in all fairness, there should be public polling data to see if there is interest in keeping the house.

Shirley Pate – 2827 71st Avenue NW. Ms. Page voiced concern about the skate park. She said that her son loves to skate, but there is a lot of drug trafficking and teen smoking. She said that she followed the teens yesterday and they were not carded at the Shell Station when they bought cigarettes nor are there signs posted stating that they need to show I.D. to purchase cigarettes. She also said that the trash at the skate park needs to be addressed. She recommended a parent action group and that the police become more active. She said that she has called the police department about teen smoking but was turned down by dispatcher who said that there were more important things to do. She stressed that there is nothing more important than trying to preserve our kids.

Mayor Hunter said that we are aware of the problems. He said that this would be a great opportunity for a parents group as it is cost prohibitive to have police monitor the park at all times. He said that if Ms. Pate could figure out a way to get the parents involved, he would help to do whatever necessary.

Ray Pate – 2827 71st Avenue NW. Mr. Pate said that if adults are present the kids that are using will leave. If we can find a positive way to encourage families to come to the park, that would be a cost effective way to monitor the park. He also said that there should be more pressure to prevent cigarette sales to teens. He then talked about beautification of the park and how this was marred by the trash. He added that he sat on a bench while four teens lit up “doobies” in public even though you can look across the parking lot at the Police Department. He suggested that the city come up with a mission statement to help get a sense of direction. He said he grew up in a town with orange groves that grew too rapidly and no one did anything to stop it. Somewhere we need to come up with direction.

Mrs. Pate added that in California they had stopped a lot of the kids from smoking by utilizing parent advocate groups to make sure that businesses weren't selling to kids.

Mrs. Pate then recommended removing the bushes around the park so that the kids couldn't hide there to smoke.

Councilmember Franich referred to a letter in the Gateway from Mayor Hunter, who is trying to involve the public in an effort to take care of this park.

Councilmember Payne thanked the Pates for lasting through the long meeting and said that the Chief of Police is a great guy and would be happy to work with them to develop a parent advocacy group.

Councilmember Young asked if a video camera and signage could be installed. Chief Davis responded that this will be proposed in the upcoming budget. He reported that they had been conducting tobacco stings and that they would continue the effort.

Councilmember Ekberg asked if the Explorer Scouts could be used to monitor the park. Chief Davis responded that you don't want to put them in a situation where there would be enforcement action. He said that there are other creative ways in which to address this.

COUNCIL COMMENTS / MAYOR'S REPORT:

Councilmember Kadzik apologized that he will not be present for the meeting on the 26th.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Operations & Public Projects Committee: June 15th, 3:00 p.m., Civic Center Engineering/Operations Conference Rm.
2. Council Community Coffee Meeting: June 21st, 6:30 p.m. at Peninsula Library.
3. Gig Harbor North Traffic Options Committee: June 28th, 9:00 a.m., Civic Center Community Rooms.

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

No executive session was needed.

ADJOURN:

MOTION: Move to adjourn at 9:18 p.m.
Franich / Kadzik – unanimously approved.

CD recorder utilized:
Disk #1 (Error on CD)
Disk #2 Track 1- 21
Disk #3 Track 1-5

Charles L. Hunter, Mayor

Molly M. Towslee, City Clerk



COMMUNITY DEVELOPMENT DEPARTMENT

TO: MAYOR HUNTER AND CITY COUNCIL
FROM: JOHN P. VODOPICH, AICP
COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: SECOND AMENDMENT TO THE UTILITY EXTENSION
CAPACITY - CANTERWOOD DEVELOPMENT COMPANY
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

The Canterwood Development Company together with the Canterwood STEP Association have requested to connect an existing residence owned by Steven and Darlene Guiberson, located at 13205 Muir Drive NW due to a failing septic drainfield. The property is located within the City's Urban Growth Boundary.

POLICY CONSIDERATIONS

Canterwood is connected to the City sewer system through the Canterwood STEP system, which has been addressed in the Utility Extension, Capacity Agreement dated May 3, 2004 and subsequent Amendment #1, dated January 9, 2006.

This additional property was not connected to the City's sewer system under the existing Utility Extension Agreement. This amendment is for the sole purpose of including the property within the terms and conditions of the Agreement.

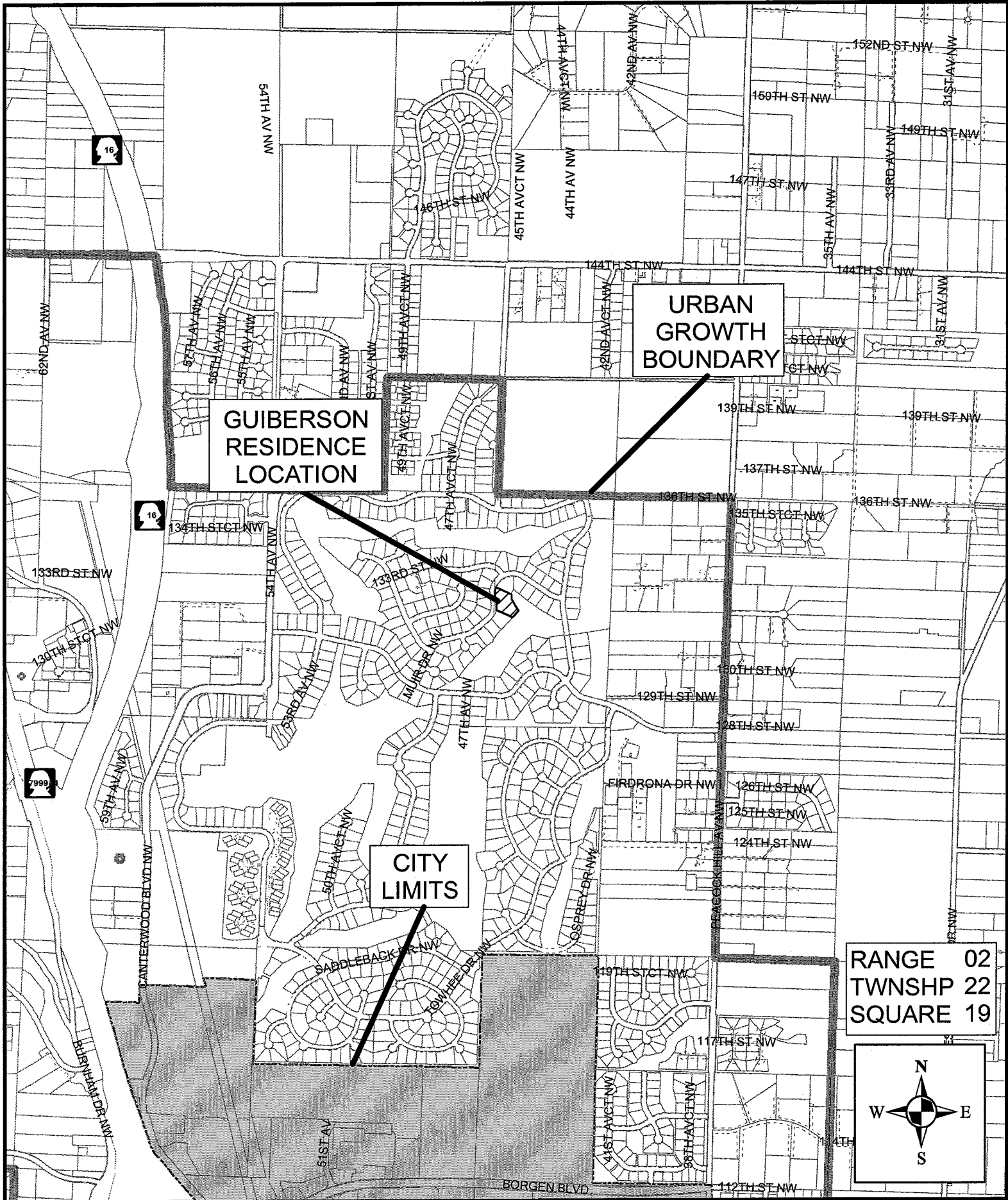
The City Attorney has reviewed and approved the agreement form.

FISCAL CONSIDERATIONS

The City will authorize this additional connection upon City Council approval and receipt of connection fees for in accordance with the terms and conditions of this agreement.

RECOMMENDATION

I recommend approval of the Second Amendment to Utility Extension, Capacity Agreement with the Canterwood Development Company as proposed.



**GUIBERSON RESIDENCE - 13205 MUIR DRIVE NW
VICINITY MAP**

**SECOND AMENDMENT TO
UTILITY EXTENSION, CAPACITY AGREEMENT
AND AGREEMENT WAIVING RIGHT TO PROTEST LID**

This SECOND AMENDMENT is entered into on this ___ day of _____, 2006, by and between the City of Gig Harbor, Washington (hereinafter the "City"), and Canterwood Development Company (hereinafter the "Owner") and Steven and Darlene Guiberson, husband and wife (hereinafter "Property Owners").

WHEREAS, the parties entered into the Utility Extension, Capacity Agreement and Agreement Waiving Right to Protest LID (hereinafter the "Utility Extension Agreement" on May 3, 2004, which was recorded on May 6, 2004; and subsequent AMENDMENT #1, dated January 9, 2006;

WHEREAS, the Owner desires to connect an additional property to the Canterwood STEP system, due to a failing septic system drainfield; and

WHEREAS, the property is located within the City's Urban Growth Area and is commonly known as 13205 Muir Drive N.W., Gig Harbor, WA 98332, owned by Steven and Darlene Guiberson (the Property Owners); and

WHEREAS, the Owner acknowledges that the City is willing to allow connection of such property only upon the same terms and conditions existing in the Utility Extension Agreement and Title 13 of the Gig Harbor Municipal Code, as it now exists or is hereinafter amended; Now, Therefore,

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

Section 1. The Property. The additional property to be connected to the Canterwood STEP system and hereby included in the Utility Extension Agreement is legally described as:

Lot 2&3, Division 4, according to the plat of Canterwood AFN #8905250266, situate in Pierce County, Washington.

The parcel number is 2827440095. This additional property was not connected to the City's sewer system under the Utility Extension Agreement. This amendment is for the sole purpose of including the property within the terms and conditions of the Utility Extension Agreement.

Section 2. Amendment of Utility Extension Agreement. The parties hereto (the City, the Owner and the Property Owners) agree to be bound by the Utility Extension Agreement, and of the provisions of the Utility Extension Agreement are hereby included by this reference and incorporated herein as if fully set forth. Nothing in this Second

Amendment shall alter the effectiveness of the Utility Extension Agreement. By signing this Second Amendment, the Property Owners acknowledge that they have received a copy of the Utility Extension Agreement, have read it and agree to be bound by its terms.

Section 3. Severability. If any provision of this Agreement or its application to any circumstance is held invalid by a court of competent jurisdiction, the remainder of this Agreement or the application to other circumstances shall not be affected.

Dated this 14 day of June, 2006:

City of Gig Harbor

Owner

Mayor Charles L. Hunter

Russell Tanner
President

Property Owners

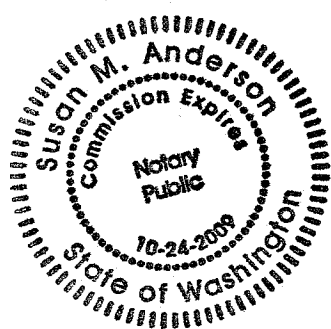
Steven Guiberson

Darlene Guiberson

STATE OF WASHINGTON)
) ss.
COUNTY OF Pierce)

I certify that I know or have satisfactory evidence that Russell Tanner is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the President of Cankwood Development Co. Inc., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 14, 2006



SUSAN M ANDERSON
(print or type name)
NOTARY PUBLIC in and for the
State of Washington, residing at:
Graham, WA

My Commission expires: 10-24-2009

STATE OF WASHINGTON)
) ss.
COUNTY OF Price)

I certify that I know or have satisfactory evidence that Steven Guiberson is the person who appeared before me, and said person acknowledged that ~~he~~ she was authorized to execute the instrument and acknowledged it as property owner of _____ to be the free and voluntary act and deed of such party for the uses and purposes mentioned in this instrument.

DATED: June 14, 2006



Susan M Anderson
(Signature)
SUSAN M ANDERSON
NOTARY PUBLIC, State of Washington,
residing at: Graham WA 9
My appointment expires: 10-24-2009

STATE OF WASHINGTON)
) ss.
COUNTY OF Price)

I certify that I know or have satisfactory evidence that Darlene Guiberson is the person who appeared before me, and said person acknowledged that he/she was authorized to execute the instrument and acknowledged it as property owner of _____ to be the free and voluntary act and deed of such party for the uses and purposes mentioned in this instrument.

DATED: June 14, 2006



Susan M Anderson
(Signature)
SUSAN M ANDERSON
NOTARY PUBLIC, State of Washington,
residing at: Graham, WA
My appointment expires: 10-24-2009

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

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

DATED: _____

(Signature)

NOTARY PUBLIC, State of Washington,
residing at: _____

My appointment expires: _____



COMMUNITY DEVELOPMENT DEPARTMENT

TO: MAYOR HUNTER AND CITY COUNCIL
FROM: JOHN P. VODOPICH, AICP
COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: FIRST AMENDMENT - CONTRACT FOR EVALUATION OF
COMMUNITY DEVELOPMENT
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

The Council approved a contract with The Latimore Company, LLC on April 10, 2006, for an evaluation of the business procedures within the Community Development Department. Additional assistance is needed with regards to assisting staff with the implementation of a permit tracking system.

FISCAL CONSIDERATION

This work was anticipated in the 2006 Budget - Administration Objective #10. \$30,000 was allocated and the initial contract award was for \$19,250. This amendment is for an additional \$10,500 which would bring the total contract amount to \$29,750.

RECOMMENDATION

I recommend Council approval of the Amendment to the Consultant Service Contract with The Latimore Company, LLC in an amount not to exceed Ten Thousand Five Hundred Dollars (\$10,500) as presented.

**AMENDMENT TO CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
THE LATIMORE COMPANY, LLC**

THIS AMENDMENT is made to the AGREEMENT, dated April 10, 2006, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and The Latimore Company, LLC., a limited liability corporation organized under the laws of the State of Washington, located and doing business at 11805 Ingraham Road, Snohomish, Washington 98290 (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in implementation of Business Process Evaluation recommendations and the City desires that the Consultant perform services necessary to assist City staff and the City's chosen permit tracking software supplier to facilitate implementation through recommendations and ongoing collaboration, and provide the following consultation services described below.

WHEREAS, the Consultant agreed to perform the services, and the parties executed an Agreement on April 10, 2006 (hereinafter the "Agreement"); and

WHEREAS, the existing Agreement requires the parties to execute an amendment to the Agreement in order to modify the scope of work to be performed by the Consultant, or to exceed the amount of compensation paid by the City;

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

Section 1. **Amendment to Scope of Work.** Section I of the Agreement is amended to require the Consultant to perform all work described in **Exhibit A – Scope of Services**, attached to this Amendment, which Exhibit is incorporated herein as if fully set forth.

Section 2. **Amendment to Compensation.** Section II(A) of the Agreement is amended to require the City to pay compensation to the Consultant for the work described in **Exhibit A** to the Amendment in the amount of: Ten Thousand Five Hundred Dollars and Zero Cents (\$10,500.00). This Amendment shall not modify any other of the remaining terms and conditions in Section II, which shall be in effect and fully enforceable.

Section 3. **Effectiveness of all Remaining Terms of Agreement.** All of the remaining terms and conditions of the Agreement between the parties shall be in effect and be fully enforceable by the parties. The Agreement shall be incorporated herein as

if fully set forth, and become a part of the documents constituting the contract between the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on this 20 day of JUNE, 2006.

THE CITY OF GIG HARBOR

By: Kurt R. Latimore
Member

By: _____
Charles L. Hunter, Mayor

Notices to be sent to:

CONSULTANT
The Latimore Company
Kurt Latimore, Member
11805 Ingraham Road
Snohomish, WA 98290
(360) 805-2999

Charles L. Hunter
Mayor
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-8136

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the _____ of _____ Inc., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(print or type name)
NOTARY PUBLIC in and for the
State of Washington, residing at:

My Commission expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

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

Dated: _____

(print or type name)
NOTARY PUBLIC in and for the
State of Washington, residing at:

My Commission expires: _____

Exhibit A “Scope of Services”

The nature of the Contractor’s services and delivery of the scope of services relies on comparisons of permit processes, toolsets, reference material, forms, organizational design and performance data. The City consents to use of information obtained under this effort for this purpose.

The Consultant will assist with implementation of Business Process Evaluation recommendations at the direction and focus of the City Community Development Director.

This extra work, up to 60 hours effort, shall conclude by December 31, 2006.

The Consultant will assist City staff and the City’s chosen permit tracking software supplier to facilitate implementation through recommendations and ongoing collaboration.

Tasks may also include assistance with process improvements in the areas of design review, intake, scoping, standards, grading permits, UGA project coordination, GIS reference use, and in gauging the effects of these improvements on the department’s divisions.



ADMINISTRATION

TO: MAYOR HUNTER AND CITY COUNCILMEMBERS
FROM: MOLLY TOWSLEE, CITY CLERK
SUBJECT: INTERAGENCY DATA SHARING AGREEMENT WITH THE
DEPARTMENT OF REVENUE
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

The statutes governing information held by the Washington State Department of Revenue are among the most restrictive. In order to fully implement the agreement with the Department of Licensing for them to act as the city's agent for business licensing, we are required to execute the attached Interagency Agreement with the Department of Revenue. This agreement will permit on-line access by City employees to DOR's Unified Business Identifier (UBI) "Inquiry" and "Add" systems for the purpose of issuing UBI numbers to applicants applying for a business license.

The City Attorney has reviewed the agreement.

FISCAL CONSIDERATION

This is a non-financial agreement.

RECOMMENDATION

Staff recommends that the City Council authorize the Mayor to sign the Interagency Data Sharing Agreement between the State of Washington Department of Revenue and the City of Gig Harbor.

INTERAGENCY DATA SHARING AGREEMENT
BETWEEN
THE STATE OF WASHINGTON DEPARTMENT OF REVENUE
AND
CITY OF GIG HARBOR

This Agreement is made and entered into by and between the Department of Revenue, hereinafter referred to as DOR, and the City of Gig Harbor, hereinafter referred to as the City.

I. PURPOSE

It is the purpose of this Agreement to permit on-line access by City employees to DOR's Unified Business Identifier (UBI) "Inquiry" and "Add" systems for the purpose of allowing City employees to issue UBI numbers to applicants for business licenses through the Master License Service.

THEREFORE, IT IS MUTUALLY AGREED THAT:

II. DEFINITIONS

As used throughout this Agreement, the following terms shall have the meanings set forth below:

"*Confidential Information*" shall mean information that may be exempt from disclosure to the public or other unauthorized persons under chapters 42.17 and 42.56 RCW (the Washington State Public Records statute), RCW 82.32.330 (DOR's excise tax confidentiality statute), RCW 84.08.210, RCW 84.40.020, RCW 84.40.340 (DOR's property tax confidentiality statutes), RCW 70.158.050(2) (tobacco product manufacturers statute), or other state or federal statutes. Confidential Information includes, but is not limited to, Personal Information, agency source code or object code, and agency security data.

"*Personal Information*" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, e-mail addresses, credit card information, law enforcement records or other identifying numbers, any financial identifiers, and other information that may be exempt from disclosure to the public or other unauthorized persons under RCW 42.17.310, chapter 42.56 RCW, RCW 82.32.330, RCW 84.08.210, RCW 84.40.020, RCW 84.40.340, RCW 70.158.050(2) or other state and federal statutes.

"*RCW*" means the Revised Code of Washington; the statutes of the State of Washington. They may be reviewed at <http://apps.leg.wa.gov/rcw/>.

III. STATEMENT OF WORK

The parties to this Agreement shall furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the exchange of data as set forth in the *Statement of Work*, **Attachment A**, attached hereto and incorporated herein.

IV. PERIOD OF PERFORMANCE

The period of performance of this Agreement shall start on June 15, 2006 and be completed on June 14, 2009, unless terminated sooner as provided herein. By written agreement of the parties, the period of performance of this Agreement may be extended for up to two additional three-year terms.

V. PAYMENT

This is a non-financial Agreement. In no event shall either party seek compensation for work performed under this Agreement.

VI. RECORDS MAINTENANCE

Unless otherwise provided by *Certification of Data Disposition*, **Attachment B**, the parties to this Agreement shall each retain for six years after expiration of this Agreement all books, records, documents, and other material relevant to this Agreement, including Secrecy Clause Affidavits signed by City employees and agents. Personnel of both parties, the Office of the State Auditor, federal officials so authorized by law, and any persons duly authorized by the parties shall have full access and the right to examine, review or audit any of these materials during this period.

Records and other documents, in any medium, furnished by DOR to this agreement to the City, will remain the property of DOR, unless otherwise agreed in writing. The City, and its employees and agents, will not

disclose or make available this material to any third parties without specific written authorization from DOR, signed by personnel authorized to bind DOR. The City will use security procedures and protections to assure that records and documents provided by DOR are not erroneously disclosed to third parties, as provided by this Agreement's section VII entitled "Confidentiality and Safeguarding of Confidential Information" and this Agreement's *Statement of Work, Attachment A*, in its section entitled "Security of Data."

VII. CONFIDENTIALITY AND SAFEGUARDING OF CONFIDENTIAL INFORMATION

The use or disclosure by any party of any information acquired under this Agreement or information concerning the other party for any purpose not directly connected with the administration of responsibilities with respect to this Agreement's *Statement of Work, Attachment A*, is prohibited except by prior written consent of DOR. Such written consent must be signed by personnel authorized to bind DOR and attached to the original Agreement. The City shall maintain as confidential all information concerning DOR's enforcement matters and any other information classified as Confidential Information.

The City shall not use or disclose Confidential Information in any manner that would constitute a violation of federal law or applicable provisions of Washington State law. The City agrees to comply with all federal and state laws and regulations, as currently enacted or revised, regarding data security and electronic data interchange of Confidential Information.

The City shall protect Confidential Information collected, used, or acquired under or in connection with this Agreement against unauthorized use, disclosure, modification or loss. The City shall ensure its employees and agents use the Confidential Information solely for the purposes of accomplishing this Agreement's *Statement of Work, Attachment A*, and that each employee or agent who will have access to the Confidential Information signs and submits to the City's Contract Manager a notarized DOR Secrecy Clause Affidavit prior to having access to the Confidential Information.

The City agrees to implement physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure of Confidential Information, including at a minimum those established in **Attachment A's** section entitled "Security of Data."

The City shall make information available to be amended, as directed by DOR, and shall incorporate any amendments into all the copies maintained by the City or its agents.

DOR reserves the right to monitor, audit, or investigate the use of Confidential Information collected, used or acquired by the City through this Agreement. The monitoring, auditing, or investigating may include, but is not limited to, Salting. "Salting" is the act of introducing data containing unique but false information that can be used later to identify inappropriate disclosure of data.

The City shall notify DOR in writing within five (5) working days of becoming aware of any unauthorized access, use or disclosure of Confidential Information. The City agrees to defend and protect DOR and hold DOR harmless for any damages related to unauthorized use or disclosure by the City's employees or agents of Confidential Information received under this Agreement.

Any breach of this clause may result in termination of the Agreement, suspension of on-line access accounts and the demand for return of all Confidential Information.

VIII. DATA DISPOSITION

The City shall certify the return or destruction of all data as described herein upon expiration without extension or termination of this Agreement, or upon reasonable demand of DOR, and the City shall retain no copies of the data. (See *Certification of Data Disposition, Attachment B*.) If the parties mutually determine that return or destruction is not feasible, the City shall not use the Confidential Information in any manner other than those permitted or authorized by state and federal laws and shall continue to use physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure of Confidential Information, including at a minimum those established in **Attachment A's** section entitled "Security of Data."

IX. INDEPENDENT CAPACITY

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

X. AGREEMENT ALTERATIONS AND AMENDMENTS

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

XI. TERMINATION

Either party may terminate this Agreement upon 30 days' prior written notification to the other party. If this Agreement is so terminated, the parties shall be liable only for performance rendered in accordance with the terms of this Agreement prior to the effective date of termination.

XII. TERMINATION FOR CAUSE

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within 15 working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

XIII. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint two additional members to the Dispute Board. The Dispute Board shall review the facts, Agreement terms, and applicable statutes and rules and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

XIV. GOVERNANCE

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. Washington law shall govern the construction of the provisions of this Agreement.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable state and federal statutes and rules;
2. Statement of work, Attachment A; and
3. Any other provisions of the agreement, including materials incorporated by reference.

XV. SURVIVAL

DOR's and the City's rights and obligations under this Agreement's sections VI, VII, VIII, XIII, and XIV will survive the expiration or termination of this Agreement.

XVI. ASSIGNMENT

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, signed by personnel authorized to bind the party.

XVII. WAIVER

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by personnel authorized to bind the party and attached to the original Agreement.

XVIII. RIGHTS OF INSPECTION

Each party shall provide right of access to the other party, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance of internal policies and procedures, and/or records relating to the safeguarding, use, and disclosure of Confidential Information obtained or used as a result of this Agreement. Each party shall make available information necessary for the other party to comply with taxpayers' rights to access, amend, and receive an accounting of disclosures of their Confidential Information.

XIX. SUBCONTRACTING

With prior written consent, either party may enter into subcontracts for any of the work or services contemplated under this Agreement. Consent shall not be unreasonably withheld. The City is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Agreement are carried forward to any subcontracts.

"Subcontractor" means one not in the employment of a party to this agreement, who is performing all or part of those services under this contract under a separate contract with a party to this Agreement and includes subcontractors in any tier. The term "agents" in this Agreement includes subcontractors.

XX. SEVERABILITY

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

XXI. ALL WRITINGS CONTAINED HEREIN

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

XXII. CONTRACT MANAGEMENT

The contract manager for each of the parties shall be responsible for and shall be the contact person for all communications regarding the performance of this Agreement.

The Contract Manager for the City is:	The Contract Manager for the DOR is:
Contract Mgr's Name: Molly Townslee City: Gig Harbor Address: 3510 Grandview Street Gig Harbor, Washington 98335 Phone: 253 851-8136 FAX: 253 851-8563 E-Mail: TowsleeM@cityofgigharbor.net	Mark Craig Department of Revenue PO Box 47478 Olympia WA 98504-7478 Phone: (360) 705-6602 FAX: (360) 705-6655 E-Mail: MarkKC@DoR.wa.gov

The undersigned warrant and represent that they have complete and proper authority to execute this Agreement on behalf of the parties indicated.

IN WITNESS WHEREOF, the parties have executed this Agreement.

 (Insert Name of City)

State of Washington
 Department of Revenue

 (Signature) (Date)

 Cindi Holmstrom, Director (Date)

 (Print Name)

 (Title)

APPROVED AS TO FORM ONLY

(Signature)

(Date)

Heidi Irvin
Assistant Attorney General

Attachment A
STATEMENT OF WORK

DOR shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to the performance of work as set forth below.

DESCRIPTION OF DATA

This Agreement governs the transfer of and access to the following data:

The DOR's Information Services Security Program will authorize and provide on-line access to DOR's Unified Business Identifier (UBI) "Inquiry" and "Add" systems to City employees and agents who are required to have access to this information in order to issue UBI numbers to applicants for business licenses through the Master License Service and who have submitted signed and notarized DOR Secrecy Clause Affidavits to the City's Contract Manager.

The City's Contract Manager will notify DOR's Contract Manager or his designee in writing to authorize DOR to grant access to DOR's on-line UBI "Inquiry" and "Add" systems to City employees or agents after the City Contract Manager has received each employee's or agent's signed and notarized DOR Secrecy Clause Affidavit.

DATA CLASSIFICATION DECLARATION

Data described in this data-sharing agreement are Confidential. This means that the data, due to statutory requirements and the data's sensitive or private nature, require limited and authorized access. Unauthorized access could seriously and adversely impact DOR, its customers, employees or business partners. Unauthorized access could adversely impact DOR legally or financially, or could damage the public's confidence in the agency.

ACCESS TO DATA

Method of Access/Transfer

The data shall be provided by the DOR's Information Services Security Program in the following format:

- Floppy disk or CD-ROM
- Secure Message
- US or CMS mail
- Electronic file transfer
- On-line application
- Facsimile
- Other _____

Frequency of Data Exchange

- One time: data shall be delivered by _____ (date)
- Repetitive: frequency or dates _____
- As available
- As needed

Authorized Access to Data

Access to Confidential information shall be limited to individual City staff and agents who are specifically authorized and who have a business need to have access to that information. In accordance with the terms contained herein and prior to making the data available, the City shall notify all staff and agents with access to the data of the use, data-security, and non-disclosure requirements and shall have each employee and agent who will have access to the Confidential Information sign and submit to the City's Contract Manager a notarized DOR Secrecy Clause Affidavit prior to having access to the Confidential Information.

USE OF DATA

The data provided by DOR shall be used and accessed only for the limited purposes of carrying out activities pursuant to this Agreement as described herein. The data shall not be disclosed without the written authority of DOR. The City shall not use the data provided for any purpose not specifically authorized under this Agreement.

The Confidential Information acquired under this Agreement will be used by the City to issue Unified Business Identifier (UBI) numbers to applicants doing business in the City.

SECURITY OF DATA

The required protective measures are:

- A signed and notarized DOR Secrecy Clause Affidavit must be submitted to the City's Contract Manager prior to a City employee or agent having access to Confidential Information.
- Confidential Information shall not be communicated by electronic mail unless encrypted.
- Hard copies of Confidential Information shall be stored only in locked drawers, cabinets or rooms, with access to the key or code to the drawer, cabinet, or room limited to those employees or agents permitted to have access to the Confidential Information, and shall never be able to be read or copied by anyone other than those authorized to have access to the Confidential Information.
- All computer media containing Confidential Information acquired under this Agreement shall be secured adequately to assure there is no unauthorized access to the data.
- Hard copies of Confidential Information shall be shredded prior to disposal. Hard copies of Confidential Information not in locked storage shall be shredded by the close of each business day. Shredding shall be done according to best practices to assure no information is legible or could be reconstructed.
- The City shall take due care to protect the shared data from unauthorized physical or electronic access and ensure it is in compliance with all appropriate Washington State Information Services Board security standards.
- The City shall adhere to all requirements of this Agreement's section VII, entitled "Confidentiality and Safeguarding of Confidential Information" and of this Agreement's *Certification of Data Disposition*, **Attachment B**.

TERMINATION OF ACCESS

Each party may at its discretion disqualify a City employee or agent from gaining access to data. The City may terminate access of its employees or agents, however if the City requests DOR to process such terminations, notice of termination of access will be by written notice from the City Contract Manager to the DOR Contract Manager or his designee or successor. Termination of access of one individual by either party does not affect other individuals authorized under this Agreement.

ATTACHMENT B
CERTIFICATION OF DATA DISPOSITION

Date of Disposition _____

Data disposition methods used upon expiration or termination of this Agreement (select all that apply):

CHECK THE APPROPRIATE BOX

- All copies of any data acquired under this Agreement have been wiped from all data storage systems and media.
- All on-line access accounts related to this Agreement have been inactivated.
- All printed and hard-copy materials and all non-wiped computer media containing any data related to this data sharing Agreement have been destroyed.
- All copies of data acquired under this Agreement that have not been disposed of in a manner described above, have been returned to DOR.

I hereby certify, by signature below, that the data disposition requirements as provided in DOR Data-Sharing Agreement No. City (UBI)-2006-001, have been fulfilled as indicated above.

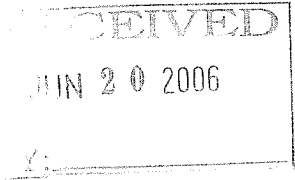
(Insert City Name)

(Signature) (Date)

(Print Name)

(Title)

Upon completion, submit to the DOR Contract Manager or his successor.



NOTICE OF LIQUOR LICENSE APPLICATION

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

June 19, 2006

TO: MOLLY TOWSLEE, CITY CLERK
MAYOR OF GIG HARBOR

RE: Change of Ownership

Applicants:

- New Albertson's Inc.
David L Boehnen 1946-12-03
Pamela K Knous 1954-03-24
Sherry M Smith 1961-08-12
John R Sims 1950-02-26
John Francis Boyd 1952-02-13

Privileges: Beer/Wine Grocery Store

This notification is in lieu of the usual individual store notices for all Albertsons located in your jurisdiction.

As required by RCW.66.24.010 (8), we are notifying you that New Albertsons's Inc. has applied for a liquor license at all stores currently owned by Albertson's Inc. in your jurisdiction. You have 20 days from the date of this letter to provide your input on these applications. If we do not receive this notice back within 20 days, we will assume you have no objection to the issuance of the licenses. If you need additional time to respond, you must submit a written request for an extension up to 20 days, with the reason(s) you need more time. If you need information on SSN, contact our CHRI desk at 360 664-1724.

If you disapprove, per RCW 66.24.010(8) you must attach a letter to this notice detailing the reason(s) for the objection and a statement of all facts on which your objection(s) are based. If you intend to object to specific stores, please provide the location address of each store on your letter.

If you have any questions, please contact Sandy Brown at 360-664-1607.

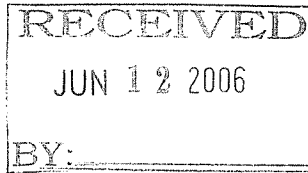
AKK



NOTICE OF LIQUOR LICENSE APPLICATION

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

TO: MOLLY TOWSLEE, CITY CLERK
RE: NEW APPLICATION



DATE: 6/09/06

UBI: 602-618-829-001-0001

License: 078110 - 1U County: 27
Tradename: GOURMET ESSENTIALS
Loc Addr: 5500 OLYMPIC DR #I 102
GIG HARBOR WA 98335-1491
Mail Addr: 5500 OLYM;IC DR #I 102
GIG HARBOR WA 98335-1491
Phone No.: 253-858-7711 CHERIE EARNHEART

APPLICANTS:
VANILLA BEAN, LLC
EARNHEART, CHERIE LYN
1969-12-15
STEVENSON, BRANDON SCOTT
(Spouse) 1968-08-28

Privileges Applied For:
GROCERY STORE - BEER/WINE

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

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

DATE

SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE

C091080-2

WASHINGTON STATE LIQUOR CONTROL BOARD

DATE: 6/05/06

LICENSED ESTABLISHMENTS IN INCORPORATED AREAS CITY OF GIG HARBOR
(BY ZIP CODE) FOR EXPIRATION DATE OF 20060930

LICENSEE	BUSINESS NAME AND ADDRESS	LICENSE NUMBER	PRIVILEGES
1	THE CAPTAIN'S MATE, INC. THE KEEPING ROOM, CANDLES & WINE 7811 PIONEER WAY GIG HARBOR WA 98335 0000	086515	BEER/WINE SPECIALTY SHOP
2	STILLE, INC. HARBOR ROCK CAFE' 6565 KIMBALL DR GIG HARBOR WA 98335 0000	081255	BEER/WINE REST - BEER/WINE
3	PANDA INC. HUMAN GARDEN RESTAURANT 5500 OLYMPIC DR GIG HARBOR WA 98335 0000	076567	SPIRITS/BR/WN REST SERVICE BAR
4	JU, SUN WOO KINZA TERIYAKI 6820 KIMBALL DR A-1 GIG HARBOR WA 98335 0000	077031	BEER/WINE REST - BEER/WINE
5	SPIRO'S BELLA NOTTE', INC. SPIRO'S BELLA NOTTE' PIZZA & PASTA 3108 HARBORVIEW DR GIG HARBOR WA 98335 0000	363055	SPIRITS/BR/WN REST LOUNGE +

RECEIVED
 JUN 8 2006
 BY:



ADMINISTRATION

TO: MAYOR HUNTER AND CITY COUNCILMEMBERS
FROM: MOLLY TOWSLEE, CITY CLERK
SUBJECT: SECOND READING OF ORDINANCE - COMBINED BUSINESS LICENSE SERVICES
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

Council has authorized an Interagency Agreement with DOL will allow the Master License Service (MLS) to act as the City of Gig Harbor's agent for business license purposes. The attached ordinance amends the Gig Harbor Municipal Code to implement this change in business licensing procedures.

FISCAL CONSIDERATION

The cost to the city will include a monthly service fee if we access the state's database to run a report or to look up information. This is an estimated amount of \$10 - \$20 per month depending on usage. The only other charges we will incur will be .23% (46 cents) to cover fees for an applicant using a debit/credit card on-line. There are no other on-going costs to partners.

The city will receive the usual \$20 application and renewal fees from the state through electronic transfers.

RECOMMENDATION

Staff recommends that the City Council adopt the attached ordinance authorizing DOL's Master License Service to act as the city's agent for business licensing activities at this second reading.

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO BUSINESS LICENSE PROCEDURES AND AMENDING SECTION 5.01.080 AND 5.01.090 OF THE GIG HARBOR MUNICIPAL CODE TO PROVIDE FOR THE STATE OF WASHINGTON DEPARTMENT OF LICENSING TO ACCEPT BUSINESS LICENSE APPLICATIONS AND RENEWALS ON BEHALF OF THE CITY OF GIG HARBOR, AMENDING THE EXPIRATION DATE OF LICENSES, AND AMENDING THE PENALTY FOR LATE RENEWALS.

WHEREAS, in an order to improve customer service to businesses, the Gig Harbor City Council has authorized an agreement with the Washington State Department of Licensing's Master Licensing Services; and

WHEREAS, this partnership will provide city businesses a unified licensing process; and

WHEREAS, MLS uses a common expiration date for all business licenses and so businesses will receive a combined annual renewal notice for the city license; and

WHEREAS, in order to reflect this change in business licensing procedures it is necessary to amend the municipal code; and

WHEREAS, the City Council acted on this Ordinance during its regular meeting of _____, 2006; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Sections 5.01.080 and 5.01.090 of the Gig Harbor Municipal Code are hereby amended to read as follows:

5.01.080 Application procedure.

A. Any new non-exempt business shall make application for a business license prior to commencing business in the city. Application for license shall be accomplished by filing a Master Application through the state Department of Licensing's Master License Service, in coordination with the city license officer. Persons applying for a license must pay a fee as established by the city council by periodic resolution, and the Master License Service's handling fee.

~~A. B.~~ The city license officer is authorized to prepare a schedule of fees for general business licenses issued, and when approved by the city council by resolution, such schedule shall govern the amount of the city license fee.

~~C. B.~~ Application for a business license shall be made either at the City of Gig Harbor or with the State of Washington Department of Licensing, at the office of the city license officer on a form to be furnished for that purpose and shall be accompanied by the proper fee. Each application submitted in person or by mail shall be signed by the person, or other authorized representative of the firm or corporation to be licensed. If an application is denied, the city business license fee shall be returned to the applicant.

~~D. C.~~ No license shall be issued until the application has been fully completed and all applicable ordinances have been fully complied with. In addition, any business requiring a state or federal license shall obtain said licenses and provide the city with proof of their issuance with the application prior to the issuance of a city business license ~~or any renewal thereof.~~

D. City business licenses shall be granted annually and have an expiration date as determined by the State of Washington Department of Licensing in cooperation with the City, but shall have a term of at least one year. The license term or expiration date will be coordinated with the terms or expiration date of all other licenses or permits required by the State for each license. ~~and due July 1st. If a new business application is made within six months of the date fixed for expiration, the fee shall be one-half the annual fee.~~

5.01.090 Renewal.

A. All businesses shall renew their business license each year. Businesses must pay a renewal fee as established by the city council by periodic resolution, and the Master License Service's processing fee.

B. If any license issued under this chapter is not renewed by the date of expiration of the existing license, then a new application must be submitted and accompanied by a fee of 50 percent of the amount of the combined licensing fees due, up to \$150 maximum.

~~Applications for renewal of business licenses must be completed and returned to the city license officer, together with the renewal fee, prior to July 1st of each year. The city license officer shall send a renewal notice to each licensee at the last address provided to the city. Failure of the licensee to receive any such form shall not excuse the licensee from~~

~~making application for and securing the required renewal license, or from payment of the license fee when and as due hereunder. A business license shall expire on July 1st of the year following issuance, if not renewed as described herein. A penalty of \$5.00 per month, which shall not be prorated, shall be assessed on any delinquent license renewal which has not been paid on or before August 1st of any year.~~

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. Effective Date. This ordinance shall take effect and be in full force five (5) days after publication of a summary, consisting of the title.

PASSED by the Gig Harbor City Council and the Mayor of the City of Gig Harbor this ___th day of _____, 2006.

CITY OF GIG HARBOR

CHARLES L. HUNTER, MAYOR

ATTEST/AUTHENTICATED:

By: _____
MOLLY TOWSLEE, CITY CLERK

APPROVED AS TO FORM:

By: _____
CAROL A. MORRIS, CITY ATTORNEY

FILED WITH CITY CLERK: 6/7/06
DATE PASSED:
DATE OF PUBLICATION:
EFFECTIVE DATE:

**SUMMARY OF ORDINANCE NO.
of the City of Gig Harbor, Washington**

On _____, 2006 the City Council of the City of Gig Harbor, Washington, approved Ordinance No. , the summary of text of which is as follows:

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO BUSINESS LICENSE PROCEDURES AND AMENDING SECTION 5.01.080 AND 5.01.090 OF THE GIG HARBOR MUNICIPAL CODE TO PROVIDE FOR THE STATE OF WASHINGTON DEPARTMENT OF LICENSING TO ACCEPT BUSINESS LICENSE APPLICATIONS AND RENEWALS ON BEHALF OF THE CITY OF GIG HARBOR, AMENDING THE EXPIRATION DATE OF LICENSES, AND AMENDING THE PENALTY FOR LATE RENEWALS.

The full text of this ordinance will be mailed upon request.

APPROVED by the City Council at their regular meeting on _____, 2006.

BY: _____
MOLLY M. TOWSLEE, CITY CLERK



Police Department

TO: MAYOR HUNTER AND CITY COUNCIL
FROM: CHIEF OF POLICE MIKE DAVIS
SUBJECT: SECOND READING OF ORDINANCE-RELATING TO THE
HARBOR CODE: 1) CORRECTING OUTDATED STATUTORY
REFERENCES 2) ADOPTING PENALTY FOR
VIOLATIONS
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

This Harbor Code ordinance adopts by reference RCW 79A.60 which outlines the regulation of recreational vessels. Our current municipal code adopted the related regulations under Chapter 88.12, which has subsequently been changed to RCW 79A.60. The content of the above mentioned statutes deal with the same subject matter.

Additionally, this ordinance establishes a monetary penalty of One Hundred Dollars (\$100.00) for all civil infraction violations

The ordinance has been reviewed and approved by City Attorney Carol Morris.

FISCAL IMPACTS

The adoption of this Harbor Code ordinance will not cause additional costs for the City of Gig Harbor.

RECOMMENDATION

I recommend that Council authorize the Mayor to adopt the attached Harbor Code ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO THE HARBOR CODE, CORRECTING OUTDATED STATUTORY REFERENCES AND ADOPTING PENALTIES FOR VIOLATIONS OF THE HARBOR CODE, AMENDING GIG HARBOR MUNICIPAL CODE SECTIONS 8.24.016, ADOPTING A NEW SECTION 8.24.015.

WHEREAS, the City's Harbor Code adopts chapter 88.12 RCW by reference; and

WHEREAS, the Washington State Legislature recodified chapter 88.12 RCW into chapter 79A.60 RCW, "Regulation of Recreational Vessels; and

WHEREAS, a penalty section is needed for the enforcement of chapter 8.24 of the Gig Harbor Municipal Code; and

WHEREAS, WHEREAS, the City Council considered this Ordinance during its regular City Council meetings of _____ and _____, 2006; Now, Therefore,

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

Section 1. Section 8.24.016 of the Gig Harbor Municipal Code is hereby amended to read as follows:

8.24.016 Chapter ~~88.12~~ 79A.60 RCW adopted by reference.

Chapter ~~88.12~~ 79A.60 RCW, 'Regulation of Recreational Vessels,' as the same now exists or may hereafter be amended, is hereby adopted by reference, as if fully set forth herein.

Section 2. A new Section 8.24.015 is hereby added to the Gig Harbor Municipal Code, which shall read as follows:

8.24.015 Penalties.

A. The penalties for violations of Gig Harbor Municipal Code Sections 8.24.012, 8.24.017, 8.24.018, 8.24.020, 8.24.022, 8.24.024, 8.24.026, 8.24.028, 8.24.030, and 8.24.034 shall be a civil infraction pursuant to chapter 7.84 RCW, and shall be subject to a monetary penalty of One Hundred Dollars (\$100.00). Each day

during any portion of which a violation of any provision of the aforementioned sections is committed is a separate offense.

B. The penalties for violations of chapter 79A.60 RCW shall be as specifically identified in that chapter. Violations designated as infractions in chapter 79A.60 RCW shall be misdemeanors, as set forth in RCW 79A.60.020. Violations designated as civil infractions in chapter 79A.60 RCW shall be a civil infraction pursuant to chapter 7.84 RCW, subject to a monetary penalty of One Hundred Dollars (\$100.00).

Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, clause or phrase of this Ordinance.

Section 4. Adoption of Chapter 79A.60 RCW by Reference. Pursuant to RCW 35A.12.140, a copy of chapter 79A.60 RCW is attached to this ordinance as Exhibit A. While this ordinance and the attached statute are being considered for adoption, a copy shall be filed in the office of the City Clerk for examination by the public.

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

PASSED by the City Council and approved by the Mayor of the City of Gig Harbor this ____ day of _____, 200_.

CITY OF GIG HARBOR

CHARLES L. HUNTER, MAYOR

ATTEST/AUTHENTICATED:

By: _____
MOLLY TOWSLEE, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
CAROL A. MORRIS

FILED WITH THE CITY CLERK: 6/7/06
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO:



COMMUNITY DEVELOPMENT DEPARTMENT

TO: MAYOR HUNTER AND CITY COUNCIL
FROM: JOHN P. VODOPICH, AICP
COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: PUBLIC HEARING AND RESOLUTION EXECUTING A UTILITY
EXTENSION AGREEMENT FOR 12718 BURNHAM DRIVE NW
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

Gregg and Tami Vermillion have requested one (1) ERU of sewer service for an existing single-family residence located on an approximately 0.46 acre parcel 12718 Burnham Drive Northwest. The property is located within the City's Urban Growth Boundary.

Building has reviewed the proposed utility extension agreement and noted there is not an issue with them connecting to the sewer line. A plumbing permit through Pierce County will be required for the building sewer if the work begins within 2' of the building; drainage piping must be sized in accordance with UPC Table 7-4; and a backwater valve in accordance with UPC Section 710 is required where any fixture flood-rim is located below the next upstream manhole cover. This may require modification of the building plumbing system to assure that fixtures with rims above the upstream manhole are not connected through the backwater valve.

Operations noted that they will have to connect to the pressure sewer line so they will have to design their grinder pump system accordingly.

Engineering reviewed the proposal and compared it to the Wastewater Comprehensive Plan. The Comprehensive Plan does allow for individual grinders linked up to a pressure sewer within this area. The applicant will have to provide engineering drawings and calculations to the City in accordance with our new Concurrency Ordinance. Backwater valves will have to be installed along with the grinder adhering to City Public Works capacity requirements.

Planning noted that any remodeling or reconstruction of the existing single-family residence will need to comply with the standards in the Design Manual.

FISCAL CONSIDERATIONS

The capacity commitment payment for a three-year commitment period is \$508.50 which must be paid within forty-five (45) days of Council approval of the agreement. If

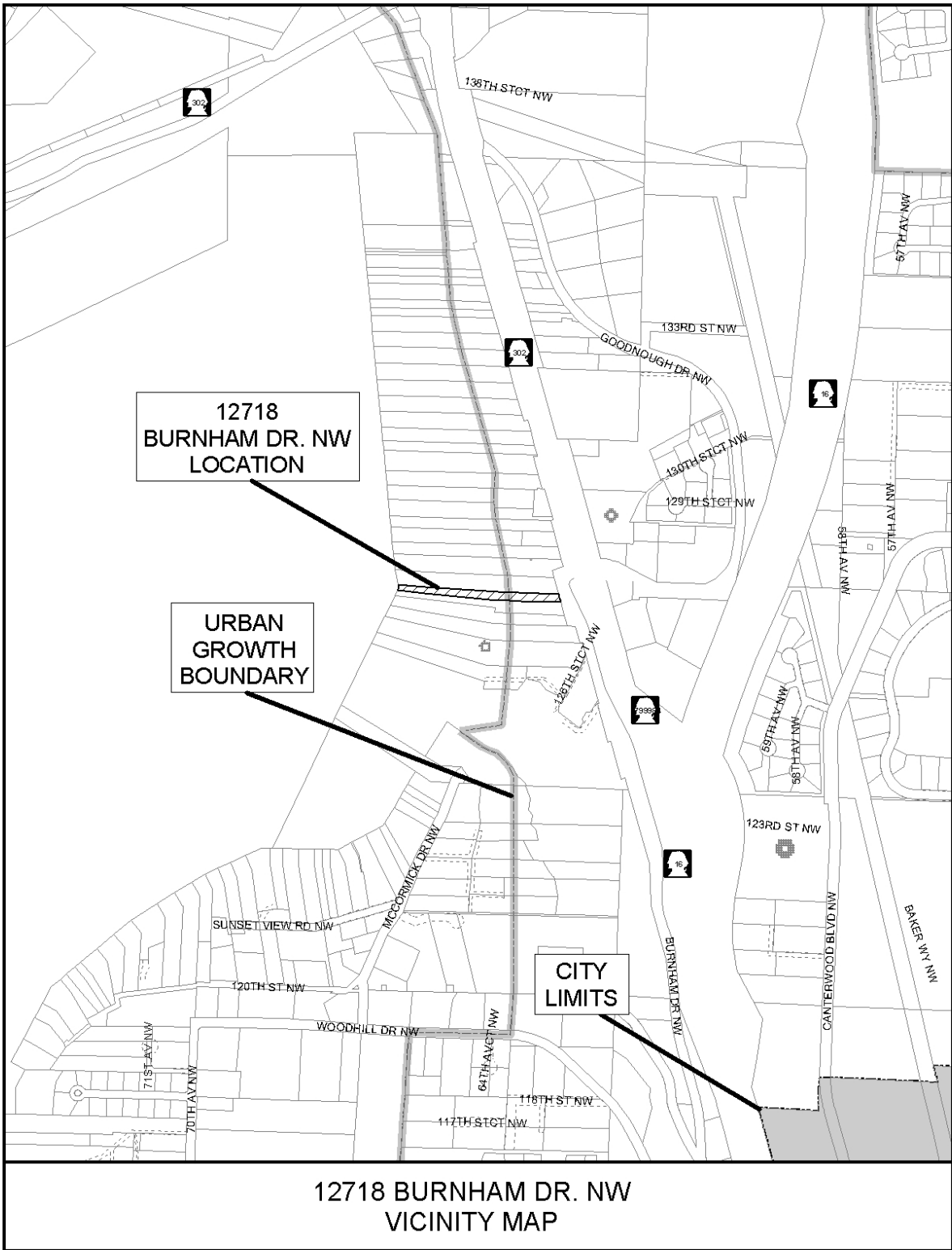
the sewer connection fees are not paid in full prior to the termination of the contract, the capacity commitment payment is then forfeited.

The \$100.00 Utility Extension Agreement Fee has been paid in full.

Additionally, this property is in the Latecomer's area for the Peninsula School District. The Latecomer's fee, including the City administration fee is \$2,642.26

RECOMMENDATION

I recommend Council approve the resolution authorizing the execution of the Utility Extension Agreement with Gregg and Tami Vermillion for one (1) ERU, all as set forth in the attached agreement.



April 25, 2006

To: John Vodopich, Community Development Director

Subject: Request for connection to City of Gig Harbor sewer line

Mr. Vodopich:

My name is Tami Vermillion, and my husband and I own the property at 12718 Burnham Drive (parcel #02122252031). We are submitting this request for a utility extension agreement with the City of Gig Harbor to provide sewer service to our property on which we plan to build our primary residence this year or next. The property is currently without a working on-site sewage system (OSS). After extensive feasibility studies, we determined that installation of a new OSS with private septic tank and drain fields is significantly complicated by the narrowness of the 50 foot wide lot and the location of the neighbors' wells.

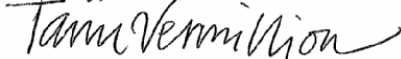
The existing OSS on the property is not functional. It was installed sometime in the 1960's and was designed for a two-bedroom house. Records show that the OSS has been disconnected and out of use for over ten years. Approved septic system inspectors recently investigated the OSS and could not locate the septic tank. They also determined that the pipes between the house and the septic tank are clogged with roots. Our conclusion from this testing was that the existing OSS cannot be improved to standards required by Tacoma Pierce County Health Department, and an alternate septic solution must be implemented. The results of these inspections are enclosed.

Our current dilemma is finding a location for the new OSS that doesn't encroach on our well or on our neighbors' wells. As can be seen on the enclosed survey map showing the 100 foot radii around the wells, we have no good options for placing the new OSS drain field without getting agreement from the neighbors and variances from the county to allow the new system to be located less than 100 feet of the wells.

Our best option given the conditions described above is to connect to the Gig Harbor sewer line that runs past the east side of our property. Our understanding is that this is a pressurized sewer line that is available to private homes in hardship cases. We are requesting that we be admitted as one of these cases because a new OSS on our property is not feasible.

Please consider this request, and let us know if we can provide any additional information that will help you in this determination.

Sincerely,



Tami Vermillion
8103-58th Ave. NW
Gig Harbor, WA
98332
253-851-5227

RECEIVED
CITY OF GIG HARBOR

APR 27 2006

COMMUNITY
DEVELOPMENT



COMMUNITY DEVELOPMENT DEPARTMENT

TO: MAYOR HUNTER AND CITY COUNCIL
FROM: JOHN P. VODOPICH, AICP
COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: WETLAND EVALUATIONS – CONSULTANT SERVICES
CONTRACT
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

The Mayor has requested that the City investigate the Eddon Boat site, the Scofield Property, and the area around the Gig Harbor North Interchange for the presence of wetlands.

FISCAL CONSIDERATION

This work was not anticipated in the 2006 Budget; however adequate funds are available within the City's general Street Fund #101 to cover this expenditure.

RECOMMENDATION

I recommend Council approval of the Consultant Service Contract with David Evans and Associates in an amount not to exceed Two Thousand Five Hundred Thirty-five Dollars (\$2,535) as presented.

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
DAVID EVANS AND ASSOCIATES, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and David Evans and Associates, Inc., a corporation organized under the laws of the State of Washington, located and doing business at 3700 Pacific Highway East, Suite 311, Tacoma, (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in wetland delineation, survey and permit identification for the Scofield site, Interchange Area at Gig Harbor North, and the Eddon Boat Property and desires that the Consultant perform services necessary to provide the following consultation services.

WHEREAS, the Consultant agrees to perform the services more specifically described in the Scope of Work, dated June 20, 2006, including any addenda thereto as of the effective date of this agreement, all of which are attached hereto as **Exhibit A – Scope of Services**, and are incorporated by this reference as if fully set forth herein.

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

TERMS

I. Description of Work

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

II. Payment

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Two Thousand Five Hundred Thirty-five Dollars and no cents (\$2,535.00) for the services described in Section I herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. PROVIDED, HOWEVER, the City reserves the right to direct the Consultant's compensated services under the time frame set forth in Section IV herein before reaching the maximum amount. The Consultant's staff and billing rates shall be as described in **Exhibit B**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill at rates in excess of the hourly rates shown in **Exhibit B**; unless the parties agree to a modification of this Contract, pursuant to Section XVIII herein.

B. The Consultant shall submit monthly invoices to the City after such services have been performed, and a final bill upon completion of all the services described in this

Agreement. The City shall pay the full amount of an invoice within forty-five (45) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Consultant of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

III. Relationship of Parties

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

IV. Duration of Work

The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** immediately upon execution of this Agreement. The parties agree that the work described in **Exhibit A** shall be completed by June 30, 2006, provided however, that additional time shall be granted by the City for excusable days or extra work.

V. Termination

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

B. Rights Upon Termination. In the event of termination, the City shall pay for all services satisfactorily performed by the Consultant to the effective date of termination, as described on a final invoice submitted to the City. Said amount shall not exceed the amount in Section II above. After termination, the City may take possession of all records and data within the Consultant's possession pertaining to this Agreement, which records and data may be used by the City without restriction. Upon termination, the City may take over the work and prosecute the same to completion, by contract or otherwise. Except in the situation where the Consultant has been terminated for public convenience, the Consultant shall be liable to the City for any additional costs incurred by the City in the

completion of the Scope of Work referenced as **Exhibit A** and as modified or amended prior to termination. "Additional Costs" shall mean all reasonable costs incurred by the City beyond the maximum contract price specified in Section II(A), above.

VI. Discrimination

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

VII. Indemnification

The Consultant shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorneys' fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. The City's inspection or acceptance of any of the Consultant's work when completed shall not be grounds to avoid any of these covenants of indemnification.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, agents and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

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

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

VIII. Insurance

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

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

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

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

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

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

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

IX. Exchange of Information

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

X. Ownership and Use of Records and Documents

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

XI. City's Right of Inspection

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

XII. Consultant to Maintain Records to Support Independent Contractor Status

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

XIII. Work Performed at the Consultant's Risk

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

XIV. Non-Waiver of Breach

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

XV. Resolution of Disputes and Governing Law

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

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

XVI. Written Notice

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

CONSULTANT

Randy A. Anderson, P.E.
Senior Associate, Project Manager
David Evans & Associates, Inc.
3700 Pacific Highway East, Ste. 311
Tacoma, WA 98424
(253) 922-9780

CITY OF GIG HARBOR

John P. Vodopich, AICP
Community Development Director
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170

XVII. Assignment

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

XVIII. Modification

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

XIX. Entire Agreement

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

IN WITNESS WHEREOF, the parties have executed this Agreement on this _____ day of _____, 2006.

CONSULTANT
By: Randy Anderson
Its Principal
SR. ASSOCIATE

CITY OF GIG HARBOR
By: _____
Mayor

Notices to be sent to:
Randy A. Anderson, P.E.
David Evans & Associates, Inc.
3700 Pacific Highway East, Ste. 311
Tacoma, WA 98424
(253) 922-9780

CITY OF GIG HARBOR
John P. Vodopich, AICP
Community Development Director
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(print or type name)
NOTARY PUBLIC in and for the
State of Washington, residing at:

My Commission expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

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

Dated: _____

(print or type name)
NOTARY PUBLIC in and for the
State of Washington, residing at:

My Commission expires: _____

EXHIBIT A
Scope of Services
Wetland Delineation, Survey, and Permit Identification
City of Gig Harbor, WA
June 20, 2006

PROJECT UNDERSTANDING

The City of Gig Harbor has several on-going projects that may have wetlands within or immediately adjacent to the proposed project foot-print. These wetlands could impact site development, permitting, and construction scheduling. David Evans & Associates, Inc. (DEA) will assist the City of Gig Harbor identify and classify wetlands at three sites identified as Site #1, the Scofield site, Site #2, the interchange area at Gig Harbor north, and Site #3, the Eddon Boat site. For sites #1 and 2 DEA will provide a sketch map atop an aerial photograph depicting the approximate location of wetlands discovered during the site visit. For Site #3 the wetland boundary will be field surveyed and mapped on survey base maps previously made for the City. Based on the findings of the initial site visit, a wetland delineation, survey, and report(s) may be required in the future. Should wetlands be present, additional tasks not outlined within this scope and budget may be required.

DEA has been requested to provide the following services:

1. Wetland Reconnaissance;
2. Wetland Sketch Map; and
3. Field survey and mapping work for the Eddon Boat site.

In order to accomplish said tasks, the City of Gig Harbor will:

1. Visit each site with the project biologist during the early morning to identify each site and project limits; and
2. Provide aerial photos to DEA for Sites #1 and 2.

Sites include:

- Site 1: Scofield Site
- Site 2: Interchange Area at Gig Harbor North
- Site 3: Eddon Boat Property

SCOPE OF SERVICES

Task 1 – Wetland Reconnaissance

DEA will visit the each site in the early morning with a city representative to define the project area. Once each site has been identified one biologist will conduct a wetland reconnaissance of each site. All wetlands documented during the site visit will be rated and classified so that the appropriate buffers can be applied per the City of Gig Harbor Critical Areas Code. The approximate boundaries will be sketched on an aerial photograph provided by the City of Gig Harbor. As requested by the City, wetland edges will not be delineated or surveyed at this time. DEA will work until all wetlands are delineated or it becomes to dark to continue. Data generated during the site visit will include photos and the Washington State Department of Ecology rating forms.

- Deliverables:**
1. Via email, DEA will rate, classify, and assign the applicable buffer of each wetland.
 2. Sketch Map of wetlands on each site.
 3. Updated Eddon Boat site base maps.

Task 2- Project Management

Project management includes project set-up, invoicing, file management, and coordination efforts. DEA will coordinate with the CLIENT, as needed to explain wetland issues and describe permitting requirements based on the findings of the site visit and project specifics. Coordination may include e-mail or telephone communication.

ASSUMPTIONS

This proposal was prepared using the following assumptions. If any of these assumptions prove to be incorrect or if conditions change, DEA reserves the right to renegotiate the Scope of Services and Fees:

1. A city representative will identify each site to the project biologist during the early morning.
2. Legal access to all sites will be provided by the City.
3. Site plans or drawings will be provided by the City for use by the biologist.
4. An aerial photograph of each site will be provided by the City for the sketch maps.
5. Wetland reconnaissance services are limited to one full day.
6. Additional tasks will be required in the future.

**EXHIBIT B
FEES FOR SERVICES
City of Gig Harbor, WA
June 20, 2006**

For Tasks 1 and 2 DEA will be compensated on a time and materials basis not to exceed the total estimated value provided.

1. Site visit	\$1,300.00
2. Project Management	\$ 500.00
3. Eddon Boat Site	\$ 735.00
Total Fees This Authorization	\$2,535.00

Personnel Rates

Senior Scientist	\$105.00
Project Manager	\$160.00
Administrative Assistant	\$75.00
Survey---See estimate below	

Expense Rates

Mileage	\$0.445/mile
Other	cost + 15%

Site #3---Eddon Boat Site field survey and base mapping cost estimate	
Field survey crew 3 hours at \$135.00 per hour	\$405.00
Office mapping 2 hours at \$80.00 per hour	\$160.00
Project survey 1 hour at \$100.00 per hour	\$100.00
Professional surveyor .5 hours at \$140.00	\$ 70.00
Total	\$735.00



COMMUNITY DEVELOPMENT DEPARTMENT

TO: MAYOR HUNTER AND CITY COUNCIL
FROM: JOHN P. VODOPICH, AICP
COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: STAFF REPORT - PROPOSED CITY INITIATED ANNEXATION
DATE: JUNE 26, 2006

INFORMATION/BACKGROUND

At the June 12, 2006 Council meeting, staff was asked to bring back information regarding annexation area south of 96th Street NW, east of Highway 16, west of Burnham Drive NW, and north of Rosedale Street. This area is approximately 216 acres in size and, as a result of recent annexations is surrounded by the City limits.

The area is comprised of 73 tax parcels owned by 41 different taxpayers. There are 12 registered voters residing in the area.

The Revised Code of Washington does provide for the election method of annexation for this area (RCW 35A.14.).

The City would need to pass a resolution calling for an election and pay the costs of such an election to initiate such a process.

RCW 35A.14.015

Election method — Resolution for election — Contents of resolution.

When the legislative body of a charter code city or noncharter code city shall determine that the best interests and general welfare of such city would be served by the annexation of unincorporated territory contiguous to such city, such legislative body may, by resolution, call for an election to be held to submit to the voters of such territory the proposal for annexation. The resolution shall, subject to RCW [35.02.170](#), describe the boundaries of the area to be annexed, state the number of voters residing therein as nearly as may be, and shall provide that said city will pay the cost of the annexation election. The resolution may require that there also be submitted to the electorate of the territory sought to be annexed a proposition that all property within the area annexed shall, upon annexation, be assessed and taxed at the same rate and on the same basis as the property of such annexing city is assessed and taxed to pay for all or any portion of the then-outstanding indebtedness of the city to which said area is annexed, which indebtedness has been approved by the voters, contracted for, or incurred prior to, or existing at, the date of annexation. Whenever such city has prepared and filed a proposed zoning regulation for the area to be annexed

as provided for in RCW [35A.14.330](#) and [35A.14.340](#), the resolution initiating the election may also provide for the simultaneous adoption of the proposed zoning regulation upon approval of annexation by the electorate of the area to be annexed. A certified copy of the resolution shall be filed with the legislative authority of the county in which said territory is located. A certified copy of the resolution shall be filed with the boundary review board as provided for in chapter [36.93](#) RCW or the county annexation review board established by RCW [35A.14.200](#), unless such annexation proposal is within the provisions of RCW [35A.14.220](#).

