

Gig Harbor City Council Meeting

**July 9, 2007
6:00 p.m.**



**AGENDA FOR
GIG HARBOR CITY COUNCIL MEETING
July 9, 2007 - 6:00 p.m.**

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

SWEARING IN CEREMONY: Officer Sharon Cox.

RECOGNITION OF SERVICE: John Vodopich, Community Development Director.

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of June 25, 2007.
2. Correspondence / Proclamations: Parks and Recreation Month.
3. Sanitary Sewer & Stormwater Facilities Easement & Maintenance Agreements – Costco Wholesale.
4. Sanitary Sewer & Stormwater Facilities Easement & Maintenance Agreements – Mallards Landing Lots 2, 3 and 7.
5. Sanitary Sewer & Stormwater Facilities Easement & Maintenance Agreements – Franciscan Health System.
6. Eddon Boat Sediment Cleanup, Design & Construction Documents – Consultant Services Contract – Anchor Environmental LLC.
7. Approval of Payment of Bills for July 9, 2007:
Checks #54635 through #54750 in the amount of \$498,182.53.
8. Approval of Payment of Payroll for June:
Checks #4711 through #4745 and direct deposits in the amount of \$303,593.79.

OLD BUSINESS:

1. Second Reading of Ordinance – Public Records Rules of Procedure.
2. Tides Tavern Tideland Lease.
3. Gig Harbor Boatshop Lease Agreement.

NEW BUSINESS:

1. First Reading of Ordinance – Budget Amendment: Staffing and Legal Services.
2. Public Hearing and First Reading of Ordinance – Amending School Impact Fees.
3. Installation & Maintenance of Traffic Management System (TMS) Closed Circuit Television (CCTV) Camera Systems - WSDOT Master Agreement.

STAFF REPORT:

1. Affordable Housing – Tom Dolan, Planning Director.
2. Update on Wollochet Drive Road Rehabilitation.
3. PenMet Grant.

PUBLIC COMMENT:

MAYOR'S REPORT / COUNCIL COMMENTS / COUNCIL COMMITTEE REPORTS:

ANNOUNCEMENT OF OTHER MEETINGS:

1. GH North Traffic Options Committee – Wednesday, (not yet determined), at 9:00 a.m. in Community Rooms A & B.
2. Bridge Opening Celebration – Skansie Brothers Park, July 10th, 5:00 – 8:00 p.m.
3. Finance & Safety Committee – July 12th at 4:00 p.m.
4. Museum Groundbreaking Ceremonies – Friday, July 13th and Saturday, July 14th – 10:00 – noon and 11:00 - 3:00 p.m.
5. WSDOT Bridge Ceremony – Sunday, July 15th – all day events.
6. Special City Council Meeting – July 16th at 6:00 p.m.
7. Operations and Public Projects Committee – Thursday, July 19th, at 3:00 p.m. in the Engineering/Operations Conference Room.
8. Council Budget Retreat – Monday, July 30th at 6:00 p.m.

ADJOURN:

Recess to Worksession: Mainstreet Program.

GIG HARBOR CITY COUNCIL MEETING OF JUNE 25, 2007

PRESENT: Councilmembers Young, Franich, Conan, Dick, and Payne. Councilmember Kadzik was absent and Councilmember Ekberg acted as Mayor Pro Tem.

CALL TO ORDER: 6:00 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 June 11, 2007 and Public Safety Workshop.
2. Correspondence / Proclamations: a) AWC Grant Award; b) Scandinavian Heritage Week.
3. Receive and File: No Finance / Safety Committee on 6/13.
4. Eddon Boat – Anchor Environmental Contract Amendment No. 8.
5. Resolution - Personnel Policies Amendment – Sick Leave Cash Out.
6. Resolution – Surplus Equipment.
7. Liquor License Renewals: The Keeping Room; Harbor Rock Café; Hunan Gardens; Kinza Teriyaki; Spiro's.
8. Liquor License Change of Corporate Officers – Tides Tavern.
9. Approval of Payment of Bills for June 25, 2007:
10. Checks #54501 through #54634 in the amount of \$436,175.54.

MOTION: Move to approve the Consent Agenda as presented.
Young / Conan – five voted yes. Councilmember Franich voted no.

RECOGNITION CEREMONY: Blessing of the Fleet / Maritime Gig.

Mayor Pro Tem Ekberg read the certificates of recognition into the record before presenting them to John Oldham, Blessing of the Fleet Committee, and Kim Hails, Executive Director of the Gig Harbor Chamber of Commerce, for these two special events.

OLD BUSINESS:

1. Second Reading of Ordinance – Two Ordinances Adopting Text Amendments Recommended in Phase 1b of the Design Review Process Improvements Initiative (Zone 07-0023 & 07-0024). Jennifer Kester, Senior Planner, described ordinance updates to include all five design review options to mirror the procedure section of the zoning code. She explained that Kurt Latimore and Tom Dolan are present to address concerns voiced at the last meeting.

Kurt Latimore, The Latimore Company, described the difference in how the design review process fit into the permitting process now and how it would it would run concurrently if the proposed ordinance is adopted.

Tom Dolan, Planning Director, addressed the question of tracking the 120 day time limit. He said that he is confident that staff can use the Interlocking Permit Tracking Software to help track time.

Councilmember Payne asked for clarification on how this would work. Mr. Dolan explained that there is a separate module to place a tickler on the calendar. He said that the Planner would put a date in when the letter advising the customer that the application is complete, then the countdown of days would begin. During the 120 days, if something came up, the Planner would stop the countdown. He said that project status would be discussed each week during the staff meeting.

Rick Gagliano – 8607 58th Ave. NW. Mr. Gagliano, a member of the Design Review Board, said that he views the proposed amendments to the process as a positive development. He said that this is really going to give the design review process an open feel and will foster more cooperation.

Councilmember Young asked if there is anything in the code to prevent an applicant from using the Design Review Board as a defacto approval and to help avoid wasting both staff and DRB time. He also asked if the DRB has the ability or authority to refuse to review a project.

Kurt Latimore responded that before an application goes before the Design Review Board, the Planning Department prepares a project synopsis. If the project is out of compliance, this would be reflected in the report which goes before the Hearing Examiner.

Carol Morris, City Attorney, said that the Design Review Board could make a decision during their meeting to forward a recommendation to the Hearing Examiner that they wish not to review a project.

MOTION: Move to adopt Ordinance No. 1092 regarding Timing of Clearing as presented.

Dick / Payne – unanimously approved.

MOTION: Move to adopt Ordinance No. 1093 regarding the Design Review Procedures as presented.

Payne / Conan – unanimously approved.

NEW BUSINESS:

1. First Reading of Ordinance – Public Disclosure Requests. Carol Morris presented this ordinance that summarized the procedures that the city uses to process public

disclosure requests. She summarized amendments submitted by Councilmember Dick that will be incorporated before the second reading.

Molly Towslee, City Clerk, gave an overview of how requests for records are processed in response to concerns voiced by Councilmember Franich that the process would be too restrictive. This will return for a second reading at the next meeting.

2. First Reading of Ordinance – Amendment to 8.30.010 – Prohibiting Use of Skateboards, Scooters and Roller Skates on City Streets. Bill Colberg, Lieutenant, presented the background for this ordinance that would extend the prohibition of skateboards, scooters and roller skates on the city’s arterial streets.

Councilmembers discussed concern that this would prohibit kids from recreating in their neighborhoods and it would result in an increase in complaints if they do. Another comment was made that inline skaters would not stop to take off their skates when crossing the street.

Rob Karlinsey, City Administrator, said that he would work with staff to develop language to address these concerns before the next reading. John Vodopich, Community Development Director, suggested adding “through streets” as one option.

3. Tides Tavern Tidelands Lease. Carol Morris explained that when Peter Stanley asked to renew an easement for the Harborview Drive Street End as well as the tidelands adjacent to his business, it was her suggestion to use an encroachment permit for the street end and the use of the tidelands through a lease. Mr. Stanley has submitted an encroachment permit application, and what is before Council is a lease that she negotiated with Mr. Stanley’s attorney.

Ms. Morris said that there are a couple of provisions that Council should consider. The attorney made it clear that the lease for floats on the city’s tidelands is not going to allow public use; it is only for people to tie up their boats and then to walk up to the Tide Tavern. This results in a lease of public property for private use for twenty years. She recommended that because it is such a small amount of amount being proposed, Council consider whether this is appropriate and if the property should be evaluated for any future public use.

Peter Stanley – 602 No. ‘C’ Street, Tacoma. Mr. Stanley, owner of the Tides for 34 years, said that he had a 20 year agreement with the Department of Natural Resources as well as the city that he wants to renew. He addressed the comment of “no public use.” He said that as a restaurant, they can refuse service to anyone, and according to the liquor rules they must refuse service to certain people. He said that he needs to retain that same right on his docks. He further explained that the floats have been there for over 34 years. He said that they have signed a 20-year lease with DNR and he is proposing to pay the city the same square foot amount being paid to DNR, which is the amount proposed by city staff in November. He stressed that this is a very small amount

of property; five feet by six feet at the extreme seaward end of the street end. Mr. Stanley asked for consideration for his lease, and offered to answer questions.

Mayor Pro Tem Ekberg asked if the docks were posted for Tides use only. Mr. Stanley responded that they are not. He said that there has been a general agreement to be flexible, but due to the pressure on public docks, they may have to do something.

Councilmember Young said that because this cuts off public access the city should be careful in considering a 20-year lease. He recommended a shorter term such as five or ten years. Councilmembers further discussed a shorter term with automatic renewals.

Mr. Stanley said that he would be amiable to a ten year lease, but anything shorter, he would like to consult his attorney. He said if something were to come up the city has the option to condemn.

Ms. Morris explained that this is a lease and wouldn't require condemnation, but the city would have to break the lease and suffer any consequences. She said she will bring back an amended lease with a five year term with three automatic renewals as discussed by Council. She also pointed out to Mr. Stanley that on pages 15 and 16, she made changes that he also might want to run by his attorney.

4. Gig Harbor BoatShop Lease Agreement. Rob Karlinsey asked Council to consider the lease agreement in the packet as a draft, as they continue to negotiate a few items. The amended agreement will be back on the July 9th agenda.

5. Planning Commission Work Program. Jennifer Kester, Senior Planner, presented this update to the work program for the Planning Commission and gave an overview of the five text amendments added since the last update.

MOTION: Move to approve the Planning Commission Work Program as presented.
Payne / Conan – unanimously approved.

6. Request to Purchase City Property – Richards. John Vodopich reported that additional information had been gathered at Council's request. He said that the adjacent property recently sold for approximately \$25.65 per square foot. Using this figure as a comparable for determining the fair market value of the city's property, it is estimated to be valued at \$161,595.00. He further explained that the City Attorney has suggested a competitive bidding process to ensure that the City receives fair market value for the property.

Councilmember Young agreed that it should be taken to a competitive bidding process as it wouldn't be appropriate as a pocket park. He suggested that perhaps a provision could be made for a public amenity in addition to the sale. Councilmember Payne agreed, also agreeing that a minimum amount should be set.

Councilmember Franich said that he thinks providing open space is important, and because the B-2 zone is already highly developed. He said that he would support the sale of this property if Council would commit to dedicate the money from the sale to road improvements. The other Councilmembers agreed.

MOTION: Move to direct staff to advertise and put the 6,300 square feet of property near the old WSP Building out to competitive bid and upon execution of the sale of the property, place the funds into a road improvement program. Franich / Conan – unanimously approved.

7. Resolution Rejecting Proposed Text Amendment to the PCD-BP Zone (ZONE 07-0019). Jennifer Kester provided the background on this proposed text amendment submitted by Dale Pinney of SHDP Associates, LLC to modify the land use matrix to allow independent living facilities, assisted living facilities and skilled nursing facilities as permitted uses in the Planned Community Development Business Park district. She said that the Planning and Building Committee identified several concerns, and has made a recommendation to reject the proposed text amendment. She said that a resolution rejecting the text amendment has been prepared, or the other option would be to forward this to the Planning Commission for consideration.

Dale Pinney, SHDP – 8129 Lake Ballinger Way, Edmonds, WA. Mr. Pinney used a map to illustrate that a very small area would be affected by this proposed text amendment. He said that the synergy of medical offices is moving northward toward the hospital and they are regrouping to decide what they can do with their property. When a suggestion came up for an assisted living facility, they thought it reasonable request a text amendment. He named all the other areas in which this use is allowed, then added that the focus in the committee report is that this use doesn't meet the intent of the zone. He stressed that none of the intents of the other zones include assisted living facilities as fitting into those areas and this is why they felt it should also be allowed in the PCD-BP Zone. He said that it is an issue of fairness.

Councilmember Young said that he agrees that there are issues with the compatibility of such facilities in the ED zone and that he understands the logic of why the proposal came forward. He added that he would vote on the resolution to reject the proposed text amendment as he doesn't want to give up any more BP zoning.

Councilmember Conan said that amending the ED zone is part of the work program for the Planning Commission. There are other issues that were brought to light by the matrix and there may be other zones that this use is not appropriate. He said that he too will vote for the resolution.

MOTION: Move to adopt Resolution No. 720 rejecting proposed text amendment to the PCD-BP zone (ZONE 07-0019).
Young / Conan – unanimously approved.

8. Emergency Resolution to Waive Competitive Bidding Process for Replacement of Traffic Signal Structure and Authorization of Construction Services Contract. Steve Misiurak, City Engineer, explained this resolution would authorize the waiving of competitive bidding requirements to repair a damaged traffic signal at Hunt/Wollochet for safety reasons.

MOTION: Move to adopt Resolution No. 721 waiving the competitive bidding requirements and approve and authorize the construction services contract with Totem Electric of Tacoma, Inc. for the removal and replacement of the damaged traffic signal pole for a lump sum amount of approximately \$17,000.00

Young / Conan – unanimously approved.

9. Interlocal Signal Agreement with WSDOT. Steve Misiurak presented this addendum to the master signal agreement with WSDOT to add additional sites.

MOTION: Move to authorize Council to approve and the Mayor to sign the Agreement with WSDOT Signal Assignment No. 2 Agreement No. GMW-0008.

Payne / Conan – unanimously approved.

10. SR-16 Interchange Project Management and Consultant Oversight Contract. Steve Misiurak explained that this contract is for assistance with project management and contract oversight of the design of the BBC-16 Project. He added that the city would expend no funds for this service, as it is funded by the Franciscan Health System. He answered questions regarding the scope of work.

MOTION: Move to authorize the consultant services contract for Stephen B. Lovell & Associates for preparation of the Documented Categorical Exclusion for the SR-16 Interchange Project for the not-to-exceed amount of Thirty Thousand Eight Hundred Fifteen Dollars and No Cents (\$30,815.00).

Payne / Conan – five voted in favor. Councilmember Franich voted no.

STAFF REPORT:

1. Gig Harbor Police Department – May Report. No verbal report given.

2. Marine Patrol Boat Grant Update. Sergeant Kelly Busey presented a comprehensive presentation on the merits of replacing the city's marine patrol boat. He discussed partnership and grant opportunities for funding assistance and described how these partnerships could work. He addressed Council's questions.

Mr. Misiurak then added that he just got notice that the Department of Ecology intends to provide the city with a \$75,000 grant towards the NPDES Phase II Implementation subject to legislative approval.

3. Schedule of Retreat Action Items. Rob Karlinsey reported that this schedule is a follow-up of action items discussed in the Council retreat.

4. Briarwood Sidewalks, 45th Street Sidewalks, and Olympic/56th Road Improvement Project Updates. Steve Misiurak gave a quick update on these three projects and answered questions.

PUBLIC COMMENT: No one came forward to speak.

MAYOR’S REPORT / COUNCIL COMMENTS / COUNCIL COMMITTEE REPORTS:

Councilmember Young announced that he would have to withdraw from the Intergovernmental Affairs Committee due to an employment conflict. He asked that any other Councilmembers that might be interested in serving on this committee send a note to the Mayor.

Councilmember Payne talked about the success of the recent Community Coffee Event. He said that five people showed up and it was a great opportunity for discussion. He said that they will continue to schedule these. He then added that he will be absent from the July 23rd meeting.

ANNOUNCEMENT OF OTHER MEETINGS:

1. GH North Traffic Options Committee – Wednesday, June 27th, at 9:00 a.m. in Community Rooms A & B.
2. Bridge Opening Celebration – Skansie Brothers Park, July 10th , 5:00 – 8:00 p.m.
3. Finance & Safety Committee – July 12th at 4:00 p.m.
4. Operations and Public Projects Committee – Thursday, July 19th, at 3:00 p.m. in the Engineering/Operations Conference Room.
5. Council Budget Retreat – Monday, July 30th at 6:00 p.m.

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

Carol Morris said that the Executive Session wasn’t necessary.

ADJOURN:

MOTION: Move to adjourn at 8:0 p.m.
Franich / Payne – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1- 33
Disk #2 Tracks 1- 8

Charles L. Hunter, Mayor

Molly Towslee, City Clerk

**PROCLAMATION OF THE MAYOR
OF THE CITY OF GIG HARBOR**

WHEREAS, parks and recreation activities and experiences provide opportunities for young people to live, grow and develop into contributing members of their communities; and

WHEREAS, parks and recreation creates lifelines and enriches life experiences for older members of our communities; and

WHEREAS, parks and recreation agencies provide outlets for physical activities, socialization and stress reducing experiences; and

WHEREAS, parks, playgrounds nature trails, open spaces, community, aquatics and cultural centers, state parks and historic sites make our state an attractive and desirable place to live, work, play and visit, which contributes to our economic vitality; and

WHEREAS, parks, greenways and open spaces provide a welcome respite from our fast-paced, high-tech lifestyles while protecting and preserving our natural environment; and

WHEREAS, parks and recreation agencies touch the lives of individuals, families, groups and entire communities, which positively impacts the social, economic, health and environmental quality of our state;

NOW THEREFORE, I Charles L. Hunter, Mayor of the City of Gig Harbor, hereby proclaim July 2007 as

PARK AND RECREATION MONTH

in the City of Gig Harbor, and encourage all residents and visitors to acknowledge, support, and participate in the parks and recreation activities in our communities.

CHARLES L. HUNTER, MAYOR

Date



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

Subject: Sanitary Sewer and Stormwater Facilities Easement and Maintenance Agreements – Costco Wholesale

Dept. Origin: Community Development

Prepared by: Stephen Misiurak, P.E.
City Engineer

Proposed Council Action: Approval of the Sanitary Sewer and Stormwater Agreements as presented.

For Agenda of: July 09, 2007

Exhibits: Two Sanitary Sewer and two Storm Water Maintenance Agreements

Initial & Date

Concurred by Mayor:

CLH 7/5/07

Approved by City Administrator:

ROK 7/3/07

Approved as to form by City Atty:

GM 7/3/07

Approved by Finance Director:

N/A

Approved by Department Head:

SM 7/3

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

As a condition of project approval of the Costco Wholesale located at 10990 Harbor Hill Dr., Gig Harbor and owned by Costco Wholesale, Sanitary Sewer and Storm Water Facilities Maintenance Agreement(s) are required. This will ensure that the sanitary sewer system and storm water system will be constructed, operated and maintained in accordance with all applicable rules and regulations. The sanitary sewer system and storm water system is located on private property and will be privately owned. The City will not be responsible for the operation and maintenance of these systems. These agreements allow the City a nonexclusive right-of-entry onto those portions of the property in order to access the sanitary sewer system for inspection and monitoring of the system.

FISCAL CONSIDERATION

No funds will be expended for the acquisition of the described agreements.

RECOMMENDATION / MOTION

Move to: Approval of the Sanitary Sewer and Stormwater Agreements as presented.

AFTER RECORDING RETURN TO:

The City of Gig Harbor
Attn: City Clerk
3510 Grandview St.
Gig Harbor, WA 98335

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

Document Title(s) (or transactions contained therein):
Storm Water Facilities Maintenance Agreement and Restrictive Covenant

Grantor(s) (Last name first, then first name and initials)
Costco Wholesale

Grantee(s) (Last name first, then first name and initials)
City of Gig Harbor

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range)
Northeast corner of Section 31, Township 22N, Range 2 E

Assessor's Property Tax Parcel or Account Number: 0222312039

Reference Number(s) of Documents assigned or released: _____

STORM WATER FACILITIES MAINTENANCE AGREEMENT AND RESTRICTIVE COVENANT

This Storm Water Facilities Maintenance Agreement and Restrictive Covenant is made this ____ day of _____, 200__, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Costco Wholesale, a Washington Corporation organized under the laws of the State of Washington, located and doing business at 999 Lake Dr. Issaquah WA, 98027 (hereinafter the "Owner").

RECITALS

WHEREAS, Owner is the owner of fee title or a substantial beneficial interest in certain real property located in Gig Harbor, Washington, commonly described as Costco Wholesale, located at 10990 Harbor Hill Dr., Gig Harbor WA (hereinafter the "Property") and legally described in **Exhibit A**, which is attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the Owner's proposed development of the Property, the City has required and the Owner has agreed to construct a storm water collection and detention system; and

WHEREAS, such drainage system is described and shown on a construction drawing prepared by the engineering firm of Barghausen Consulting Engineers, Inc. on September 22, 2006 (hereinafter the "Drainage System Drawing"), for the Owner's Property, a copy of which is attached hereto as **Exhibit B** and incorporated herein by this reference; and

WHEREAS, as a condition of project approval and/or as a condition of the City's utilization of the Owner's storm drainage system, the parties have entered into this Maintenance Agreement and Restrictive Covenant, in order to ensure that the drainage system will be constructed and maintained in accordance with the approved plans and the City's development standards;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

T E R M S

Section 1. Construction and Maintenance. Owner agrees to construct and maintain a drainage system on its Property, as shown on the Drainage System Drawing, **Exhibit B**. The drainage system shall be maintained and preserved by the Owner until such time as the City, its successors or assigns, agree that the system should be altered in some manner or eliminated.

Section 2. No Removal. No part of the drainage system shall be dismantled, revised, altered or removed, except as necessary for maintenance, repair or replacement.

Section 3. Access. The City shall have the right to ingress and egress over those portions of the Property described in **Exhibit A** in order to access the drainage system for inspection and to reasonably monitor the system for performance, operational flows or defects.

Section 4. Repairs, Failure of Owner to Maintain. If the City determines that maintenance or repair work is required to be performed on the system, the City Engineer or his/her designee shall give notice to the Owner of the noted deficiency. The Engineer shall also set a reasonable time in which the Owner shall perform such work. If the repair or maintenance required by the Engineer is not completed within the time set by the Engineer, the City may perform the required maintenance and/or repair. Written notice will be sent to the Owner, stating the City's intention to perform such repair or maintenance, and such work will not commence until at least 15 days after such notice is mailed, except in situations of emergency. If, within the sole discretion of the Engineer, there exists an imminent or present danger to the system, the City's facilities or the public health and safety, such 15 day period will be waived and maintenance and/or repair work will begin immediately.

Section 5. Cost of Repairs and/or Maintenance. The Owner shall assume all responsibility for the cost of any maintenance and for repairs to the drainage system. Such responsibility shall include reimbursement to the City within 30 days after the City mails an invoice to the Owner for any work performed by the City. Overdue payments will require payment of interest by the Owner at the current legal rate as liquidated damages.

Section 6. Notice to City of Repairs and/or Maintenance. The Owner is hereby required to obtain written approval from the City Engineer prior to filling, piping, cutting or removing vegetation (except in routine landscape maintenance) in open vegetated drainage facilities (such as swales, channels, ditches, ponds, etc.), or performing any alterations or modifications to the drainage system.

Section 7. Rights Subject to Permits and Approvals. The rights granted herein are subject to permits and approvals granted by the City affecting the Property subject to this Maintenance Agreement and Covenant.

Section 8. Terms Run with the Property. The terms of this Maintenance Agreement and Covenant are intended to be and shall constitute a covenant running with the Property and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns.

Section 9. Notice. All notices required or permitted hereunder shall be in writing and shall either be delivered in person or sent by certified U.S. Mail, return-receipt requested, and shall be deemed delivered on the sooner of actual receipt of three (3) days after deposit in the mail, postage prepaid, addressed to the City or the Owner at the addresses set forth below:

To the City:
City Engineer
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

To the Owner:
Costco Wholesale
999 Lake Dr.
Issaquah, WA 98027

Section 10. Severability. Any invalidity, in whole or in part, of any provision of this Maintenance Agreement and Covenant shall not affect the validity of any other provision.

Section 11. Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 12. Governing Law, Disputes. Jurisdiction of any dispute over this Maintenance Agreement and Covenant shall be solely with Pierce County Superior Court, Pierce County, Washington. This Maintenance Agreement and Covenant shall be interpreted under the laws of the State of Washington. The prevailing party in any litigation arising out of this Maintenance Agreement and Covenant shall be entitled to its reasonable attorneys' fees, costs, expenses and expert witness fees.

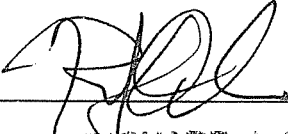
Section 13. Integration. This Maintenance Agreement and Covenant constitutes the entire agreement between the parties on this subject matter, and supersedes all prior discussions, negotiations, and all other agreements on the same subject matter, whether oral or written.

IN WITNESS WHEREOF, the parties have caused this Maintenance Agreement and Covenant to be executed this _____ day of _____, 200 ____.

THE CITY OF GIG HARBOR

By: _____
Its Mayor

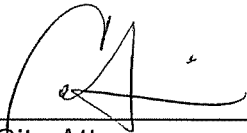
OWNER

By:  _____
Its: **RICHARD J. OLIN**
V.P./Asst. Secretary _____
Print Name: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

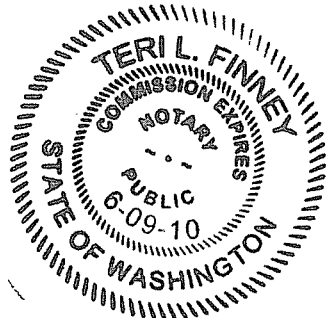
 _____
City Attorney

NOTARY BLOCK FOR A CORPORATION/PARTNERSHIP

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that ROBERTO J. OLIVERA 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 V.P. ASST SECRETARY of COSTCO WHOLESALE CORPORATION, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: JUNE 4, 2007



Teri L. Finney
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 6/9/10

CITY OF GIG HARBOR NOTARY BLOCK

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: _____

Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: _____

EXHIBIT A
PROPERTY LEGAL DESCRIPTION

PARCEL A
REVISED LAND DESCRIPTION

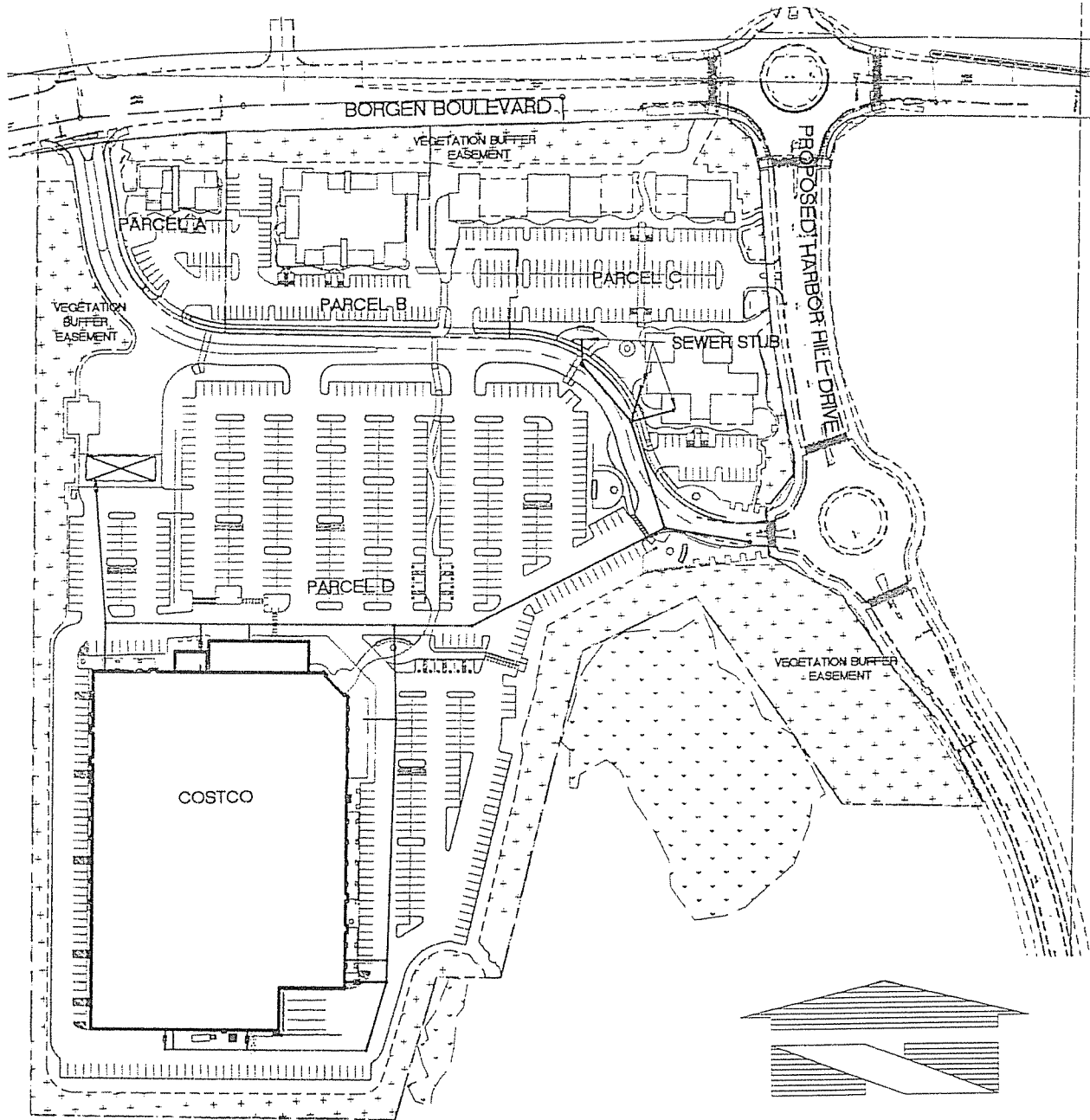
That portion of the Northeast quarter of the Northwest quarter of Section 31, Township 22 North, Range 2 East, W.M., Pierce County, Washington, described as follows:

COMMENCING at the Northwest corner of said section;
THENCE along the North line of said section South 88° 29' 18" East, 1,250.66 feet to the West line of the Northeast quarter of the Northwest quarter of said section and the POINT OF BEGINNING;
THENCE along said West line South 01° 19' 55" West, 1,324.26 feet to the South line of the Northeast quarter of the Northwest quarter;
THENCE along said South line South 88° 22' 24" East, 467.71 feet;
THENCE North 17° 17' 40" East, 188.05 feet;
THENCE South 88° 22' 24" East, 83.15 feet;
THENCE North 14° 26' 00" East, 429.62 feet;
THENCE North 65° 18' 14" East, 159.94 feet;
THENCE South 34° 41' 01" East, 325.45 feet;
THENCE South 88° 22' 24" East, 181.88 feet;
THENCE North 28° 20' 54" West, 76.71 feet;
THENCE North 31° 12' 13" West, 55.29 feet;
THENCE North 39° 46' 50" West, 83.53 feet;
THENCE North 32° 50' 36" West, 32.29 feet;
THENCE North 33° 57' 52" West, 76.44 feet;
THENCE North 59° 53' 46" West, 109.69 feet;
THENCE North 02° 56' 32" West, 57.26 feet;
THENCE North 38° 14' 16" East, 57.28 feet;
THENCE North 02° 20' 30" East, 22.82 feet;
THENCE North 13° 05' 56" West, 41.50 feet;
THENCE North 07° 38' 01" West, 50.07 feet;
THENCE North 08° 43' 23" West, 67.99 feet;
THENCE North 04° 58' 36" West, 67.99 feet;
THENCE North 03° 06' 12" West, 75.10 feet;
THENCE North 02° 58' 43" West, 63.37 feet;
THENCE North 13° 52' 23" West, 42.72 feet;
THENCE North 50° 39' 12" West, 39.82 feet to the Southerly right-of-way margin of Borgen Boulevard;
THENCE North 01° 30' 42" East, 47.30 feet to the North line of said section;
THENCE along said North line North 88° 29' 18" West, 875.87 feet to the POINT OF BEGINNING.

ALSO EXCEPT that portion lying within Borgen Boulevard right-of-way;

Containing 1,020,796 square feet, or 23.43 acres, more or less.

EXHIBIT B DRAINAGE SYSTEM DRAWING



AFTER RECORDING RETURN TO:

The City of Gig Harbor
Attn: City Clerk
3510 Grandview St.
Gig Harbor, WA 98335

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

Document Title(s) (or transactions contained therein):
Sanitary Sewer Facilities Easement and Maintenance Agreement

Grantor(s) (Last name first, then first name and initials)
Costo Wholesale

Grantee(s) (Last name first, then first name and initials)
City of Gig Harbor

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range)
Northeast corner of Section 31, Township 22 N, Range 2 E

Assessor's Property Tax Parcel or Account number: 0222312039

Reference number(s) of documents assigned or released: _____

**SANITARY SEWER FACILITIES EASEMENT
AND MAINTENANCE AGREEMENT**

This Sanitary Sewer Facilities Easement and Maintenance Agreement is made this _____ day of _____, 200__, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Costco Wholesale, a Washington Corporation, located and doing business at 999 Lake Dr. Issaquah WA, 98027 (hereinafter the "Owner").

RECITALS

WHEREAS, Owner is the owner of fee title or a substantial beneficial interest in certain real property located in Gig Harbor, Washington, commonly described as Costco Wholesale located at 10990 Harbor Hill Dr., Gig Harbor WA (hereinafter the "Property") and legally described in **Exhibit A**, which is attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the Owner's proposed development of the Property, the City has required and the Owner has constructed a private sanitary sewer system on the Property; and

WHEREAS, such sanitary sewer system is described and shown on a construction drawing(s) prepared by the engineering firm of Barghausen Consulting Engineers, Inc., dated September 22, 2006 (hereinafter the "Plans"), for the Owner's Property, a copy of which is attached hereto as **Exhibit B** and incorporated herein by this reference; and

WHEREAS, as a condition of project approval, and/or due to the nature of the development, the sanitary sewer system on the Property is private, and will not be the responsibility of and/or owned, operated and maintained by the City; and

WHEREAS, the private sanitary sewer will eventually be connected to the City's sanitary sewer system and the City desires an easement to definitively establish the permissible location of the City's access on the Property described in **Exhibit A**, for the purposes described in this Agreement; and

WHEREAS, as a result of said private ownership and responsibility for operation and maintenance, including repair, rehabilitation, replacement, alterations and/or modifications, the parties have entered in to this Easement and Maintenance Agreement, in order to ensure that the sanitary sewer system will be constructed, operated and maintained in accordance with the approved Plans and all applicable rules and regulations;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

TERMS

Section 1. Affected Property. The real property subject to this Agreement is legally described in **Exhibit A**.

Section 2. Definitions. As used in this instrument:

A. The word "plat" refers to the Parcel No. 0222312039, and any other plat or plats, including short plats, covering all real property which may hereafter be made subject to the provisions of this instrument by a written instrument signed by the Owner, its successors and assigns, in accordance with this Agreement.

B. The word "lot" refers to a lot shown on any plat defined herein, but shall not include any parcel designated as a "tract" on a plat. "Lot" shall include any parcel of land that is separately subjected to this instrument without having been subdivided into two or more parcels by a plat recorded subsequent to the recording of this instrument.

C. The word "Owner" or "Owners" refers to the entity, whether an individual, corporation, joint venture or partnership which is an owner in fee simple or of a substantial beneficial interest (except for mineral estate) in all or any portion of the property in the Plat or the Property. A "substantial beneficial interest" shall include both legal and equitable interests in the Property.

D. The words "Owners' Association" refer to a nonprofit corporation which may be formed for the purpose of operating and maintaining the facilities described in **Exhibit B** on the Property, which may be independently conveyed by the Owner or its successors and assigns to an Owners' Association, and to which the Owners' Association may provide other services in order to benefit the owners of property within the plat or the Property.

Section 3. Maintenance Obligations. The Owner, its successors, assigns and/or owners of an after-acquired interest in the Property, hereby covenant and agree that they are jointly and severally responsible for the installation, operation, perpetual maintenance, of a sanitary sewer system on the Property, as shown on the Plans attached hereto as **Exhibit B**. The sanitary sewer system shall be operated, maintained and preserved by the Owner in accordance with the Plans and all applicable ordinances, codes, rules and regulations. The sanitary sewer system shall be preserved in conformance with the Plans until such time as all parties to this Agreement, including the City, agree in writing that the sanitary sewer system should be altered in some manner or eliminated. In the event the sanitary sewer system is eliminated as provided hereinabove, the Owner shall be relieved of operation and maintenance responsibilities. No such elimination of the sanitary sewer system will be allowed prior to the Community Development Director's written approval.

Section 4. Notice to City. The Owner shall obtain written approval from the Director prior to performing any alterations or modifications to the sanitary sewer system located on the Property described in Exhibit A. No part of the sanitary sewer system shall be dismantled, revised, altered or removed, except as provided hereinabove, and except as necessary for maintenance, including repair, rehabilitation, replacement, alterations, and/or other modifications.

Section 5. Easement for Access. The Owner hereby grants and conveys to the City a perpetual, non-exclusive easement, under, over, along, through and in the Property, as such Easement is legally described in **Exhibit C**, attached hereto and incorporated herein by this reference. This Easement is granted to the City for the purpose of providing the City with ingress and egress in order to access the sanitary sewer system on the Property for inspection, and to reasonably monitor the system for performance, operational flows, defects, and/or conformance with applicable rules and regulations. In addition, the City may use this Easement to exercise its rights as described in Section 8 herein.

Section 6. Assignment to an Owners' Association. In the event that an Owners' Association is formed under a Declaration of Covenants, Conditions and Restrictions which includes all of the Property in **Exhibit A**, the Owner may assign responsibility for installation and perpetual maintenance of the sanitary sewer system to such Owners' Association for so long as the Owners' Association remains in existence and upon the conditions that the Owners' Association assumes all of the obligations, liabilities, covenants and agreements of the Owner under this Agreement. Such assignment of the Owner's obligations shall be in a duly executed instrument in recordable form, and for so long as such assignment remains effective, the Owner shall have no further responsibility or liability under this Agreement.

Section 7. Conveyances. In the event the Owner shall convey its substantial beneficial or fee interest in any property in the Plat, any lot, or the Property, the conveying Owner shall be free from all liabilities respecting the performance of the restrictions, covenants and conditions in this Agreement; PROVIDED, HOWEVER, that the conveying Owner shall remain liable for any acts or omissions during such Owner's period of ownership of such Property.

Section 8. Rights of the City of Gig Harbor.

A. Execution of this Agreement shall not affect the City of Gig Harbor's present or future interest or use of any public or private sanitary sewer system. If the City determines that maintenance is required for the sanitary sewer system, and/or there is/are illegal connection(s) to or discharges into the sanitary sewer system, the Community Development Director or his/her designee shall give notice to the Owner(s) of the specific maintenance and/or changes required, and the basis for said required maintenance and/or changes. The Director shall also set a reasonable time in which the Owner(s) shall perform such work. If the maintenance required by the Director is not completed within the time set by the Director, the City may perform the required maintenance. Written notice will be sent to the Owner(s), stating the City's intention to perform such maintenance, and such work will not commence until at least five (5) days after such notice is mailed, except in situations of emergency. If, at the sole discretion of the Director, there exists an imminent or present danger to the sanitary sewer system, the City's facilities or the public health and safety, such five (5) day period will be waived, and the necessary maintenance will begin immediately.

B. In order to assure the proper maintenance of the Owner's sanitary sewer system, and to ensure there will be no damage to the City's sanitary sewer system, the City of Gig Harbor shall have the right as provided below, but not the obligation, to maintain the system, if the Owner(s) fail to do so, and such failure continues for more than five (5)-days after written notice of the failure is sent to the responsible parties. However, no notice shall be required in the event that the City of Gig Harbor determines that an emergency situation exists in which damage to person or property may result if the situation is not remedied prior to the time required for notice.

C. If the City provides notice in writing, but the Owner or Owners' Association fails or refuses to perform any maintenance or operational duties as requested by the City, the City's employees, officials, agents or representatives may enter the Property and undertake the necessary maintenance, repair or operational duties to the City's satisfaction. The City's ability to enforce this provision is subject further to the City's right to impose materialmen's and/or laborer's liens and to foreclose upon any and all properties owned by the Owner(s).

D. If the City exercises its rights under this Section, then the Owner(s) or Owners' Association shall reimburse the City on demand for all reasonable and necessary expenses incurred incident thereto. In addition, the City is hereby given the right, power and authority acting in the name of the Owner's Association to exercise and enforce on behalf of the Association and at the Association's cost, the assessment of dues and charges for such costs and to enforce the Association's lien right for any assessments, dues and charges as herein specified. The City shall also be permitted to collect the costs of administration and enforcement through the lien attachment and collection process as is permitted under chapter 35.67 RCW, or any other applicable law.

E. In addition to or in lieu of the remedies listed in this Section, if the Owners or Owner's Association, after the written notice described in Section 8A above, fails or refuses to perform the necessary maintenance, repair, replacement or modifications, the City may enjoin, abate or remedy such breach or continuation of such breach by appropriate proceedings, and may bring an action against the violator for penalties under the Gig Harbor Municipal Code.

Section 9. Indemnification of City. The Owner(s) agree to defend, indemnify and hold harmless the City of Gig Harbor, its officials, officers, employees and agents, for any and all claims, demands, actions, injuries, losses, damages, costs or liabilities of any kind or amount whatsoever, whether known or unknown, foreseen or unforeseen, fixed or contingent, liquidated or unliquidated, arising from an alleged defect in the design of the sanitary sewer system as installed by the Owner(s), or arising by reason of any omission or performance under this Agreement by the Owner(s), its successors and assigns, and/or Owners' Association, of any of the obligations hereunder.

Section 10. Rights Subject to Permits and Approvals. The rights granted herein are subject to permits and approvals granted by the City affecting the Property subject to this Easement and Maintenance Agreement.

Section 11. Terms Run with the Property. The promises, conditions, covenants and restrictions contained herein shall constitute a covenant or equitable servitude, the burden and benefit of which shall run with the land and bind successive owners with equitable or legal interests in the Property. Accordingly, by its acceptance of a deed or other instrument vesting a substantial beneficial interest in all or any lot, or other portion of the Property or the Plat in such Owner, each Owner shall covenant to be bound by all the obligations incumbent upon an Owner as set forth herein, and shall be entitled to all rights and benefits accruing to an Owner hereunder. This Agreement shall be recorded in the Pierce County Assessor's Office, and shall serve as notice to holders of after-acquired interests in the Property.

Section 12. Notice. All notices require or permitted hereunder shall be in writing and shall either be delivered in person or sent by certified U.S. Mail, return-receipt requested, and shall be deemed delivered on the sooner of actual receipt on three (3) days after deposit in the mail, postage prepaid, addressed to the City or the Owner at the addresses set forth below:

To the City:

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

To the Declarant:

Costco Wholesale
999 Lake Drive
Issaquah, WA 98027

Section 13. Severability. Any invalidity, in whole or in part, of any provision of this Easement and Maintenance Agreement shall not affect the validity of any other provision.

Section 14. Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 15. Governing Law, Disputes. Jurisdiction of any dispute over this Easement and Maintenance Agreement shall be solely with Pierce county Superior Court, Pierce County, Washington. This Easement and Maintenance Agreement shall be interpreted under the laws of the State of Washington. The prevailing party in any litigation arising out of this Easement and Maintenance Agreement shall be entitled to its reasonable attorneys' fees, costs, expenses and expert witness fees.

Section 16. Integration. This Easement and Maintenance Agreement constitutes the entire agreement between the parties on this subject matter, and supersedes all prior discussions, negotiations, and all other agreements on the same subject matter, whether oral or written.

IN WITNESS WHEREOF, the parties have caused this Easement and Maintenance Agreement be executed this _____ day of _____, 200__.

THE CITY OF GIG HARBOR

OWNER

By: _____
Its Mayor

By: *[Signature]*
RICHARD J. OLIN
Its: V.P./Asst. Secretary

Print Name: _____

APPROVED AS TO FORM:

ATTEST:

[Signature]
City Attorney

City Clerk

NOTARY BLOCK FOR A CORPORATION/PARTNERSHIP

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that RICHARD J. OLIN 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 V.P./Asst. Secretary of Costco Wholesale Corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: June 14, 2007



[Signature]
Notary Public in and for the
State of Washington,
Title: Notary Public
My appointment expires: 6/9/10

CITY OF GIG HARBOR NOTARY BLOCK

STATE OF WASHINGTON)
) ss.
COUNTY OF P I E R C E)

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: _____

Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: _____

EXHIBIT A
PROPERTY LEGAL DESCRIPTION

PARCEL A
REVISED LAND DESCRIPTION

That portion of the Northeast quarter of the Northwest quarter of Section 31, Township 22 North, Range 2 East, W.M., Pierce County, Washington, described as follows:

COMMENCING at the Northwest corner of said section;
THENCE along the North line of said section South 88° 29' 18" East, 1,250.66 feet to the West line of the Northeast quarter of the Northwest quarter of said section and the POINT OF BEGINNING;
THENCE along said West line South 01° 19' 55" West, 1,324.26 feet to the South line of the Northeast quarter of the Northwest quarter;
THENCE along said South line South 88° 22' 24" East, 467.71 feet;
THENCE North 17° 17' 40" East, 188.05 feet;
THENCE South 88° 22' 24" East, 83.15 feet;
THENCE North 14° 26' 00" East, 429.62 feet;
THENCE North 65° 18' 14" East, 159.94 feet;
THENCE South 34° 41' 01" East, 325.45 feet;
THENCE South 88° 22' 24" East, 181.88 feet;
THENCE North 28° 20' 54" West, 76.71 feet;
THENCE North 31° 12' 13" West, 55.29 feet;
THENCE North 39° 46' 50" West, 83.53 feet;
THENCE North 32° 50' 36" West, 32.29 feet;
THENCE North 33° 57' 52" West, 76.44 feet;
THENCE North 59° 53' 46" West, 109.69 feet;
THENCE North 02° 56' 32" West, 57.26 feet;
THENCE North 38° 14' 16" East, 57.28 feet;
THENCE North 02° 20' 30" East, 22.82 feet;
THENCE North 13° 05' 56" West, 41.50 feet;
THENCE North 07° 38' 01" West, 50.07 feet;
THENCE North 08° 43' 23" West, 67.99 feet;
THENCE North 04° 58' 36" West, 67.99 feet;
THENCE North 03° 06' 12" West, 75.10 feet;
THENCE North 02° 58' 43" West, 63.37 feet;
THENCE North 13° 52' 23" West, 42.72 feet;
THENCE North 50° 39' 12" West, 39.82 feet to the Southerly right-of-way margin of Borgen Boulevard;
THENCE North 01° 30' 42" East, 47.30 feet to the North line of said section;
THENCE along said North line North 88° 29' 18" West, 875.87 feet to the POINT OF BEGINNING.

ALSO EXCEPT that portion lying within Borgen Boulevard right-of-way;

Containing 1,020,796 square feet, or 23.43 acres, more or less.

EXHIBIT B

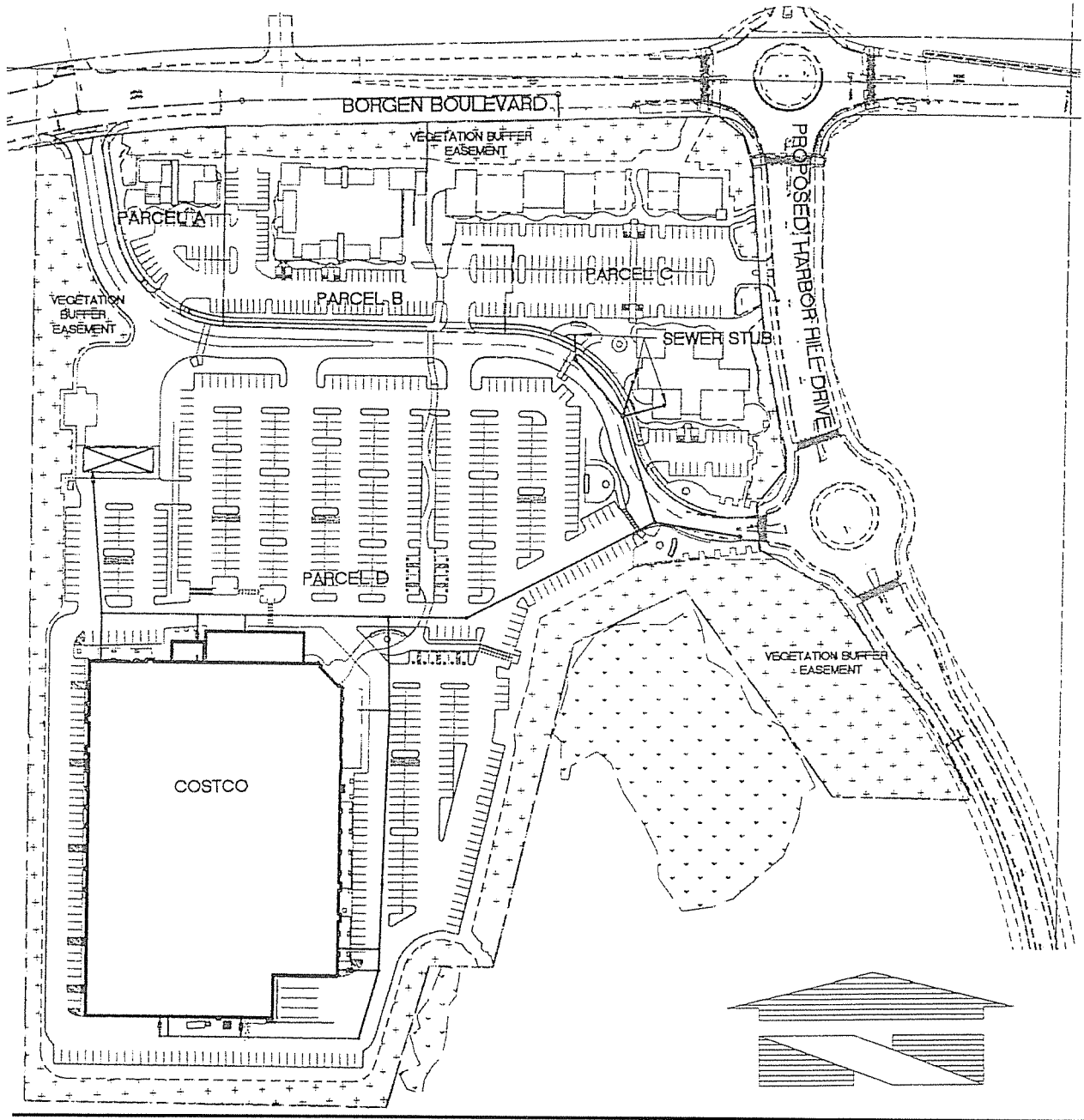


EXHIBIT C
EASEMENT LEGAL DESCRIPTION

PARCEL A
REVISED LAND DESCRIPTION

That portion of the Northeast quarter of the Northwest quarter of Section 31, Township 22 North, Range 2 East, W.M., Pierce County, Washington, described as follows:

COMMENCING at the Northwest corner of said section;
THENCE along the North line of said section South 88° 29' 18" East, 1,250.66 feet to the West line of the Northeast quarter of the Northwest quarter of said section and the POINT OF BEGINNING;
THENCE along said West line South 01° 19' 55" West, 1,324.26 feet to the South line of the Northeast quarter of the Northwest quarter;
THENCE along said South line South 88° 22' 24" East, 467.71 feet;
THENCE North 17° 17' 40" East, 188.05 feet;
THENCE South 88° 22' 24" East, 83.15 feet;
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THENCE North 07° 38' 01" West, 50.07 feet;
THENCE North 08° 43' 23" West, 67.99 feet;
THENCE North 04° 58' 36" West, 67.99 feet;
THENCE North 03° 06' 12" West, 75.10 feet;
THENCE North 02° 58' 43" West, 63.37 feet;
THENCE North 13° 52' 23" West, 42.72 feet;
THENCE North 50° 39' 12" West, 39.82 feet to the Southerly right-of-way margin of Borgen Boulevard;
THENCE North 01° 30' 42" East, 47.30 feet to the North line of said section;
THENCE along said North line North 88° 29' 18" West, 875.87 feet to the POINT OF BEGINNING.

ALSO EXCEPT that portion lying within Borgen Boulevard right-of-way;

Containing 1,020,796 square feet, or 23.43 acres, more or less.



Business of the City Council
City of Gig Harbor, WA

Subject: Sanitary Sewer and Stormwater Facilities Easement and Maintenance Agreements – Mallards Landing Lots 2, 3 and 7

Dept. Origin: Community Development

Prepared by: Stephen Misiurak, P.E. City Engineer

For Agenda of: July 09, 2007

Exhibits: Two Sanitary Sewer and two Storm Water Maintenance Agreements

Proposed Council Action: Approval of the Sanitary Sewer and Stormwater Agreements as presented.

Initial & Date

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Handwritten initials and dates: 7/5/07, 7/3/07, CAM, N/A, Jm 7/3

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

INFORMATION / BACKGROUND

As a condition of project approval of the Mallards Landing Lots 2, 3, and 7 located at 6622 Wollochet Dr., Gig Harbor and owned by Mallards Landing Lot 2, Lot 3, and Lot 7 LLC, Sanitary Sewer and Storm Water Facilities Maintenance Agreement(s) are required. This will ensure that the sanitary sewer system and storm water system will be constructed, operated and maintained in accordance with all applicable rules and regulations. The sanitary sewer system and storm water system is located on private property and will be privately owned. The City will not be responsible for the operation and maintenance of these systems. These agreements allow the City a nonexclusive right-of-entry onto those portions of the property in order to access the sanitary sewer system for inspection and monitoring of the system.

FISCAL CONSIDERATION

No funds will be expended for the acquisition of the described agreements.

RECOMMENDATION / MOTION

Move to: Approval of the Sanitary Sewer and Stormwater Agreements as presented.

AFTER RECORDING RETURN TO:

The City of Gig Harbor
Attn: City Clerk
3510 Grandview St.
Gig Harbor, WA 98335

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

Document Title(s) (or transactions contained therein):

Sanitary Sewer Facilities Easement and Maintenance Agreement

Grantor(s) (Last name first, then first name and initials)

Mallards Landing Lot 2, LLC; Mallards Landing Lot 3, LLC; Mallards Landing Lot 7
LLC

Grantee(s) (Last name first, then first name and initials)

City of Gig Harbor

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range)

Lots 2, 3, 7 situated in Section 7, Township 21N, Range 2E, Gig Harbor, Pierce
County, State of Washington

Assessor's Property Tax Parcel or Account number: 4002010020, 4002010030,
4002010070

Reference number(s) of documents assigned or released: _____

**SANITARY SEWER FACILITIES EASEMENT
AND MAINTENANCE AGREEMENT**

This Sanitary Sewer Facilities Easement and Maintenance Agreement is made this _____ day of _____, 200__, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and **Mallards Landing Lot 2, LLC; Mallards Landing Lot 3, LLC; Mallards Landing Lot 7, LLC**, Washington **limited liability companies**, located and doing business at **2727 Hollycroft Street, Suite 410, Gig Harbor, WA. 98335** (hereinafter the "Owner").

RECITALS

WHEREAS, Owner is the owner of fee title or a substantial beneficial interest in certain real property located in Gig Harbor, Washington, commonly described as **Mallards Landing Lots 2, 3 and 7** located at **6622 Wollochet Drive, NW.**, Gig Harbor WA (hereinafter the "Property") and legally described in **Exhibits A-1, A-2 and A-3**, which is attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the Owner's proposed development of the Property, the City has required and the Owner has constructed a private sanitary sewer system on the Property; and

WHEREAS, such sanitary sewer system is described and shown on a construction drawing(s) prepared by the engineering firm of **WestSound Engineering, Inc.** dated **6/12/07** (hereinafter the "Plans"), for the Owner's Property, a copy of which is attached hereto as **Exhibits B-1, B-2 and B-3** and incorporated herein by this reference; and

WHEREAS, as a condition of project approval, and/or due to the nature of the development, the sanitary sewer system on the Property is private, and will not be the responsibility of and/or owned, operated and maintained by the City; and

WHEREAS, the private sanitary sewer will eventually be connected to the City's sanitary sewer system and the City desires an easement to definitively establish the permissible location of the City's access on the Property described in **Exhibits A-1, A-2 and A-3** for the purposes described in this Agreement; and

WHEREAS, as a result of said private ownership and responsibility for operation and maintenance, including repair, rehabilitation, replacement, alterations and/or modifications, the parties have entered in to this Easement and Maintenance Agreement, in order to ensure that the sanitary sewer system will be constructed, operated and maintained in accordance with the approved Plans and all applicable rules and regulations;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

TERMS

Section 1. Affected Property. The real property subject to this Agreement is legally described in **Exhibits A-1, A-2 and A-3.**

Section 2. Definitions. As used in this instrument:

A. The word "plat" refers to the Parcel No's. **4002010020, 4002010030, 4002010070**, and any other plat or plats, including short plats, covering all real property which may hereafter be made subject to the provisions of this instrument by a written instrument signed by the Owner, its successors and assigns, in accordance with this Agreement.

B. The word "lot" refers to a lot shown on any plat defined herein, but shall not include any parcel designated as a "tract" on a plat. "Lot" shall include any parcel of land that is separately subjected to this instrument without having been subdivided into two or more parcels by a plat recorded subsequent to the recording of this instrument.

C. The word "Owner" or "Owners" refers to the entity, whether an individual, corporation, joint venture or partnership which is an owner in fee simple or of a substantial beneficial interest (except for mineral estate) in all or any portion of the property in the Plat or the Property. A "substantial beneficial interest" shall include both legal and equitable interests in the Property.

D. The words "Owners' Association" refer to a nonprofit corporation which may be formed for the purpose of operating and maintaining the facilities described in **Exhibits B-1, B-2 and B-3** on the Property, which may be independently conveyed by the Owner or its successors and assigns to an Owners' Association, and to which the Owners' Association may provide other services in order to benefit the owners of property within the plat or the Property.

Section 3. Maintenance Obligations. The Owner, its successors, assigns and/or owners of an after-acquired interest in the Property, hereby covenant and agree that they are jointly and severally responsible for the installation, operation, perpetual maintenance, of a sanitary sewer system on the Property, as shown on the Plans attached hereto as **Exhibits B-1, B-2 and B-3.** The sanitary sewer system shall be operated, maintained and preserved by the Owner in accordance with the Plans and all applicable ordinances, codes, rules and regulations. The sanitary sewer system shall be preserved in conformance with the Plans until such time as all parties to this Agreement, including the City, agree in writing that the sanitary sewer system should be altered in some manner or eliminated. In the event the sanitary sewer system is eliminated as provided hereinabove, the Owner shall be relieved of operation and maintenance responsibilities. No such elimination of the sanitary sewer system will be allowed prior to the Community Development Director's written approval.

Section 4. Notice to City. The Owner shall obtain written approval from the Director prior to performing any alterations or modifications to the sanitary sewer system located on the Property described in Exhibit A. No part of the sanitary sewer system shall be dismantled, revised, altered or removed, except as provided hereinabove, and except as necessary for maintenance, including repair, rehabilitation, replacement, alterations, and/or other modifications.

Section 5. Easement for Access. The Owner hereby grants and conveys to the City a perpetual, non-exclusive easement, under, over, along, through and in the Property, as such

Easement is legally described in **Exhibits C-1, C-2 and C-3**, attached hereto and incorporated herein by this reference. This Easement is granted to the City for the purpose of providing the City with ingress and egress in order to access the sanitary sewer system on the Property for inspection, and to reasonably monitor the system for performance, operational flows, defects, and/or conformance with applicable rules and regulations. In addition, the City may use this Easement to exercise its rights as described in Section 8 herein.

Section 6. Assignment to an Owners' Association. In the event that an Owners' Association is formed under a Declaration of Covenants, Conditions and Restrictions which includes all of the Property in **Exhibits A-1, A-2 and A-3**, the Owner may assign responsibility for installation and perpetual maintenance of the sanitary sewer system to such Owners' Association for so long as the Owners' Association remains in existence and upon the conditions that the Owners' Association assumes all of the obligations, liabilities, covenants and agreements of the Owner under this Agreement. Such assignment of the Owner's obligations shall be in a duly executed instrument in recordable form, and for so long as such assignment remains effective, the Owner shall have no further responsibility or liability under this Agreement.

Section 7. Conveyances. In the event the Owner shall convey its substantial beneficial or fee interest in any property in the Plat, any lot, or the Property, the conveying Owner shall be free from all liabilities respecting the performance of the restrictions, covenants and conditions in this Agreement; PROVIDED, HOWEVER, that the conveying Owner shall remain liable for any acts or omissions during such Owner's period of ownership of such Property.

Section 8. Rights of the City of Gig Harbor.

A. Execution of this Agreement shall not affect the City of Gig Harbor's present or future interest or use of any public or private sanitary sewer system. If the City determines that maintenance is required for the sanitary sewer system, and/or there is/are illegal connection(s) to or discharges into the sanitary sewer system, the Community Development Director or his/her designee shall give notice to the Owner(s) of the specific maintenance and/or changes required, and the basis for said required maintenance and/or changes. The Director shall also set a reasonable time in which the Owner(s) shall perform such work. If the maintenance required by the Director is not completed within the time set by the Director, the City may perform the required maintenance. Written notice will be sent to the Owner(s), stating the City's intention to perform such maintenance, and such work will not commence until at least five (5) days after such notice is mailed, except in situations of emergency. If, at the sole discretion of the Director, there exists an imminent or present danger to the sanitary sewer system, the City's facilities or the public health and safety, such five (5) day period will be waived, and the necessary maintenance will begin immediately.

B. In order to assure the proper maintenance of the Owner's sanitary sewer system, and to ensure there will be no damage to the City's sanitary sewer system, the City of Gig Harbor shall have the right as provided below, but not the obligation, to maintain the system, if the Owner(s) fail to do so, and such failure continues for more than five (5)-days after written notice of the failure is sent to the responsible parties. However, no notice shall be required in the event that the City of Gig Harbor determines that an emergency situation exists in which damage to person or property may result if the situation is not remedied prior to the time required for notice.

C. If the City provides notice in writing, but the Owner or Owners' Association fails or refuses to perform any maintenance or operational duties as requested by the City, the City's employees, officials, agents or representatives may enter the Property and undertake the necessary maintenance, repair or operational duties to the City's satisfaction. The City's ability to enforce this provision is subject further to the City's right to impose materialmen's and/or laborer's liens and to foreclose upon any and all properties owned by the Owner(s).

D. If the City exercises its rights under this Section, then the Owner(s) or Owners' Association shall reimburse the City on demand for all reasonable and necessary expenses incurred incident thereto. In addition, the City is hereby given the right, power and authority acting in the name of the Owner's Association to exercise and enforce on behalf of the Association and at the Association's cost, the assessment of dues and charges for such costs and to enforce the Association's lien right for any assessments, dues and charges as herein specified. The City shall also be permitted to collect the costs of administration and enforcement through the lien attachment and collection process as is permitted under chapter 35.67 RCW, or any other applicable law.

E. In addition to or in lieu of the remedies listed in this Section, if the Owners or Owner's Association, after the written notice described in Section 8A above, fails or refuses to perform the necessary maintenance, repair, replacement or modifications, the City may enjoin, abate or remedy such breach or continuation of such breach by appropriate proceedings, and may bring an action against the violator for penalties under the Gig Harbor Municipal Code.

Section 9. Indemnification of City. The Owner(s) agree to defend, indemnify and hold harmless the City of Gig Harbor, its officials, officers, employees and agents, for any and all claims, demands, actions, injuries, losses, damages, costs or liabilities of any kind or amount whatsoever, whether known or unknown, foreseen or unforeseen, fixed or contingent, liquidated or unliquidated, arising from an alleged defect in the design of the sanitary sewer system as installed by the Owner(s), or arising by reason of any omission or performance under this Agreement by the Owner(s), its successors and assigns, and/or Owners' Association, of any of the obligations hereunder.

Section 10. Rights Subject to Permits and Approvals. The rights granted herein are subject to permits and approvals granted by the City affecting the Property subject to this Easement and Maintenance Agreement.

Section 11. Terms Run with the Property. The promises, conditions, covenants and restrictions contained herein shall constitute a covenant or equitable servitude, the burden and benefit of which shall run with the land and bind successive owners with equitable or legal interests in the Property. Accordingly, by its acceptance of a deed or other instrument vesting a substantial beneficial interest in all or any lot, or other portion of the Property or the Plat in such Owner, each Owner shall covenant to be bound by all the obligations incumbent upon an Owner as set forth herein, and shall be entitled to all rights and benefits accruing to an Owner hereunder. This Agreement shall be recorded in the Pierce County Assessor's Office, and shall serve as notice to holders of after-acquired interests in the Property.

Section 12. Notice. All notices require or permitted hereunder shall be in writing and shall either be delivered in person or sent by certified U.S. Mail, return-receipt requested, and

shall be deemed delivered on the sooner of actual receipt on three (3) days after deposit in the mail, postage prepaid, addressed to the City or the Owner at the addresses set forth below:

To the City:

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

To the Declarant:

Mallards Landing Lot 2, LLC
Mallards Landing Lot 3, LLC
Mallards Landing Lot 7, LLC
2727 Hollycroft Street, Suite 410
Gig Harbor, WA. 98335

Section 13. Severability. Any invalidity, in whole or in part, of any provision of this Easement and Maintenance Agreement shall not affect the validity of any other provision.

Section 14. Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 15. Governing Law, Disputes. Jurisdiction of any dispute over this Easement and Maintenance Agreement shall be solely with Pierce county Superior Court, Pierce County, Washington. This Easement and Maintenance Agreement shall be interpreted under the laws of the State of Washington. The prevailing party in any litigation arising out of this Easement and Maintenance Agreement shall be entitled to its reasonable attorneys' fees, costs, expenses and expert witness fees.

Section 16. Integration. This Easement and Maintenance Agreement constitutes the entire agreement between the parties on this subject matter, and supersedes all prior discussions, negotiations, and all other agreements on the same subject matter, whether oral or written.

IN WITNESS WHEREOF, the parties have caused this Maintenance Agreement and Covenant to be executed this _____ day of _____, 200 ____.

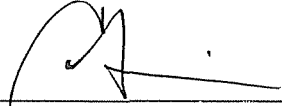
THE CITY OF GIG HARBOR

By: _____
Its Mayor

ATTEST:

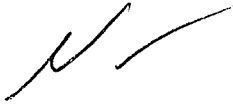
City Clerk


APPROVED AS TO FORM:




City Attorney

OWNER

By: 
Its: Managing Member *MALLARDS LANDING 2, LLC*
Print Name: Gordon D. Rush

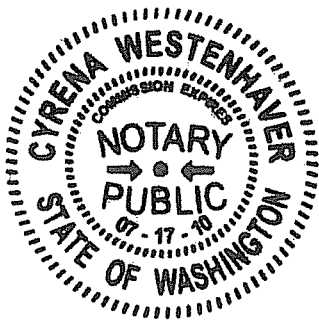
By: 
Its: Managing Member *MALLARDS LANDING 3, LLC*
Print Name: Gordon D. Rush

By: 
Its: Managing Member *MALLARDS LANDING 7, LLC*
Print Name: Gordon D. Rush

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that GORDON D. RUSH 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 MEMBER MANAGER of MALLARDS LANDING 2, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: June 26, 2007

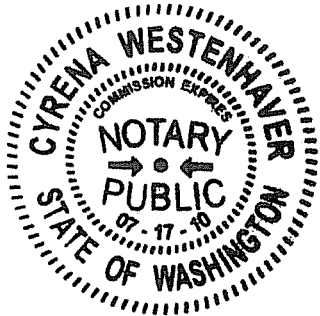


Cyrena Westenhaver
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 7/17/2010

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that GORDON D. RUSH 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 MEMBER MANAGER of MALLARDS LANDING 3, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: JUNE 26, 2007

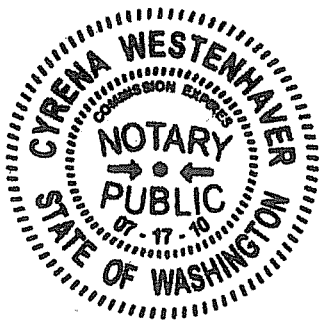


Cyrena Westenhaver
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 7/17/2010

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that GORDON D. RUSH 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 MEMBER MANAGER of MALLARDS LANDING 7, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: JUNE 26, 2007



Cyrena Westenhaver
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 7/17/2010

STATE OF WASHINGTON)
) ss.
COUNTY OF P I E R C E)

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: _____

Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: _____

EXHIBIT A-1
LOT 2
PROPERTY LEGAL DESCRIPTION

LOT 2 OF THE PLAT OF MALLARDS' LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON AND MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M.; THENCE ALONG THE SOUTH LINE OF SAID SECTION 7, SOUTH 88°14'46" WEST FOR A DISTANCE OF 1660.79 FEET; THENCE NORTH 02°27'47" EAST FOR A DISTANCE OF 463.98 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2 AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 2, NORTH 88°14'47" EAST FOR A DISTANCE OF 128.00 FEET; THENCE SOUTH 50°07'47" EAST FOR A DISTANCE OF 174.76 FEET TO A POINT ON THE RIGHT-OF-WAY OF WOLLOCHET DRIVE NORTHWEST; THENCE ALONG SAID RIGHT-OF-WAY, NORTH 39°52'13" EAST FOR A DISTANCE OF 471.66 FEET TO THE NORTH-EAST CORNER OF SAID LOT 2; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 2, NORTH 75°08'25" WEST FOR A DISTANCE OF 429.00 FEET TO AN ANGLE POINT IN SAID LOT 2; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID LOT 2, NORTH 87°32'13" WEST FOR A DISTANCE OF 134.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 2 AND THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT A-2
LOT 3
PROPERTY LEGAL DESCRIPTION

LOT 3 OF THE PLAT OF MALLARDS' LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON AND MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M.; THENCE ALONG THE SOUTH LINE OF SAID SECTION 7, SOUTH 88°14'46" WEST FOR A DISTANCE OF 1660.79 FEET; THENCE NORTH 02°27'47" EAST FOR A DISTANCE OF 833.98 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3 AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 3, SOUTH 87°32'13" EAST FOR A DISTANCE OF 134.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE SOUTH-EASTERLY LINE OF SAID LOT 3, NORTH 45°33'28" EAST FOR A DISTANCE OF 520.15 FEET TO A POINT ON THE RIGHT-OF-WAY OF WAGNER WAY; THENCE ALONG SAID RIGHT-OF-WAY THROUGH A CURVE TO THE LEFT HAVING A RADIUS POINT WHICH BEARS SOUTH 62°56'23" WEST 445.00 FEET THROUGH A DELTA ANGLE OF 05°12'11" FOR AN ARC DISTANCE OF 40.41 FEET; THENCE NORTH 32°15'48" WEST FOR A DISTANCE OF 30.38 FEET; THENCE ON A CURVE TO THE RIGHT THROUGH A DELTA ANGLE OF 12°49'39" FOR AN ARC DISTANCE OF 115.30 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 3, SOUTH 88° 10'53" WEST FOR A DISTANCE OF 65.72 FEET; THENCE SOUTH 02°24'41" WEST FOR A DISTANCE OF 20.00 FEET; THENCE SOUTH 88°14'20" WEST FOR A DISTANCE OF 331.39 FEET TO THE NORTHWEST CORNER OF SAID LOT 3; THENCE ALONG THE WEST LINES OF SAID LOT 3, SOUTH 02°27'47" WEST FOR A DISTANCE OF 490.99 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT A-3
LOT 7
PROPERTY LEGAL DESCRIPTION

LOT 7 OF THE PLAT OF MALLARD'S LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON, MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, OF THE WILLAMETTE MERIDIAN; THENCE ALONG NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 7, SOUTH 88°13'52" WEST FOR A DISTANCE OF 948.76 FEET TO THE CENTERLINE OF WAGNER WAY; THENCE ALONG THE CENTERLINE OF SAID WAGNER WAY, SOUTH 01°46'17" EAST FOR A DISTANCE OF 24.90 FEET; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 150.00 FEET THROUGH A DELTA ANGLE OF 28°12'16" FOR AN ARC DISTANCE OF 73.84 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 26°25'59" WEST FOR A DISTANCE OF 31.81 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 300.00 FEET THROUGH A DELTA ANGLE OF 34°14'04" FOR AN ARC DISTANCE OF 179.25 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 07°48'05" EAST FOR A DISTANCE OF 195.12 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 150.00 FEET THROUGH A DELTA ANGLE OF 68°23'44" FOR AN ARC DISTANCE OF 179.06 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 60°35'38" WEST FOR A DISTANCE OF 191.81 FEET; THENCE LEAVING SAID CENTERLINE, NORTH 29°24'22" WEST FOR A DISTANCE OF 27.50 FEET TO THE RIGHT OF WAY OF SAID WAGNER WAY AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID RIGHT OF WAY, NORTH 60°35'38" EAST FOR A DISTANCE OF 86.25 FEET; THENCE LEAVING SAID RIGHT OF WAY, NORTH 05°00'29" WEST FOR A DISTANCE OF 7.96 FEET; THENCE NORTH 11°19'38" WEST FOR A DISTANCE OF 17.71 FEET; THENCE NORTH 01°34'26" EAST FOR A DISTANCE OF 26.11 FEET; THENCE NORTH 26°29'42" EAST FOR A DISTANCE OF 15.71 FEET; THENCE NORTH 78°55'17" EAST FOR A DISTANCE OF 28.89 FEET; THENCE SOUTH 89°54'27" EAST FOR A DISTANCE OF 11.35 FEET; THENCE NORTH 75°22'31" EAST FOR A DISTANCE OF 24.60 FEET; THENCE NORTH 62°52'56" EAST FOR A DISTANCE OF 19.26 FEET; THENCE NORTH 59°39'40" EAST FOR A DISTANCE OF 25.86 FEET; THENCE NORTH 31°46'38" EAST FOR A DISTANCE OF 13.45 FEET; THENCE NORTH 00°00'01" EAST FOR A DISTANCE OF 23.73 FEET; THENCE NORTH 05°54'07"

WEST FOR A DISTANCE OF 22.03 FEET; THENCE NORTH 06°27'51" EAST FOR A DISTANCE OF 18.55 FEET; THENCE NORTH 18°04'42" EAST FOR A DISTANCE OF 11.39 FEET; THENCE NORTH 10°52'43" EAST FOR A DISTANCE OF 19.76 FEET; THENCE NORTH 16°20'51" WEST FOR A DISTANCE OF 31.18 FEET; THENCE NORTH 11°15'42" WEST FOR A DISTANCE OF 16.00 FEET; THENCE NORTH 01°31'56" WEST FOR A DISTANCE OF 37.12 FEET; THENCE NORTH 29°45'17" WEST FOR A DISTANCE OF 12.24 FEET; THENCE NORTH 49°53'15" WEST FOR A DISTANCE OF 38.57 FEET; THENCE NORTH 45°53'57" WEST FOR A DISTANCE OF 21.05 FEET; THENCE NORTH 18°08'54" WEST FOR A DISTANCE OF 16.69 FEET; THENCE NORTH 05°28'05" WEST FOR A DISTANCE OF 45.91 FEET; THENCE NORTH 01°15'36" EAST FOR A DISTANCE OF 18.97 FEET; THENCE NORTH 15°00'34" EAST FOR A DISTANCE OF 18.29 FEET; THENCE NORTH 31°52'36" FOR A DISTANCE OF 17.63 FEET; THENCE NORTH 34°17'48" EAST FOR A DISTANCE OF 27.61 FEET; THENCE NORTH 03°31'46" EAST FOR A DISTANCE OF 20.27 FEET; THENCE NORTH 32°10'02" EAST FOR A DISTANCE OF 15.73 FEET; THENCE NORTH 21°22'03" EAST FOR A DISTANCE OF 40.86 FEET; THENCE NORTH 23°51'14" EAST FOR A DISTANCE OF 15.38 FEET; THENCE NORTH 44°47'25" EAST FOR A DISTANCE OF 50.23 FEET; THENCE NORTH 17°55'19" EAST FOR A DISTANCE OF 23.04 FEET; THENCE NORTH 08°17'01" EAST FOR A DISTANCE OF 22.89 FEET TO THE SOUTH LINE OF 72ND STREET NORTHWEST; THENCE ALONG THE SOUTH LINE OF SAID 72ND STREET NORTHWEST, SOUTH 88°13'52" WEST FOR A DISTANCE OF 313.59 FEET; THENCE SOUTH 02°24'41" WEST FOR A DISTANCE OF 1274.84 FEET; THENCE NORTH 88°10'53" EAST FOR A DISTANCE OF 65.72 FEET TO THE WESTERLY LINE OF WAGNER WAY; THENCE ALONG SAID WESTERLY LINE, ALONG A CURVE TO THE RIGHT WITH A RADIAL BEARING OF NORTH 70°33'51" EAST AND A RADIUS OF 515.00 FEET THROUGH A DELTA ANGLE OF 21°50'41" FOR AN ARC DISTANCE OF 196.35 FEET; THENCE CONTINUING ALONG SAID WESTERLY LINE, NORTH 02°24'32" EAST FOR A DISTANCE OF 259.52 FEET; THENCE CONTINUING ALONG SAID WESTERLY LINE, ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 177.50 FEET THROUGH A DELTA ANGLE OF 58°11'06" FOR AN ARC DISTANCE OF 180.26 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT B-2 LOT 3 DRAINAGE SYSTEM DRAWING

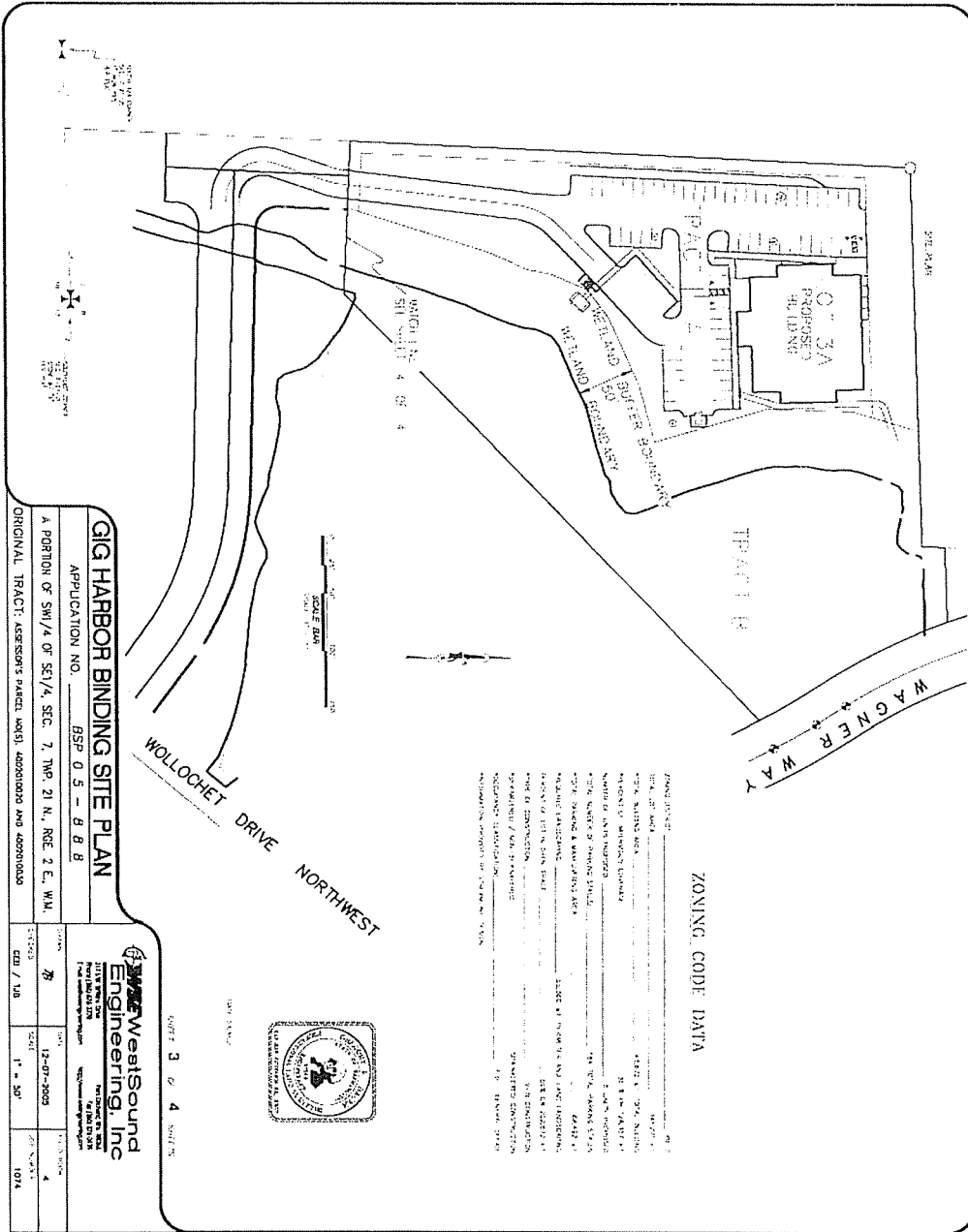
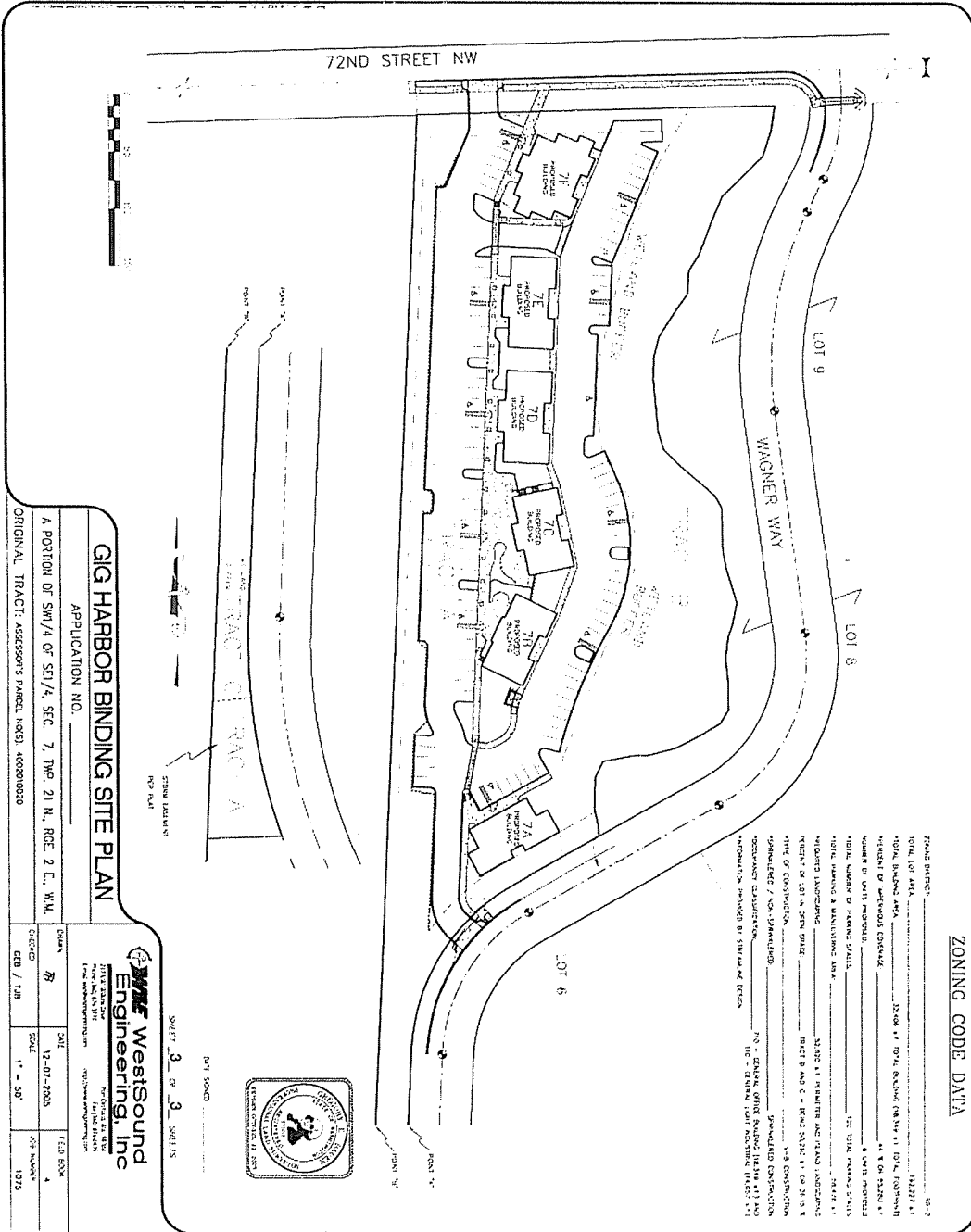


EXHIBIT B-3 LOT 7 DRAINAGE SYSTEM DRAWING



ZONING CODE DATA

ZONING DISTRICT: _____
 TOTAL LOT AREA: _____
 TOTAL BUILDING AREA: _____
 HIGHEST OF NEAREST ADJACENT: _____
 HEIGHT OF THIS PROPOSED: _____
 TOTAL NUMBER OF PARKING SPACES: _____
 TOTAL NUMBER OF WORKING SPACES: _____
 TOTAL NUMBER OF MANUFACTURING SPACES: _____
 HIGHEST LOADING: _____
 HEIGHT OF LOT A OR B OR C: _____
 TYPE OF CONSTRUCTION: _____
 SPECIALIZED CONSTRUCTION: _____
 OCCUPANCY CHARACTERIZATION: _____
 NO. OF GARAGE VEHICLES ALLOWED: _____
 NO. OF STORAGE VEHICLES ALLOWED: _____
 INFORMATION PROVIDED BY SIMILAR DISTRICT: _____



SHEET 3 OF 3
 DATE: 10/11/2023
 DRAWN BY: [Name]
 CHECKED BY: [Name]

GIG HARBOR BINDING SITE PLAN
 APPLICATION NO. _____
 A PORTION OF SW 1/4 OF SE 1/4, SEC. 7, TWP. 21 N., RGE. 2 E., W. 4.
 ORIGINAL TRACT, ASSessor'S PARCEL NO. 83, 4002010320

WestSound Engineering, Inc.
 1111 W. 12th Street
 Anchorage, Alaska 99501
 Phone: (907) 562-1111
 Fax: (907) 562-1112
 www.westsoundeng.com

DATE	SCALE	PROJECT
10-11-2023	1" = 30'	GIG HARBOR

EXHIBIT C-1
LOT 2
EASEMENT LEGAL DESCRIPTION

LOT 2 OF THE PLAT OF MALLARDS' LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON AND MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M.; THENCE ALONG THE SOUTH LINE OF SAID SECTION 7, SOUTH 88°14'46" WEST FOR A DISTANCE OF 1660.79 FEET; THENCE NORTH 02°27'47" EAST FOR A DISTANCE OF 463.98 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2 AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 2, NORTH 88°14'47" EAST FOR A DISTANCE OF 128.00 FEET; THENCE SOUTH 50°07'47" EAST FOR A DISTANCE OF 174.76 FEET TO A POINT ON THE RIGHT-OF-WAY OF WOLLOCHET DRIVE NORTHWEST; THENCE ALONG SAID RIGHT-OF-WAY, NORTH 39°52'13" EAST FOR A DISTANCE OF 471.66 FEET TO THE NORTH-EAST CORNER OF SAID LOT 2; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 2, NORTH 75°08'25" WEST FOR A DISTANCE OF 429.00 FEET TO AN ANGLE POINT IN SAID LOT 2; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID LOT 2, NORTH 87°32'13" WEST FOR A DISTANCE OF 134.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 2 AND THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT C-2
LOT 3
EASEMENT LEGAL DESCRIPTION

LOT 3 OF THE PLAT OF MALLARDS' LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON AND MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M.; THENCE ALONG THE SOUTH LINE OF SAID SECTION 7, SOUTH 88°14'46" WEST FOR A DISTANCE OF 1660.79 FEET; THENCE NORTH 02°27'47" EAST FOR A DISTANCE OF 833.98 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3 AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 3, SOUTH 87°32'13" EAST FOR A DISTANCE OF 134.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE SOUTH-EASTERLY LINE OF SAID LOT 3, NORTH 45°33'28" EAST FOR A DISTANCE OF 520.15 FEET TO A POINT ON THE RIGHT-OF-WAY OF WAGNER WAY; THENCE ALONG SAID RIGHT-OF-WAY THROUGH A CURVE TO THE LEFT HAVING A RADIUS POINT WHICH BEARS SOUTH 62°56'23" WEST 445.00 FEET THROUGH A DELTA ANGLE OF 05°12'11" FOR AN ARC DISTANCE OF 40.41 FEET; THENCE NORTH 32°15'48" WEST FOR A DISTANCE OF 30.38 FEET; THENCE ON A CURVE TO THE RIGHT THROUGH A DELTA ANGLE OF 12°49'39" FOR AN ARC DISTANCE OF 115.30 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 3, SOUTH 88°10'53" WEST FOR A DISTANCE OF 65.72 FEET; THENCE SOUTH 02°24'41" WEST FOR A DISTANCE OF 20.00 FEET; THENCE SOUTH 88°14'20" WEST FOR A DISTANCE OF 331.39 FEET TO THE NORTHWEST CORNER OF SAID LOT 3; THENCE ALONG THE WEST LINES OF SAID LOT 3, SOUTH 02°27'47" WEST FOR A DISTANCE OF 490.99 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT C-3
LOT 7
EASEMENT LEGAL DESCRIPTION

LOT 7 OF THE PLAT OF MALLARD'S LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON, MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, OF THE WILLAMETTE MERIDIAN; THENCE ALONG NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 7, SOUTH 88°13'52" WEST FOR A DISTANCE OF 948.76 FEET TO THE CENTERLINE OF WAGNER WAY; THENCE ALONG THE CENTERLINE OF SAID WAGNER WAY, SOUTH 01°46'17" EAST FOR A DISTANCE OF 24.90 FEET; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 150.00 FEET THROUGH A DELTA ANGLE OF 28°12'16" FOR AN ARC DISTANCE OF 73.84 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 26°25'59" WEST FOR A DISTANCE OF 31.81 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 300.00 FEET THROUGH A DELTA ANGLE OF 34°14'04" FOR AN ARC DISTANCE OF 179.25 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 07°48'05" EAST FOR A DISTANCE OF 195.12 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 150.00 FEET THROUGH A DELTA ANGLE OF 68°23'44" FOR AN ARC DISTANCE OF 179.06 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 60°35'38" WEST FOR A DISTANCE OF 191.81 FEET; THENCE LEAVING SAID CENTERLINE, NORTH 29°24'22" WEST FOR A DISTANCE OF 27.50 FEET TO THE RIGHT OF WAY OF SAID WAGNER WAY AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID RIGHT OF WAY, NORTH 60°35'38" EAST FOR A DISTANCE OF 86.25 FEET; THENCE LEAVING SAID RIGHT OF WAY, NORTH 05°00'29" WEST FOR A DISTANCE OF 7.96 FEET; THENCE NORTH 11°19'38" WEST FOR A DISTANCE OF 17.71 FEET; THENCE NORTH 01°34'26" EAST FOR A DISTANCE OF 26.11 FEET; THENCE NORTH 26°29'42" EAST FOR A DISTANCE OF 15.71 FEET; THENCE NORTH 78°55'17" EAST FOR A DISTANCE OF 28.89 FEET; THENCE SOUTH 89°54'27" EAST FOR A DISTANCE OF 11.35 FEET; THENCE NORTH 75°22'31" EAST FOR A DISTANCE OF 24.60 FEET; THENCE NORTH 62°52'56" EAST FOR A DISTANCE OF 19.26 FEET; THENCE NORTH 59°39'40" EAST FOR A DISTANCE OF 25.86 FEET; THENCE NORTH 31°46'38" EAST FOR A DISTANCE OF 13.45 FEET; THENCE NORTH 00°00'01" EAST FOR A DISTANCE OF 23.73 FEET; THENCE NORTH 05°54'07"

WEST FOR A DISTANCE OF 22.03 FEET; THENCE NORTH 06°27'51" EAST FOR A DISTANCE OF 18.55 FEET; THENCE NORTH 18°04'42" EAST FOR A DISTANCE OF 11.39 FEET; THENCE NORTH 10°52'43" EAST FOR A DISTANCE OF 19.76 FEET; THENCE NORTH 16°20'51" WEST FOR A DISTANCE OF 31.18 FEET; THENCE NORTH 11°15'42" WEST FOR A DISTANCE OF 16.00 FEET; THENCE NORTH 01°31'56" WEST FOR A DISTANCE OF 37.12 FEET; THENCE NORTH 29°45'17" WEST FOR A DISTANCE OF 12.24 FEET; THENCE NORTH 49°53'15" WEST FOR A DISTANCE OF 38.57 FEET; THENCE NORTH 45°53'57" WEST FOR A DISTANCE OF 21.05 FEET; THENCE NORTH 18°08'54" WEST FOR A DISTANCE OF 16.69 FEET; THENCE NORTH 05°28'05" WEST FOR A DISTANCE OF 45.91 FEET; THENCE NORTH 01°15'36" EAST FOR A DISTANCE OF 18.97 FEET; THENCE NORTH 15°00'34" EAST FOR A DISTANCE OF 18.29 FEET; THENCE NORTH 31°52'36" FOR A DISTANCE OF 17.63 FEET; THENCE NORTH 34°17'48" EAST FOR A DISTANCE OF 27.61 FEET; THENCE NORTH 03°31'46" EAST FOR A DISTANCE OF 20.27 FEET; THENCE NORTH 32°10'02" EAST FOR A DISTANCE OF 15.73 FEET; THENCE NORTH 21°22'03" EAST FOR A DISTANCE OF 40.86 FEET; THENCE NORTH 23°51'14" EAST FOR A DISTANCE OF 15.38 FEET; THENCE NORTH 44°47'25" EAST FOR A DISTANCE OF 50.23 FEET; THENCE NORTH 17°55'19" EAST FOR A DISTANCE OF 23.04 FEET; THENCE NORTH 08°17'01" EAST FOR A DISTANCE OF 22.89 FEET TO THE SOUTH LINE OF 72ND STREET NORTHWEST; THENCE ALONG THE SOUTH LINE OF SAID 72ND STREET NORTHWEST, SOUTH 88°13'52" WEST FOR A DISTANCE OF 313.59 FEET; THENCE SOUTH 02°24'41" WEST FOR A DISTANCE OF 1274.84 FEET; THENCE NORTH 88°10'53" EAST FOR A DISTANCE OF 65.72 FEET TO THE WESTERLY LINE OF WAGNER WAY; THENCE ALONG SAID WESTERLY LINE, ALONG A CURVE TO THE RIGHT WITH A RADIAL BEARING OF NORTH 70°33'51" EAST AND A RADIUS OF 515.00 FEET THROUGH A DELTA ANGLE OF 21°50'41" FOR AN ARC DISTANCE OF 196.35 FEET; THENCE CONTINUING ALONG SAID WESTERLY LINE, NORTH 02°24'32" EAST FOR A DISTANCE OF 259.52 FEET; THENCE CONTINUING ALONG SAID WESTERLY LINE, ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 177.50 FEET THROUGH A DELTA ANGLE OF 58°11'06" FOR AN ARC DISTANCE OF 180.26 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON

AFTER RECORDING RETURN TO:

The City of Gig Harbor
Attn: City Clerk
3510 Grandview St.
Gig Harbor, WA 98335

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

Document Title(s) (or transactions contained therein):

Storm Water Facilities Maintenance Agreement and Restrictive Covenant

Grantor(s) (Last name first, then first name and initials)

Mallards Landing Lot 2, LLC; Mallards Landing Lot 3, LLC; Mallards Landing Lot 7 LLC

Grantee(s) (Last name first, then first name and initials)

City of Gig Harbor

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range)

**Lots 2, 3, 7 situated in Section 7, Township 21N, Range 2E, Gig Harbor, Pierce County,
State of Washington**

**Assessor's Property Tax Parcel or Account Number: 4002010020, 4002010030,
4002010070**

Reference Number(s) of Documents assigned or released: _____

STORM WATER FACILITIES MAINTENANCE AGREEMENT AND RESTRICTIVE COVENANT

This Storm Water Facilities Maintenance Agreement and Restrictive Covenant is made this ____ day of _____, 200__, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and **Mallards Landing Lot 2, LLC; Mallards Landing Lot 3, LLC; Mallards Landing Lot 7, LLC.**, Washington **limited liability companies** organized under the laws of the State of Washington, located and doing business at **2727 Hollycroft Street, Suite 410, Gig Harbor, WA. 98335** (hereinafter the "Owner").

RECITALS

WHEREAS, Owner is the owner of fee title or a substantial beneficial interest in certain real property located in Gig Harbor, Washington, commonly described as **Mallards Landing Lots 2, 3 and 7**, located at **6622 Wollochet Drive NW**, Gig Harbor WA. (hereinafter the "Property") and legally described in **Exhibits A-1, A-2 and A-3**, which is attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the Owner's proposed development of the Property, the City has required and the Owner has agreed to construct a storm water collection and detention system; and

WHEREAS, such drainage system is described and shown on a construction drawing prepared by the engineering firm of **WestSound Engineering, Inc.** on **6/12/07** (hereinafter the "Drainage System Drawing"), for the Owner's Property, a copy of which is attached hereto as **Exhibits B-1, B-2 and B-3** and incorporated herein by this reference; and

WHEREAS, as a condition of project approval and/or as a condition of the City's utilization of the Owner's storm drainage system, the parties have entered into this Maintenance Agreement and Restrictive Covenant, in order to ensure that the drainage system will be constructed and maintained in accordance with the approved plans and the City's development standards;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

T E R M S

Section 1. Construction and Maintenance. Owner agrees to construct and maintain a drainage system on its Property, as shown on the Drainage System Drawing, **Exhibit B**. The drainage system shall be maintained and preserved by the Owner until such time as the City, its successors or assigns, agree that the system should be altered in some manner or eliminated.

Section 2. No Removal. No part of the drainage system shall be dismantled, revised, altered or removed, except as necessary for maintenance, repair or replacement.

Section 3. Access. The City shall have the right to ingress and egress over those portions of the Property described in **Exhibits A-1, A-2 and A-3** in order to access the drainage system for inspection and to reasonably monitor the system for performance, operational flows or defects.

Section 4. Repairs, Failure of Owner to Maintain. If the City determines that maintenance or repair work is required to be performed on the system, the City Engineer or his/her designee shall give notice to the Owner of the noted deficiency. The Engineer shall also set a reasonable time in which the Owner shall perform such work. If the repair or maintenance required by the Engineer is not completed within the time set by the Engineer, the City may perform the required maintenance and/or repair. Written notice will be sent to the Owner, stating the City's intention to perform such repair or maintenance, and such work will not commence until at least 15 days after such notice is mailed, except in situations of emergency. If, within the sole discretion of the Engineer, there exists an imminent or present danger to the system, the City's facilities or the public health and safety, such 15 day period will be waived and maintenance and/or repair work will begin immediately.

Section 5. Cost of Repairs and/or Maintenance. The Owner shall assume all responsibility for the cost of any maintenance and for repairs to the drainage system. Such responsibility shall include reimbursement to the City within 30 days after the City mails an invoice to the Owner for any work performed by the City. Overdue payments will require payment of interest by the Owner at the current legal rate as liquidated damages.

Section 6. Notice to City of Repairs and/or Maintenance. The Owner is hereby required to obtain written approval from the City Engineer prior to filling, piping, cutting or removing vegetation (except in routine landscape maintenance) in open vegetated drainage facilities (such as swales, channels, ditches, ponds, etc.), or performing any alterations or modifications to the drainage system.

Section 7. Rights Subject to Permits and Approvals. The rights granted herein are subject to permits and approvals granted by the City affecting the Property subject to this Maintenance Agreement and Covenant.

Section 8. Terms Run with the Property. The terms of this Maintenance Agreement and Covenant are intended to be and shall constitute a covenant running with the Property and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns.

Section 9. Notice. All notices required or permitted hereunder shall be in writing and shall either be delivered in person or sent by certified U.S. Mail, return-receipt requested, and shall be deemed delivered on the sooner of actual receipt of three (3) days after deposit in the mail, postage prepaid, addressed to the City or the Owner at the addresses set forth below:

To the City:
City Engineer
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

To the Owner:
Mallards Landing Lot 2, LLC
Mallards Landing Lot 3, LLC
Mallards Landing Lot 7, LLC
2727 Hollycroft Street, Suite 410
Gig Harbor, WA. 98335

Section 10. Severability. Any invalidity, in whole or in part, of any provision of this Maintenance Agreement and Covenant shall not affect the validity of any other provision.

Section 11. Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 12. Governing Law, Disputes. Jurisdiction of any dispute over this Maintenance Agreement and Covenant shall be solely with Pierce County Superior Court, Pierce County, Washington. This Maintenance Agreement and Covenant shall be interpreted under the laws of the State of Washington. The prevailing party in any litigation arising out of this Maintenance Agreement and Covenant shall be entitled to its reasonable attorneys' fees, costs, expenses and expert witness fees.

Section 13. Integration. This Maintenance Agreement and Covenant constitutes the entire agreement between the parties on this subject matter, and supersedes all prior discussions, negotiations, and all other agreements on the same subject matter, whether oral or written.

IN WITNESS WHEREOF, the parties have caused this Maintenance Agreement and Covenant to be executed this _____ day of _____, 200 ____.

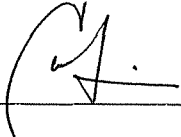
THE CITY OF GIG HARBOR

By: _____
Its Mayor

ATTEST:

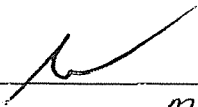
City Clerk

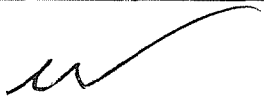
APPROVED AS TO FORM:




City Attorney

OWNER

By: 
MALLARDS
Its: Managing Member LANDING 2, LLC
Print Name: Gordon D. Rush

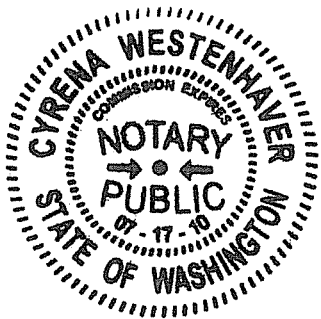
By: 
MALLARDS
Its: Managing Member LANDING 3, LLC
Print Name: Gordon D. Rush

By: 
MALLARDS
Its: Managing Member LANDING 7, LLC
Print Name: Gordon D. Rush

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that GORDON D. RUSH 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 MEMBER MANAGER of MALLARDS LANDING 2, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: JUNE 26, 2007

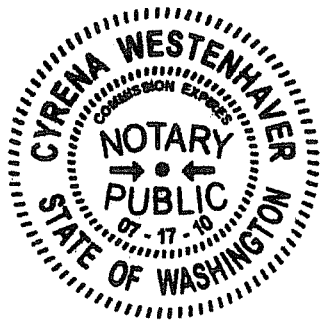


Cyrena Westenhaver
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 7/17/2010

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that GORDON D. RUSH 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 MEMBER MANAGER of MALLARDS LANDING 3, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: JUNE 26, 2007

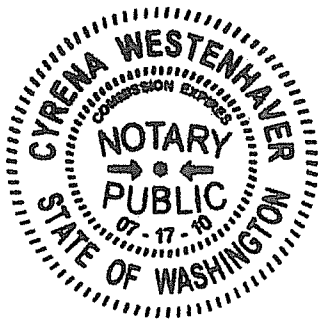


Cyrena Westenhaver
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 7/17/2010

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that GORDON P. RUSH 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 MEMBER MANAGER of MALLARDS LANDING 7, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: JUNE 26, 2007



Cyrena Westenhaver
Notary Public in and for the
State of Washington,
Title: NOTARY PUBLIC
My appointment expires: 7/17/2010

STATE OF WASHINGTON)
) ss.
COUNTY OF P I E R C E)

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: _____

Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: _____

EXHIBIT A-1
LOT 2
PROPERTY LEGAL DESCRIPTION

LOT 2 OF THE PLAT OF MALLARDS' LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON AND MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M.; THENCE ALONG THE SOUTH LINE OF SAID SECTION 7, SOUTH 88°14'46" WEST FOR A DISTANCE OF 1660.79 FEET; THENCE NORTH 02°27'47" EAST FOR A DISTANCE OF 463.98 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2 AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 2, NORTH 88°14'47" EAST FOR A DISTANCE OF 128.00 FEET; THENCE SOUTH 50°07'47" EAST FOR A DISTANCE OF 174.76 FEET TO A POINT ON THE RIGHT-OF-WAY OF WOLLOCHET DRIVE NORTHWEST; THENCE ALONG SAID RIGHT-OF-WAY, NORTH 39°52'13" EAST FOR A DISTANCE OF 471.66 FEET TO THE NORTH-EAST CORNER OF SAID LOT 2; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 2, NORTH 75°08'25" WEST FOR A DISTANCE OF 429.00 FEET TO AN ANGLE POINT IN SAID LOT 2; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID LOT 2, NORTH 87°32'13" WEST FOR A DISTANCE OF 134.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 2 AND THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT A-2
LOT 3
PROPERTY LEGAL DESCRIPTION

LOT 3 OF THE PLAT OF MALLARDS' LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON AND MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M.; THENCE ALONG THE SOUTH LINE OF SAID SECTION 7, SOUTH 88°14'46" WEST FOR A DISTANCE OF 1660.79 FEET; THENCE NORTH 02°27'47" EAST FOR A DISTANCE OF 833.98 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3 AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 3, SOUTH 87°32'13" EAST FOR A DISTANCE OF 134.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE SOUTH-EASTERLY LINE OF SAID LOT 3, NORTH 45°33'28" EAST FOR A DISTANCE OF 520.15 FEET TO A POINT ON THE RIGHT-OF-WAY OF WAGNER WAY; THENCE ALONG SAID RIGHT-OF-WAY THROUGH A CURVE TO THE LEFT HAVING A RADIUS POINT WHICH BEARS SOUTH 62°56'23" WEST 445.00 FEET THROUGH A DELTA ANGLE OF 05°12'11" FOR AN ARC DISTANCE OF 40.41 FEET; THENCE NORTH 32°15'48" WEST FOR A DISTANCE OF 30.38 FEET; THENCE ON A CURVE TO THE RIGHT THROUGH A DELTA ANGLE OF 12°49'39" FOR AN ARC DISTANCE OF 115.30 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 3, SOUTH 88° 10'53" WEST FOR A DISTANCE OF 65.72 FEET; THENCE SOUTH 02°24'41" WEST FOR A DISTANCE OF 20.00 FEET; THENCE SOUTH 88°14'20" WEST FOR A DISTANCE OF 331.39 FEET TO THE NORTHWEST CORNER OF SAID LOT 3; THENCE ALONG THE WEST LINES OF SAID LOT 3, SOUTH 02°27'47" WEST FOR A DISTANCE OF 490.99 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON

EXHIBIT A-3
LOT 7
PROPERTY LEGAL DESCRIPTION

LOT 7 OF THE PLAT OF MALLARD'S LANDING AS RECORDED UNDER AUDITOR'S FILE NUMBER 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON, MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 2 EAST, OF THE WILLAMETTE MERIDIAN; THENCE ALONG NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 7, SOUTH 88°13'52" WEST FOR A DISTANCE OF 948.76 FEET TO THE CENTERLINE OF WAGNER WAY; THENCE ALONG THE CENTERLINE OF SAID WAGNER WAY, SOUTH 01°46'17" EAST FOR A DISTANCE OF 24.90 FEET; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 150.00 FEET THROUGH A DELTA ANGLE OF 28°12'16" FOR AN ARC DISTANCE OF 73.84 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 26°25'59" WEST FOR A DISTANCE OF 31.81 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 300.00 FEET THROUGH A DELTA ANGLE OF 34°14'04" FOR AN ARC DISTANCE OF 179.25 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 07°48'05" EAST FOR A DISTANCE OF 195.12 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 150.00 FEET THROUGH A DELTA ANGLE OF 68°23'44" FOR AN ARC DISTANCE OF 179.06 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, SOUTH 60°35'38" WEST FOR A DISTANCE OF 191.81 FEET; THENCE LEAVING SAID CENTERLINE, NORTH 29°24'22" WEST FOR A DISTANCE OF 27.50 FEET TO THE RIGHT OF WAY OF SAID WAGNER WAY AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID RIGHT OF WAY, NORTH 60°35'38" EAST FOR A DISTANCE OF 86.25 FEET; THENCE LEAVING SAID RIGHT OF WAY, NORTH 05°00'29" WEST FOR A DISTANCE OF 7.96 FEET; THENCE NORTH 11°19'38" WEST FOR A DISTANCE OF 17.71 FEET; THENCE NORTH 01°34'26" EAST FOR A DISTANCE OF 26.11 FEET; THENCE NORTH 26°29'42" EAST FOR A DISTANCE OF 15.71 FEET; THENCE NORTH 78°55'17" EAST FOR A DISTANCE OF 28.89 FEET; THENCE SOUTH 89°54'27" EAST FOR A DISTANCE OF 11.35 FEET; THENCE NORTH 75°22'31" EAST FOR A DISTANCE OF 24.60 FEET; THENCE NORTH 62°52'56" EAST FOR A DISTANCE OF 19.26 FEET; THENCE NORTH 59°39'40" EAST FOR A DISTANCE OF 25.86 FEET; THENCE NORTH 31°46'38" EAST FOR A DISTANCE OF 13.45 FEET; THENCE NORTH 00°00'01" EAST FOR A DISTANCE OF 23.73 FEET; THENCE NORTH 05°54'07"

WEST FOR A DISTANCE OF 22.03 FEET; THENCE NORTH 06°27'51" EAST FOR A DISTANCE OF 18.55 FEET; THENCE NORTH 18°04'42" EAST FOR A DISTANCE OF 11.39 FEET; THENCE NORTH 10°52'43" EAST FOR A DISTANCE OF 19.76 FEET; THENCE NORTH 16°20'51" WEST FOR A DISTANCE OF 31.18 FEET; THENCE NORTH 11°15'42" WEST FOR A DISTANCE OF 16.00 FEET; THENCE NORTH 01°31'56" WEST FOR A DISTANCE OF 37.12 FEET; THENCE NORTH 29°45'17" WEST FOR A DISTANCE OF 12.24 FEET; THENCE NORTH 49°53'15" WEST FOR A DISTANCE OF 38.57 FEET; THENCE NORTH 45°53'57" WEST FOR A DISTANCE OF 21.05 FEET; THENCE NORTH 18°08'54" WEST FOR A DISTANCE OF 16.69 FEET; THENCE NORTH 05°28'05" WEST FOR A DISTANCE OF 45.91 FEET; THENCE NORTH 01°15'36" EAST FOR A DISTANCE OF 18.97 FEET; THENCE NORTH 15°00'34" EAST FOR A DISTANCE OF 18.29 FEET; THENCE NORTH 31°52'36" FOR A DISTANCE OF 17.63 FEET; THENCE NORTH 34°17'48" EAST FOR A DISTANCE OF 27.61 FEET; THENCE NORTH 03°31'46" EAST FOR A DISTANCE OF 20.27 FEET; THENCE NORTH 32°10'02" EAST FOR A DISTANCE OF 15.73 FEET; THENCE NORTH 21°22'03" EAST FOR A DISTANCE OF 40.86 FEET; THENCE NORTH 23°51'14" EAST FOR A DISTANCE OF 15.38 FEET; THENCE NORTH 44°47'25" EAST FOR A DISTANCE OF 50.23 FEET; THENCE NORTH 17°55'19" EAST FOR A DISTANCE OF 23.04 FEET; THENCE NORTH 08°17'01" EAST FOR A DISTANCE OF 22.89 FEET TO THE SOUTH LINE OF 72ND STREET NORTHWEST; THENCE ALONG THE SOUTH LINE OF SAID 72ND STREET NORTHWEST, SOUTH 88°13'52" WEST FOR A DISTANCE OF 313.59 FEET; THENCE SOUTH 02°24'41" WEST FOR A DISTANCE OF 1274.84 FEET; THENCE NORTH 88°10'53" EAST FOR A DISTANCE OF 65.72 FEET TO THE WESTERLY LINE OF WAGNER WAY; THENCE ALONG SAID WESTERLY LINE, ALONG A CURVE TO THE RIGHT WITH A RADIAL BEARING OF NORTH 70°33'51" EAST AND A RADIUS OF 515.00 FEET THROUGH A DELTA ANGLE OF 21°50'41" FOR AN ARC DISTANCE OF 196.35 FEET; THENCE CONTINUING ALONG SAID WESTERLY LINE, NORTH 02°24'32" EAST FOR A DISTANCE OF 259.52 FEET; THENCE CONTINUING ALONG SAID WESTERLY LINE, ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 177.50 FEET THROUGH A DELTA ANGLE OF 58°11'06" FOR AN ARC DISTANCE OF 180.26 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF GIG HARBOR, COUNTY OF PIERCE, STATE OF WASHINGTON.

EXHIBIT B-1 LOT 2 DRAINAGE SYSTEM DRAWING

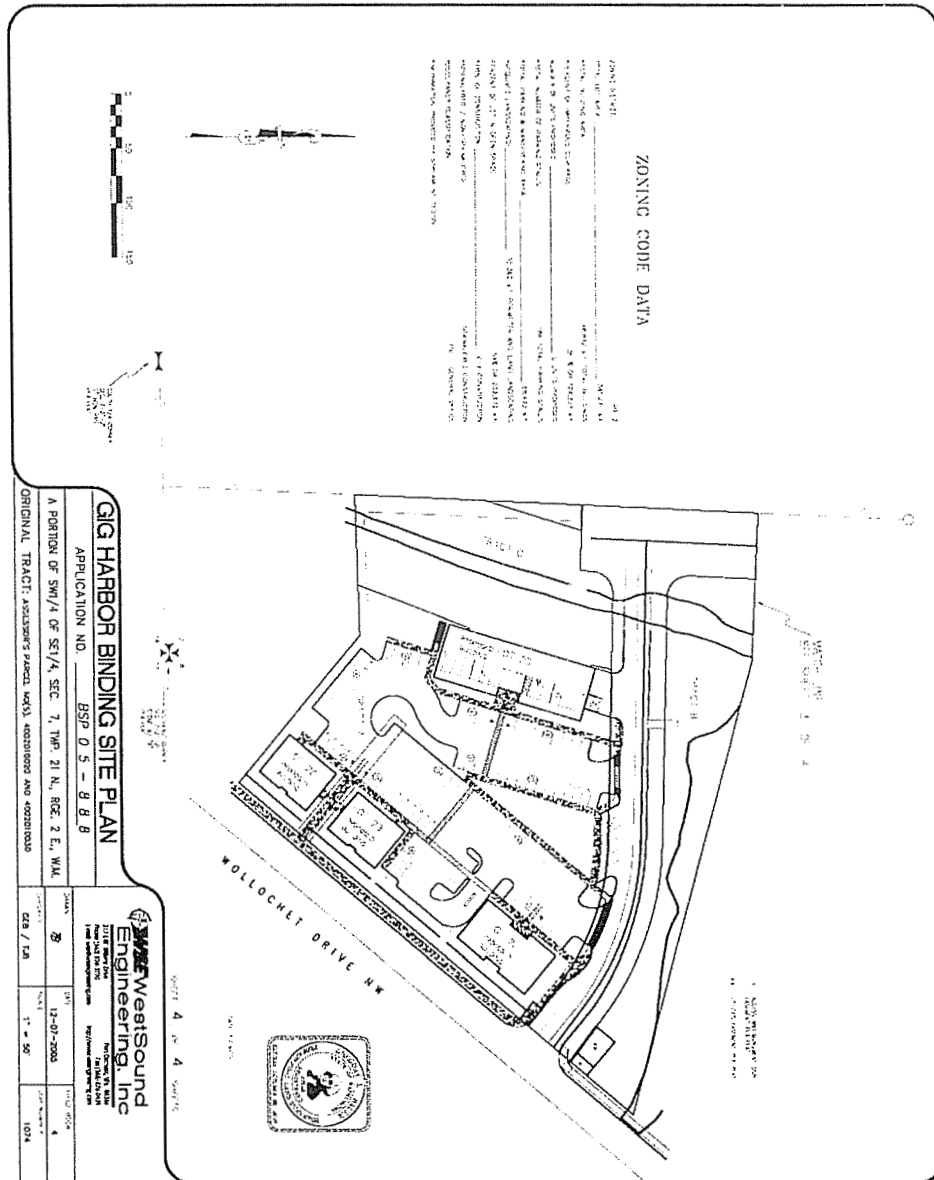
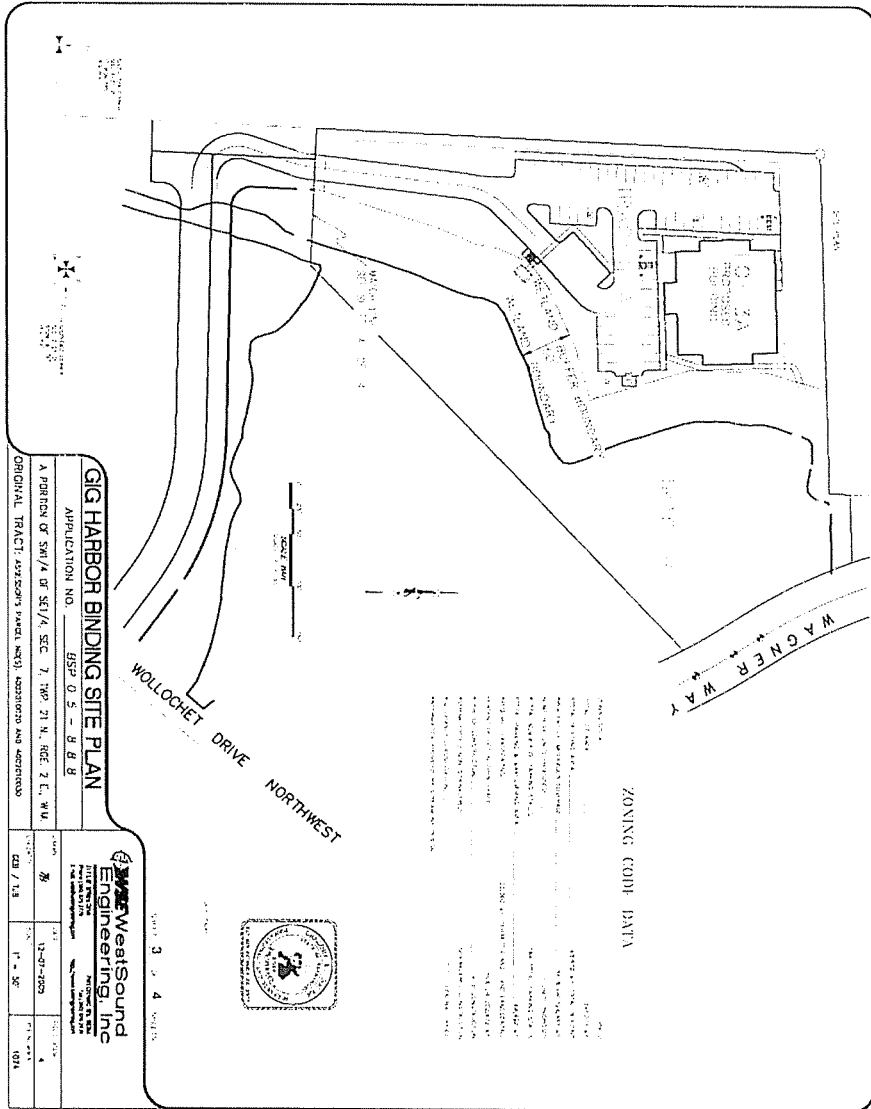


EXHIBIT B-2
LOT 3
DRAINAGE SYSTEM DRAWING



GIG HARBOR BINDING SITE PLAN
 APPLICATION NO. ESP 05 - B B B
 A PORTION OF SW 1/4 OF SE 1/4, SEC. 7, T8N, 21N, R9E, 2E, W.U.
 ORIGINAL TRACT, LESSEE'S TRACT, NEQI, METERS AND DISTANCES

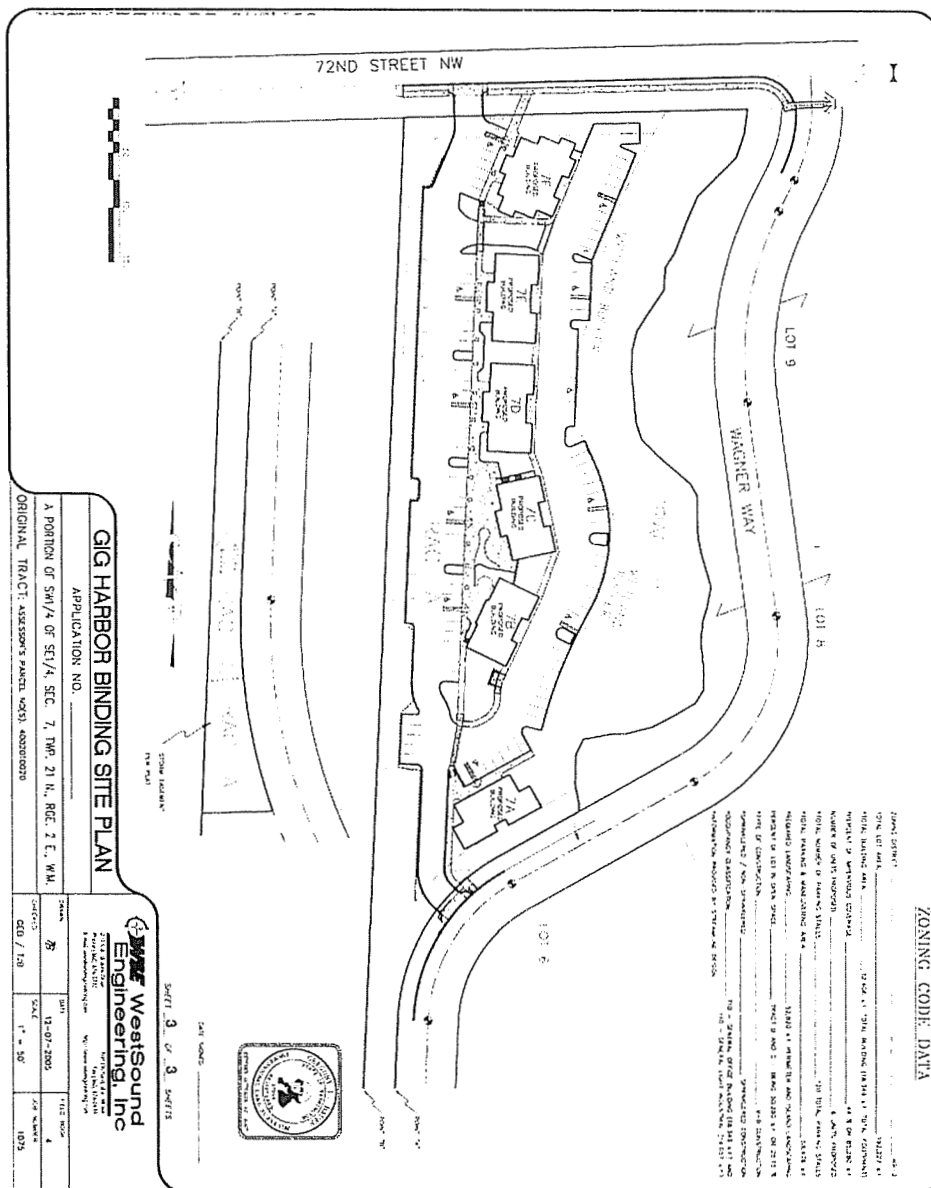
WestSound Engineering, Inc.
 1111 1st Ave. S.E.
 Everett, WA 98201
 Phone: 425-335-1111
 Fax: 425-335-1112
 www.westsoundeng.com

DATE	NO.	DESCRIPTION
08/11/18	1	18-07-025
11-18	2	18-07-025
02/18	3	18-07-025

EXHIBIT B-3

LOT 7

DRAINAGE SYSTEM DRAWING





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

Subject: Sanitary Sewer and Stormwater Facilities Easement and Maintenance Agreements – Franciscan Health System

Dept. Origin: Community Development

Prepared by: Stephen Misiurak, P.E.
City Engineer

For Agenda of: July 09, 2007

Proposed Council Action: Approval of the Sanitary Sewer and Stormwater Agreements as presented.

Exhibits: Two Sanitary Sewer and two Storm Water Maintenance Agreements

Initial & Date

Concurred by Mayor:

CWA 7/19/07

Approved by City Administrator:

ROK 7/13/07

Approved as to form by City Atty:

CAM 7/3/07

Approved by Finance Director:

Approved by Department Head:

[Signature] 7/3

Expenditure		Amount		Appropriation	
Required	0	Budgeted	0	Required	0

INFORMATION / BACKGROUND

As a condition of project approval of the Franciscan Health System located at 11567 Canterwood Blvd, Gig Harbor and owned by Franciscan Health System, Sanitary Sewer and Storm Water Facilities Maintenance Agreement(s) are required. This will ensure that the sanitary sewer system and storm water system will be constructed, operated and maintained in accordance with all applicable rules and regulations. The sanitary sewer system and storm water system is located on private property and will be privately owned. The City will not be responsible for the operation and maintenance of these systems. These agreements allow the City a nonexclusive right-of-entry onto those portions of the property in order to access the sanitary sewer system for inspection and monitoring of the system.

FISCAL CONSIDERATION

No funds will be expended for the acquisition of the described agreements.

RECOMMENDATION / MOTION

Move to: Approval of the Sanitary Sewer and Stormwater Agreements as presented.

AFTER RECORDING RETURN TO:

The City of Gig Harbor
Attn: City Clerk
3510 Grandview St.
Gig Harbor, WA 98335

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

Document Title(s) (or transactions contained therein):

Storm Water Facilities Maintenance Agreement and Restrictive Covenant

Grantor(s) (Last name first, then first name and initials)

Franciscan Health System

Grantee(s) (Last name first, then first name and initials)

City of Gig Harbor

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range)

Sec. 25, T22N, R 1 E Quarter 41

Assessor's Property Tax Parcel or Account Number: 0122254083

Reference Number(s) of Documents assigned or released: _____

STORM WATER FACILITIES MAINTENANCE AGREEMENT AND RESTRICTIVE COVENANT

This Storm Water Facilities Maintenance Agreement and Restrictive Covenant is made this _____ day of _____, 2007, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Franciscan Health System, a nonprofit corporation organized under the laws of the State of Washington, located and doing business at 1149 Market St. Tacoma Wa 98402-3515 (hereinafter the "Owner").

RECITALS

WHEREAS, Owner is the owner of fee title or a substantial beneficial interest in certain real property located in Gig Harbor, Washington, commonly described as Franciscan Health System located at 11567 Canterwood Blvd (hereinafter the "Property") and legally described in **Exhibit A**, which is attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the Owner's proposed development of the Property, the City has required and the Owner has agreed to construct a storm water collection and detention system; and

WHEREAS, such drainage system is described and shown on a construction drawing prepared by the engineering firm of DOWL Engineering, dated May 2007 (hereinafter the "Drainage System Drawing"), for the Owner's Property, a copy of which is attached hereto as **Exhibit B-1 and B-2** and incorporated herein by this reference; and

WHEREAS, as a condition of project approval and/or as a condition of the City's utilization of the Owner's storm drainage system, the parties have entered into this Maintenance Agreement and Restrictive Covenant, in order to ensure that the drainage system will be constructed and maintained in accordance with the approved plans and the City's development standards;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

T E R M S

Section 1. Construction and Maintenance. Owner agrees to construct and maintain a drainage system on its Property, as shown on the Drainage System Drawing, **Exhibit B-1 and B-2**. The drainage system shall be maintained and preserved by the Owner until such time as the City, its successors or assigns, agree that the system should be altered in some manner or eliminated.

Section 2. No Removal. No part of the drainage system shall be dismantled, revised, altered or removed, except as necessary for maintenance, repair or replacement.

Section 3. Access. The City shall have the right to ingress and egress over those portions of the Property described in **Exhibit A** in order to access the drainage system for inspection and to reasonably monitor the system for performance, operational flows or defects.

Section 4. Repairs, Failure of Owner to Maintain. If the City determines that maintenance or repair work is required to be performed on the system, the City Engineer or his/her designee shall give notice to the Owner of the noted deficiency. The Engineer shall also set a reasonable time in which the Owner shall perform such work. If the repair or maintenance required by the Engineer is not completed within the time set by the Engineer, the City may perform the required maintenance and/or repair. Written notice will be sent to the Owner, stating the City's intention to perform such repair or maintenance, and such work will not commence until at least 15 days after such notice is mailed, except in situations of emergency. If, within the sole discretion of the Engineer, there exists an imminent or present danger to the system, the City's facilities or the public health and safety, such 15 day period will be waived and maintenance and/or repair work will begin immediately.

Section 5. Cost of Repairs and/or Maintenance. The Owner shall assume all responsibility for the cost of any maintenance and for repairs to the drainage system. Such responsibility shall include reimbursement to the City within 30 days after the City mails an invoice to the Owner for any work performed by the City. Overdue payments will require payment of interest by the Owner at the current legal rate as liquidated damages.

Section 6. Notice to City of Repairs and/or Maintenance. The Owner is hereby required to obtain written approval from the City Engineer prior to filling, piping, cutting or removing vegetation (except in routine landscape maintenance) in open vegetated drainage facilities (such as swales, channels, ditches, ponds, etc.), or performing any alterations or modifications to the drainage system.

Section 7. Rights Subject to Permits and Approvals. The rights granted herein are subject to permits and approvals granted by the City affecting the Property subject to this Maintenance Agreement and Covenant.

Section 8. Terms Run with the Property. The terms of this Maintenance Agreement and Covenant are intended to be and shall constitute a covenant running with the Property and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns.

Section 9. Notice. All notices required or permitted hereunder shall be in writing and shall either be delivered in person or sent by certified U.S. Mail, return-receipt requested, and shall be deemed delivered on the sooner of actual receipt of three (3) days after deposit in the mail, postage prepaid, addressed to the City or the Owner at the addresses set forth below:

To the City:
City Engineer
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

To the Owner:
Franciscan Health System
P. O. Box 2197
Tacoma, WA 98401-9957

Section 10. Severability. Any invalidity, in whole or in part, of any provision of this Maintenance Agreement and Covenant shall not affect the validity of any other provision.

Section 11. Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 12. Governing Law, Disputes. Jurisdiction of any dispute over this Maintenance Agreement and Covenant shall be solely with Pierce County Superior Court, Pierce County, Washington. This Maintenance Agreement and Covenant shall be interpreted under the laws of the State of Washington. The prevailing party in any litigation arising out of this Maintenance Agreement and Covenant shall be entitled to its reasonable attorneys' fees, costs, expenses and expert witness fees.

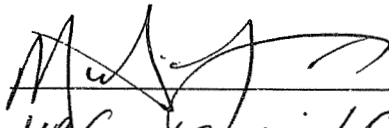
Section 13. Integration. This Maintenance Agreement and Covenant constitutes the entire agreement between the parties on this subject matter, and supersedes all prior discussions, negotiations, and all other agreements on the same subject matter, whether oral or written.

IN WITNESS WHEREOF, the parties have caused this Maintenance Agreement and Covenant to be executed this _____ day of _____, 200 ____.

THE CITY OF GIG HARBOR

By: _____
Its Mayor

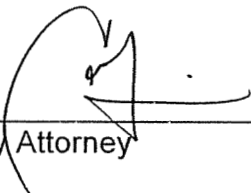
OWNER

By:  _____
Its: VP. Guest Services / Facilities - FHS
Print Name: MIKE LIEDMAN

ATTEST:

City Clerk

APPROVED AS TO FORM:

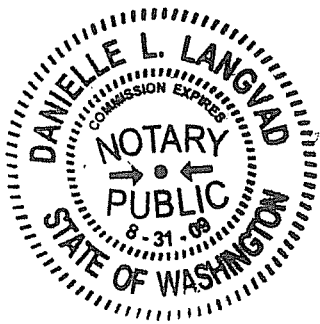


City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that MIKE LIEPMAN 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 VP, GUEST SVC. & FACILITIES of FRANCISCAN HEALTH SYSTEM, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 6/25/07



Danielle L. Langvad
Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: 8/31/09

STATE OF WASHINGTON)
) ss.
COUNTY OF P I E R C E)

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: _____

Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: _____

EXHIBIT A

(I.) PROPERTY LEGAL DESCRIPTION

Franciscan Health System (“Grantor” herein), grants, conveys and warrants to the City of Gig Harbor (“Grantee” herein) for the purposes hereinafter set forth a perpetual non-exclusive easement under across and over the following described real property (the “Property” herein) in Pierce County, Washington:

LOT 1 OF BOUNDARY LINE ADJUSTMENT RECORDED JUNE 29, 2004 UNDER PIERCE COUNTY RECORDING NUMBER 200406290B53 ALSO DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 22 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN; THENCE N 01°56'39" E ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER 660 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING N 01°56'39" E ALONG SAID SECTION LINE 1630.11 FEET MORE OR LESS TO THE NORTH LINE OF LOT 6 OF PIERCE COUNTY LARGE LOT SUBDIVISION NUMBER 2970, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 30 OF LARGE LOT SURVEYS, PAGE 70, IN PIERCE COUNTY, WASHINGTON; THENCE N 88°14'16" W ALONG THE NORTH LINE OF SAID LOT 6 593.74 FEET TO THE EASTERLY MARGIN OF THE 100-FOOT RIGHT OF WAY AS APPROPRIATED BY THE CITY OF TACOMA IN PIERCE COUNTY SUPERIOR COURT CIVIL CAUSE NO. 51234.

THENCE ALONG SAID EASTERLY MARGIN S 13°48'28" E 105.01 FEET TO A POINT OF INTERSECTION WITH THE EXTENSION OF THE NORTH LINE OF LOT 2 OF SAID PIERCE COUNTY LARGE LOT SUBDIVISION;

THENCE N 88°14'16" W ALONG SAID EXTENSION 103.81 FEET TO THE WESTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE N 88°14'16" W, ALONG THE NORTH LINE OF SAID LOT 2, 574.55 FEET TO A POINT ON A CURVE, CONCAVE TO THE EAST HAVING A RADIUS OF 715.00, ON THE EASTERLY MARGIN OF CANTERWOOD BOULEVARD N.W. AS CONVEYED TO PIERCE COUNTY BY DEEDS RECORDED JANUARY 11, 1994 UNDER RECORDING NUMBERS 9401110666, 9401110667 AND 9401110668, A RADIAL LINE THROUGH SAID POINT BEARS N89°54'06" W;

THENCE SOUTHERLY ALONG SAID EASTERLY MARGIN OF CANTERWOOD BOULEVARD N.W., 201.17 FEET ALONG A FEET THROUGH A CENTRAL ANGLE OF 16°07'14"; THENCE CONTINUING ALONG SAID MARGIN S 16°01'20" E 293.46 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 785.00 FEET;

THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE 481.81 FEET THROUGH A CENTRAL ANGLE OF 35°10'00"

THENCE CONTINUING ALONG SAID MARGIN S 19°08'40" W 154.50 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 715 FEET;

THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE 387.23 FEET THROUGH A CENTRAL ANGLE OF 31°01'50";

THENCE N 73°58'40" E 23.14 FEET; THENCE S 16°01'20" E 12.19 FEET; THENCE S 86°04'32" E 408.62 FEET;

THENCE S 03°55'39" W 30.00 FEET; THENCE S 86°04'29" E 188.04 FEET; THENCE N33°25'39" E, 34.46 FEET;

THENCE S 86°04'29" E 292.78 FEET TO THE WESTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE CONTINUING S 86°04'29" 104.99 FEET TO THE EASTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE CONTINUING S 86°04'29" E 135.86 FEET TO THE POINT OF BEGINNING.

EXCEPT FOR THAT 100-FOOT RIGHT OF WAY AS APPROPRIATED BY THE CITY OF TACOMA IN PIERCE COUNTY SUPERIOR COURT CIVIL CAUSE NO. 51234.

(II.) UTILITY EASEMENT DESCRIPTION

Except as may be otherwise set forth herein Grantee’s rights shall be exercised upon that portion of the Property (the “utility easement” herein) described as follows:

A utility easement 15 feet in width having 7.5 feet of such width on each side of a center line described as follows:

The centerline of the Grantor’s facilities as constructed or to be constructed, extended or relocated lying within the above described property, and as shown on Exhibit B-1 and B-2.

EXHIBIT B-1 DRAINAGE SYSTEM DRAWING

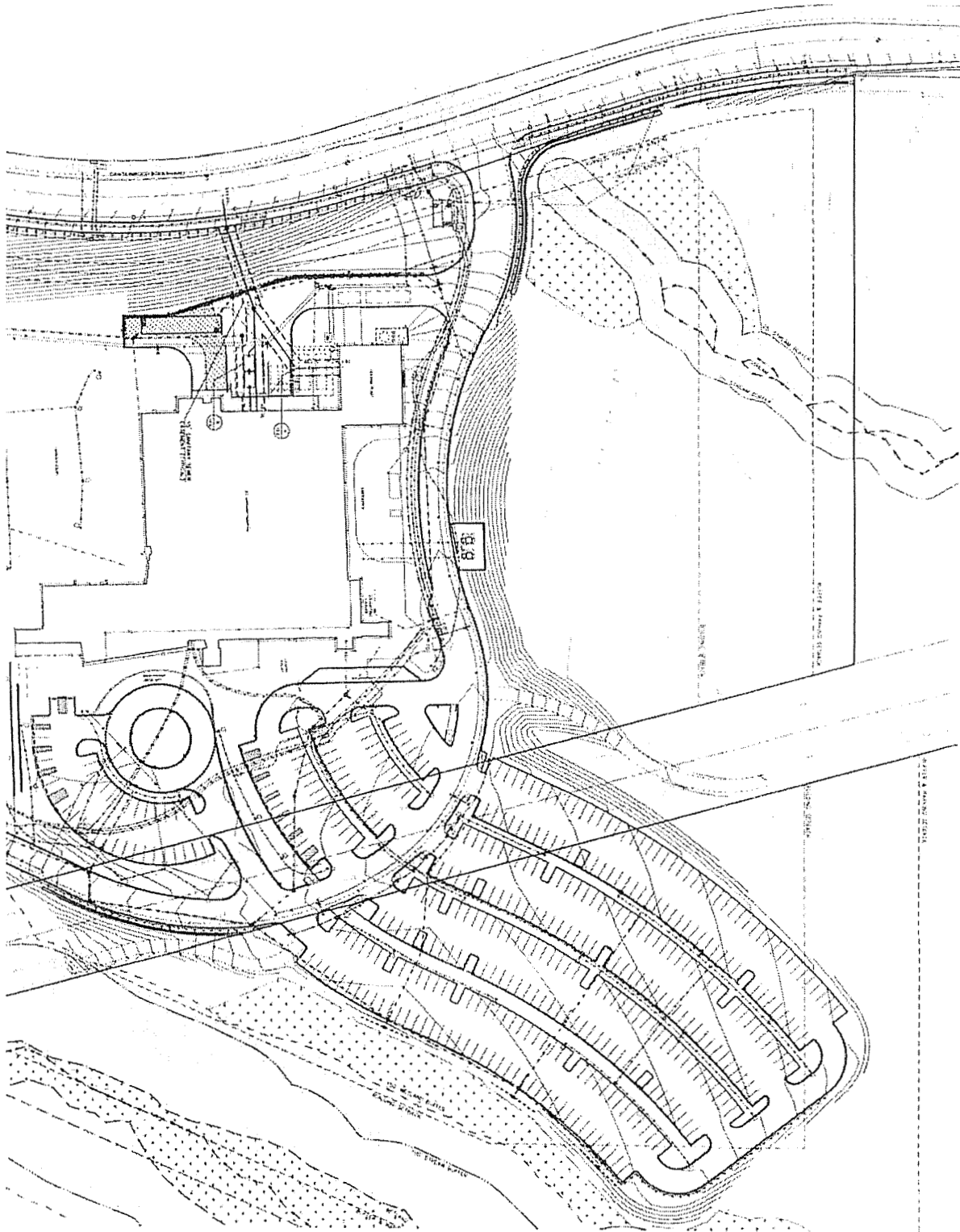


EXHIBIT B-2 DRAINAGE SYSTEM DRAWING



AFTER RECORDING RETURN TO:

The City of Gig Harbor
Attn: City Clerk
3510 Grandview St.
Gig Harbor, WA 98335

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

Document Title(s) (or transactions contained therein):
Sanitary Sewer Facilities Easement and Maintenance Agreement

Grantor(s) (Last name first, then first name and initials)
Franciscan Health System

Grantee(s) (Last name first, then first name and initials)
City of Gig Harbor

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range)
Sec. 25, T22N, R 1 E Quarter 41

Assessor's Property Tax Parcel or Account number: 0122254083

Reference number(s) of documents assigned or released: _____

**SANITARY SEWER FACILITIES EASEMENT
AND MAINTENANCE AGREEMENT**

This Sanitary Sewer Facilities Easement and Maintenance Agreement is made this _____ day of _____, 2007, by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Franciscan Health System, a nonprofit corporation organized under the Laws of the State of Washinton, located and doing business at 1149 Market St. Tacoma Wa 98402-3515 (hereinafter the "Owner").

RECITALS

WHEREAS, Owner is the owner of fee title or a substantial beneficial interest in certain real property located in Gig Harbor, Washington, commonly described as Franciscan Health System located at 11567 Canterwood Blvd, (hereinafter the "Property") and legally described in **Exhibit A**, which is attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the Owner's proposed development of the Property, the City has required and the Owner has constructed a private sanitary sewer system on the Property; and

WHEREAS, such sanitary sewer system is described and shown on a construction drawing(s) prepared by the engineering firm of DOWL Engineering, dated May 2007 (hereinafter the "Plans"), for the Owner's Property, a copy of which is attached hereto as **Exhibit B-1 and B-2** and incorporated herein by this reference; and

WHEREAS, as a condition of project approval, and/or due to the nature of the development, the sanitary sewer system on the Property is private, and will not be the responsibility of and/or owned, operated and maintained by the City; and

WHEREAS, the private sanitary sewer will eventually be connected to the City's sanitary sewer system and the City desires an easement to definitively establish the permissible location of the City's access on the Property described in **Exhibit A**, for the purposes described in this Agreement; and

WHEREAS, as a result of said private ownership and responsibility for operation and maintenance, including repair, rehabilitation, replacement, alterations and/or modifications, the parties have entered in to this Easement and Maintenance Agreement, in order to ensure that the sanitary sewer system will be constructed, operated and maintained in accordance with the approved Plans and all applicable rules and regulations;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

TERMS

Section 1. Affected Property. The real property subject to this Agreement is legally described in **Exhibit A**.

Section 2. Definitions. As used in this instrument:

A. The word "plat" refers to the (not applicable), and any other plat or plats, including short plats, covering all real property which may hereafter be made subject to the provisions of this instrument by a written instrument signed by the Owner, its successors and assigns, in accordance with this Agreement.

B. The word "lot" refers to a lot shown on any plat defined herein, but shall not include any parcel designated as a "tract" on a plat. "Lot" shall include any parcel of land that is separately subjected to this instrument without having been subdivided into two or more parcels by a plat recorded subsequent to the recording of this instrument.

C. The word "Owner" or "Owners" refers to the entity, whether an individual, corporation, joint venture or partnership which is an owner in fee simple or of a substantial beneficial interest (except for mineral estate) in all or any portion of the property in the Plat or the Property. A "substantial beneficial interest" shall include both legal and equitable interests in the Property.

D. The words "Owners' Association" refer to a nonprofit corporation which may be formed for the purpose of operating and maintaining the facilities described in **Exhibit B-1 and B-2** on the Property, which may be independently conveyed by the Owner or its successors and assigns to an Owners' Association, and to which the Owners' Association may provide other services in order to benefit the owners of property within the plat or the Property.

Section 3. Maintenance Obligations. The Owner, its successors, assigns and/or owners of an after-acquired interest in the Property, hereby covenant and agree that they are jointly and severally responsible for the installation, operation, perpetual maintenance, of a sanitary sewer system on the Property, as shown on the Plans attached hereto as **Exhibit B-1 and B-2**. The sanitary sewer system shall be operated, maintained and preserved by the Owner in accordance with the Plans and all applicable ordinances, codes, rules and regulations. The sanitary sewer system shall be preserved in conformance with the Plans until such time as all parties to this Agreement, including the City, agree in writing that the sanitary sewer system should be altered in some manner or eliminated. In the event the sanitary sewer system is eliminated as provided hereinabove, the Owner shall be relieved of operation and maintenance responsibilities. No such elimination of the sanitary sewer system will be allowed prior to the Community Development Director's written approval.

Section 4. Notice to City. The Owner shall obtain written approval from the Director prior to performing any alterations or modifications to the sanitary sewer system located on the Property described in Exhibit A. No part of the sanitary sewer system shall be dismantled, revised, altered or removed, except as provided hereinabove, and except as necessary for maintenance, including repair, rehabilitation, replacement, alterations, and/or other modifications.

Section 5. Easement for Access. The Owner hereby grants and conveys to the City a perpetual, non-exclusive easement, under, over, along, through and in the Property, as such Easement is legally described in **Exhibit C**, attached hereto and incorporated herein by this reference. This Easement is granted to the City for the purpose of providing the City with ingress and egress in order to access the sanitary sewer system on the Property for inspection, and to reasonably monitor the system for performance, operational flows, defects, and/or conformance with applicable rules and regulations. In addition, the City may use this Easement to exercise its rights as described in Section 8 herein.

Section 6. Assignment to an Owners' Association. In the event that an Owners' Association is formed under a Declaration of Covenants, Conditions and Restrictions which includes all of the Property in **Exhibit A**, the Owner may assign responsibility for installation and perpetual maintenance of the sanitary sewer system to such Owners' Association for so long as the Owners' Association remains in existence and upon the conditions that the Owners' Association assumes all of the obligations, liabilities, covenants and agreements of the Owner under this Agreement. Such assignment of the Owner's obligations shall be in a duly executed instrument in recordable form, and for so long as such assignment remains effective, the Owner shall have no further responsibility or liability under this Agreement.

Section 7. Conveyances. In the event the Owner shall convey its substantial beneficial or fee interest in any property in the Plat, any lot, or the Property, the conveying Owner shall be free from all liabilities respecting the performance of the restrictions, covenants and conditions in this Agreement; PROVIDED, HOWEVER, that the conveying Owner shall remain liable for any acts or omissions during such Owner's period of ownership of such Property.

Section 8. Rights of the City of Gig Harbor.

A. Execution of this Agreement shall not affect the City of Gig Harbor's present or future interest or use of any public or private sanitary sewer system. If the City determines that maintenance is required for the sanitary sewer system, and/or there is/are illegal connection(s) to or discharges into the sanitary sewer system, the Community Development Director or his/her designee shall give notice to the Owner(s) of the specific maintenance and/or changes required, and the basis for said required maintenance and/or changes. The Director shall also set a reasonable time in which the Owner(s) shall perform such work. If the maintenance required by the Director is not completed within the time set by the Director, the City may perform the required maintenance. Written notice will be sent to the Owner(s), stating the City's intention to perform such maintenance, and such work will not commence until at least five (5) days after such notice is mailed, except in situations of emergency. If, at the sole discretion of the Director, there exists an imminent or present danger to the sanitary sewer system, the City's facilities or the public health and safety, such five (5) day period will be waived, and the necessary maintenance will begin immediately.

B. In order to assure the proper maintenance of the Owner's sanitary sewer system, and to ensure there will be no damage to the City's sanitary sewer system, the City of Gig Harbor shall have the right as provided below, but not the obligation, to maintain the system, if the Owner(s) fail to do so, and such failure continues for more than five (5)-days after written notice of the failure is sent to the responsible parties. However, no notice shall be required in the event that the City of Gig Harbor determines that an emergency situation exists in which damage to person or property may result if the situation is not remedied prior to the time required for notice.

C. If the City provides notice in writing, but the Owner or Owners' Association fails or refuses to perform any maintenance or operational duties as requested by the City, the City's employees, officials, agents or representatives may enter the Property and undertake the necessary maintenance, repair or operational duties to the City's satisfaction. The City's ability to enforce this provision is subject further to the City's right to impose materialmen's and/or laborer's liens and to foreclose upon any and all properties owned by the Owner(s).

D. If the City exercises its rights under this Section, then the Owner(s) or Owners' Association shall reimburse the City on demand for all reasonable and necessary expenses incurred incident thereto. In addition, the City is hereby given the right, power and authority acting in the name of the Owner's Association to exercise and enforce on behalf of the Association and at the Association's cost, the assessment of dues and charges for such costs and to enforce the Association's lien right for any assessments, dues and charges as herein specified. The City shall also be permitted to collect the costs of administration and enforcement through the lien attachment and collection process as is permitted under chapter 35.67 RCW, or any other applicable law.

E. In addition to or in lieu of the remedies listed in this Section, if the Owners or Owner's Association, after the written notice described in Section 8A above, fails or refuses to perform the necessary maintenance, repair, replacement or modifications, the City may enjoin, abate or remedy such breach or continuation of such breach by appropriate proceedings, and may bring an action against the violator for penalties under the Gig Harbor Municipal Code.

Section 9. Indemnification of City. The Owner(s) agree to defend, indemnify and hold harmless the City of Gig Harbor, its officials, officers, employees and agents, for any and all claims, demands, actions, injuries, losses, damages, costs or liabilities of any kind or amount whatsoever, whether known or unknown, foreseen or unforeseen, fixed or contingent, liquidated or unliquidated, arising from an alleged defect in the design of the sanitary sewer system as installed by the Owner(s), or arising by reason of any omission or performance under this Agreement by the Owner(s), its successors and assigns, and/or Owners' Association, of any of the obligations hereunder.

Section 10. Rights Subject to Permits and Approvals. The rights granted herein are subject to permits and approvals granted by the City affecting the Property subject to this Easement and Maintenance Agreement.

Section 11. Terms Run with the Property. The promises, conditions, covenants and restrictions contained herein shall constitute a covenant or equitable servitude, the burden and benefit of which shall run with the land and bind successive owners with equitable or legal interests in the Property. Accordingly, by its acceptance of a deed or other instrument vesting a substantial beneficial interest in all or any lot, or other portion of the Property or the Plat in such Owner, each Owner shall covenant to be bound by all the obligations incumbent upon an Owner as set forth herein, and shall be entitled to all rights and benefits accruing to an Owner hereunder. This Agreement shall be recorded in the Pierce County Assessor's Office, and shall serve as notice to holders of after-acquired interests in the Property.

Section 12. Notice. All notices require or permitted hereunder shall be in writing and shall either be delivered in person or sent by certified U.S. Mail, return-receipt requested, and shall be deemed delivered on the sooner of actual receipt on three (3) days after deposit in the mail, postage prepaid, addressed to the City or the Owner at the addresses set forth below:

To the City:

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

To the Declarant:

Franciscan Health System
P. O. Box 2197
Tacoma, WA 98401-9957

Section 13. Severability. Any invalidity, in whole or in part, of any provision of this Easement and Maintenance Agreement shall not affect the validity of any other provision.

Section 14. Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 15. Governing Law, Disputes. Jurisdiction of any dispute over this Easement and Maintenance Agreement shall be solely with Pierce county Superior Court, Pierce County, Washington. This Easement and Maintenance Agreement shall be interpreted under the laws of the State of Washington. The prevailing party in any litigation arising out of this Easement and Maintenance Agreement shall be entitled to its reasonable attorneys' fees, costs, expenses and expert witness fees.

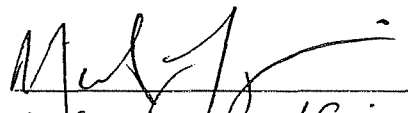
Section 16. Integration. This Easement and Maintenance Agreement constitutes the entire agreement between the parties on this subject matter, and supersedes all prior discussions, negotiations, and all other agreements on the same subject matter, whether oral or written.

IN WITNESS WHEREOF, the parties have caused this Easement and Maintenance Agreement be executed this _____ day of _____, 200__.

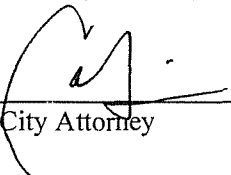
THE CITY OF GIG HARBOR

By: _____
Its Mayor

OWNER

By: 
Its: Vp, Guest Services / Facilities - FHS
Print Name: MIKE LIEPMAN

APPROVED AS TO FORM:



City Attorney

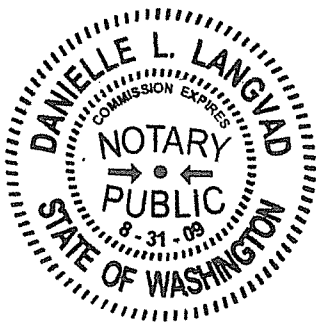
ATTEST:

City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that MIKE LIEPMAN 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 V.P. GUEST SERVICE FACILITY of FRANCISCAN HEALTH SYSTEM, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 6/25/07



Danielle L. Langvad
Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: 8/31/09

CITY OF GIG HARBOR NOTARY BLOCK

STATE OF WASHINGTON)
) ss.
COUNTY OF P I E R C E)

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: _____

Notary Public in and for the
State of Washington,
Title: _____
My appointment expires: _____

EXHIBIT A PROPERTY LEGAL DESCRIPTION

LOT 1 OF BOUNDARY LINE ADJUSTMENT RECORDED JUNE 29, 2004 UNDER PIERCE COUNTY RECORDING NUMBER 200406290853 ALSO DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 22 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN;
THENCE N 01°56'39" E ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER 660 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING N 01°56'39" E ALONG SAID SECTION LINE 1630.11 FEET MORE OR LESS TO THE NORTH LINE OF LOT 6 OF PIERCE COUNTY LARGE LOT SUBDIVISION NUMBER 2970, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 30 OF LARGE LOT SURVEYS, PAGE 70, IN PIERCE COUNTY, WASHINGTON;
THENCE N 88°14'16" W ALONG THE NORTH LINE OF SAID LOT 6 593.74 FEET TO THE EASTERLY MARGIN OF THE 100-FOOT RIGHT OF WAY AS APPROPRIATED BY THE CITY OF TACOMA IN PIERCE COUNTY SUPERIOR COURT CIVIL CAUSE NO. 51234

THENCE ALONG SAID EASTERLY MARGIN S 13°48'28" E 105.01 FEET TO A POINT OF INTERSECTION WITH THE EXTENSION OF THE NORTH LINE OF LOT 2 OF SAID PIERCE COUNTY LARGE LOT SUBDIVISION;

THENCE N 88°14'16" W ALONG SAID EXTENSION 103.81 FEET TO THE WESTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE N 88°14'16" W, ALONG THE NORTH LINE OF SAID LOT 2, 574.55 FEET TO A POINT ON A CURVE, CONCAVE TO THE EAST HAVING A RADIUS OF 715.00, ON THE EASTERLY MARGIN OF CANTERWOOD BOULEVARD N.W. AS CONVEYED TO PIERCE COUNTY BY DEEDS RECORDED JANUARY 11, 1994 UNDER RECORDING NUMBERS 940110666, 940110667 AND 940110668, A RADIAL LINE THROUGH SAID POINT BEARS N89°54'06" W;

THENCE SOUTHERLY ALONG SAID EASTERLY MARGIN OF CANTERWOOD BOULEVARD N.W. 201.17 FEET ALONG A FEET THROUGH A CENTRAL ANGLE OF 16°07'14";
THENCE CONTINUING ALONG SAID MARGIN S 16°01'20" E 293.46 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 785.00 FEET;

THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE 481.81 FEET THROUGH A CENTRAL ANGLE OF 35°10'00"

THENCE CONTINUING ALONG SAID MARGIN S 19°08'40" W 154.50 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 715 FEET;

THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE 387.23 FEET THROUGH A CENTRAL ANGLE OF 3101'50";

THENCE N 73°58'40" E 23.14 FEET; THENCE S 16°01'20" E 12.19 FEET; THENCE S 86°04'32" E 408.62 FEET;

THENCE S 03°55'39" W 30.00 FEET; THENCE S 86°04'29" E 188.04 FEET; THENCE N33°25'39" E 34.46 FEET;

THENCE S 86°04'29" E 292.76 FEET TO THE WESTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE CONTINUING S 86°04'29" 104.99 FEET TO THE EASTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE CONTINUING S 86°04'29" E 135.88 FEET TO THE POINT OF BEGINNING.

EXCEPT FOR THAT 100-FOOT RIGHT OF WAY AS APPROPRIATED BY THE CITY OF TACOMA IN PIERCE COUNTY SUPERIOR COURT CIVIL CAUSE NO. 51234.

EXHIBIT B-1

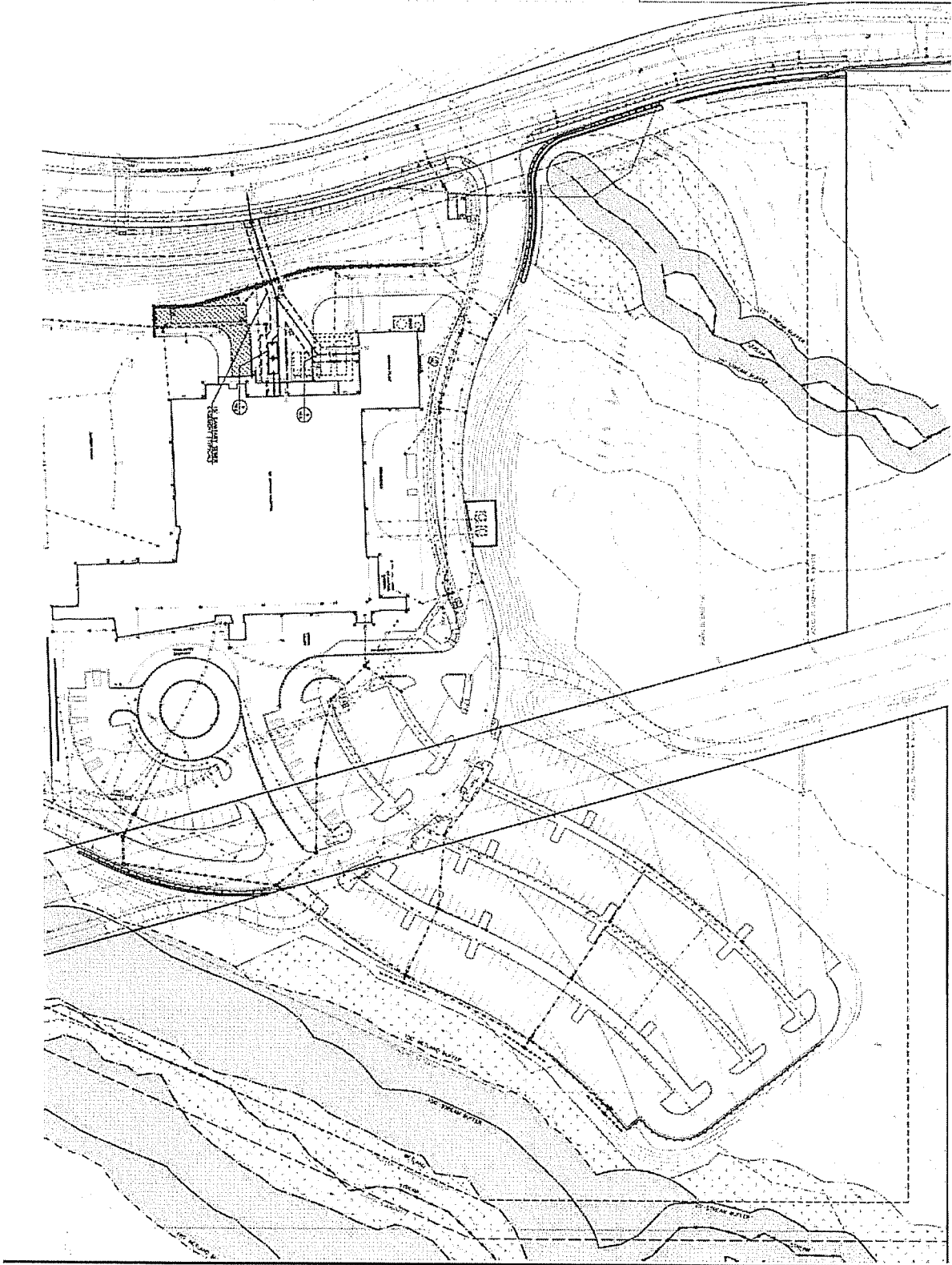


EXHIBIT B-2



EXHIBIT C
EASEMENT LEGAL DESCRIPTION

Franciscan Health System (“Grantor” herein), grants, conveys and warrants to the City of Gig Harbor (“Grantee” herein) for the purposes hereinafter set forth a perpetual non-exclusive easement under across and over the following described real property (the “Property” herein) in Pierce County, Washington:

LOT 1 OF BOUNDARY LINE ADJUSTMENT RECORDED JUNE 29, 2004 UNDER PIERCE COUNTY RECORDING NUMBER 200406290853 ALSO DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 22 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN;
THENCE N 01°56'39" E ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER 660 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING N 01°56'39" E ALONG SAID SECTION LINE 1630.11 FEET MORE OR LESS TO THE NORTH LINE OF LOT 6 OF PIERCE COUNTY LARGE LOT SUBDIVISION NUMBER 2970, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 30 OF LARGE LOT SURVEYS, PAGE 70, IN PIERCE COUNTY, WASHINGTON;
THENCE N 88°14'16" W ALONG THE NORTH LINE OF SAID LOT 6 593.74 FEET TO THE EASTERLY MARGIN OF THE 100-FOOT RIGHT OF WAY AS APPROPRIATED BY THE CITY OF TACOMA IN PIERCE COUNTY SUPERIOR COURT CIVIL CAUSE NO. 51234

THENCE ALONG SAID EASTERLY MARGIN S 13°48'28" E 105.01 FEET TO A POINT OF INTERSECTION WITH THE EXTENSION OF THE NORTH LINE OF LOT 2 OF SAID PIERCE COUNTY LARGE LOT SUBDIVISION;

THENCE N 88°14'16" W ALONG SAID EXTENSION 103.81 FEET TO THE WESTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE N 88°14'16" W, ALONG THE NORTH LINE OF SAID LOT 2, 574.55 FEET TO A POINT ON A CURVE, CONCAVE TO THE EAST HAVING A RADIUS OF 715.00, ON THE EASTERLY MARGIN OF CANTERWOOD BOULEVARD N.W. AS CONVEYED TO PIERCE COUNTY BY DEEDS RECORDED JANUARY 11, 1994 UNDER RECORDING NUMBERS 940110666, 940110667 AND 940110668, A RADIAL LINE THROUGH SAID POINT BEARS N89°54'06" W;

THENCE SOUTHERLY ALONG SAID EASTERLY MARGIN OF CANTERWOOD BOULEVARD N.W. 201.17 FEET ALONG A FEET THROUGH A CENTRAL ANGLE OF 16°07'14";
THENCE CONTINUING ALONG SAID MARGIN S 16°01'20" E 293.46 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 785.00 FEET;

THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE 481.81 FEET THROUGH A CENTRAL ANGLE OF 35°10'00"

THENCE CONTINUING ALONG SAID MARGIN S 19°08'40" W 154.50 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 715 FEET;

THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE 387.23 FEET THROUGH A CENTRAL ANGLE OF 31°01'50";

THENCE N 73°58'40" E 23.14 FEET; THENCE S 16°01'20" E 12.19 FEET; THENCE S 86°04'32" E 408.62 FEET;

THENCE S 03°55'39" W 30.00 FEET; THENCE S 86°04'29" E 188.04 FEET; THENCE N33°25'39" E 34.46 FEET;

THENCE S 86°04'29" E 292.76 FEET TO THE WESTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE CONTINUING S 86°04'29" 104.99 FEET TO THE EASTERLY MARGIN OF SAID 100-FOOT RIGHT OF WAY;

THENCE CONTINUING S 86°04'29" E 135.88 FEET TO THE POINT OF BEGINNING.

EXCEPT FOR THAT 100-FOOT RIGHT OF WAY AS APPROPRIATED BY THE CITY OF TACOMA IN PIERCE COUNTY SUPERIOR COURT CIVIL CAUSE NO. 51234.

Except as may be otherwise set forth herein grantee’s rights shall be exercised upon that portion of the Property (the “utility easement” herein) described as follows:

A utility easement 15 feet in width having 7.5 feet of such width on each side of a center line described as follows:

The centerline of the Grantor’s facilities as constructed or to be constructed, extended or relocated lying within the above described property, and as shown on Exhibit B-1 and B-2



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

Subject: Eddon Boat Final Sediment Cleanup Design and Construction Documents – Consultant Services Contract

Proposed Council Action: Recommend that Council authorize the award and execution of the Consultant Services Contract with Anchor Environmental LLC for the design and construction documents for the final sediment cleanup plan at Eddon Boat Property.

Dept. Origin: Community Development Dept.

Prepared by: Stephen Misiurak, P.E. *SM*
City Engineer

For Agenda of: July 9, 2007

Exhibits: Consultant Services Contract

Initial & Date

Concurred by Mayor: *OWH 7/5/07*
Approved by City Administrator: *PK 7/3/07*
Approved as to form by City Atty: *AM 7/2/07*
Approved by Finance Director: _____
Approved by Department Head: *[Signature]*

Expenditure Required	\$103,027.00	Amount Budgeted	\$750,000.00	Appropriation Required	See Fiscal Consideration Below
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INFORMATION / BACKGROUND

This Contract is for design and construction documents of the final sediment cleanup plan for Eddon Boat Property. Based on an RFP for this work and a series of interviews by a City consultant selection group, who consisted of Stephen Misiurak, Bud Whitaker and Lita Dawn Stanton, Anchor Environmental LLC was the firm selected as the most qualified to do the work.

FISCAL CONSIDERATION

This project was reviewed and approved by Harbor Cove Group and will be taken out of the \$750,000.00 remediation monies.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Recommend that Council authorize the award and execution of the Consultant Services Contract with Anchor Environmental LLC for the not-to-exceed amount of One Hundred Three Thousand Twenty-Seven Dollars and Zero Cents (\$103,027.00).

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
ANCHOR ENVIRONMENTAL, LLC**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Anchor Environmental, LLC, a limited liability corporation organized under the laws of the State of Washington, located and doing business at 1423 Third Avenue, Suite 300, Seattle, Washington 98101 (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in the Design and Construction Documents for the Eddon Boatyard Property Final Sediment Cleanup Plan 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 15, 2007 including any addenda thereto as of the effective date of this agreement, all of which are attached hereto as **Exhibit A – Scope of Work**, and are incorporated by this reference as if fully set forth herein.

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

TERMS

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 One Hundred Three Thousand Twenty-Three Dollars and zero cents (\$103,027.00) 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 October 1, 2007; 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 and the City shall determine the term or provision's true intent or meaning. The City Engineer 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's determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The non-prevailing party in any action brought to enforce this Agreement shall pay the other parties' expenses and reasonable attorney's fees.

XVI. Written Notice

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

CONSULTANT
Anchor Environmental, LLC
Attn: David Templeton, Partner
1423 Third Avenue, Suite 300
Seattle, Washington 98101
(206) 287-9131

Stephen Misiurak, P.E.
City Engineer
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.

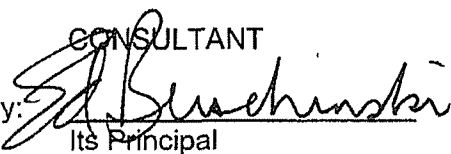
XVIII. Modification

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 _____, 200__.

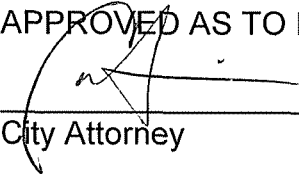
CONSULTANT
By: 
Its Principal

CITY OF GIG HARBOR
By: _____
Mayor

Notices to be sent to:
CONSULTANT
Anchor Environmental, LLC
Attn: David Templeton, Partner
1423 Third Avenue, Suite 300
Seattle, Washington 98101
(206) 287-9131

Stephen Misiurak, P.E.
City Engineer
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 Anchor Environmental LLC., 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: _____



Anchor Environmental, L.L.C.
1423 3rd Avenue, Suite 300
Seattle, Washington 98101
Phone 206.287.9130
Fax 206.287.9131

June 15, 2007

Mr. Steve Misiurak
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Mr. Bud Whitaker
Inspectus, Inc.
P.O. Box 401
Gig Harbor, WA 98335

**Re: Exhibit A – Scope of Work
Eddon Boatyard Property
Task 1. Design and Construction Documents**

Dear Mr. Misiurak and Mr. Whitaker:

Anchor Environmental L.L.C. (Anchor) has submitted a final sediment cleanup plan for the Eddon Boatyard Property (Site) that received a positive opinion letter from the Department of Ecology (Ecology). Based on this final sediment cleanup plan, the various required permits have been prepared and submitted. The final step in implementing the final sediment cleanup plan is to prepare construction documents, select a contractor, and complete construction. This letter presents Anchor's proposed scope and cost estimate for services necessary to complete these activities.

The steps covered by this scope will culminate in a final opinion letter from Ecology and is intended to meet the requirements of the Purchase and Sale Agreement with Harbor Cove. As you are aware, the City of Gig Harbor (City) has been awarded two EPA Brownfields Grants (Grants) that will provide partial funding for cleanup work. Therefore, the construction

activities for sediment cleanup will be designed to meet the requirements set forth in the Work Plans associated with the EPA Brownfields Grant.

Summary of Current Project Status

Anchor submitted a Sediment Cleanup Study Report and Analysis of Brownfields Cleanup Alternatives (ABCA), collectively referred to as Revised Technical Memorandum No. 2, in February 2007. Based on discussions with Ecology, a revised preferred cleanup alternative was presented to Ecology in March 2007. This preferred cleanup alternative was the basis of Ecology's April 17, 2007 Opinion Letter and the basis of permit documents submitted to the various agencies in late May 2007.

Designed to establish an efficient and coordinated review of the permit applications, the multi-agency meeting held in April 2007 established the following schedule milestones for implementation of the cleanup plan. The scope included herein is intended to fulfill the work requirements to meet those milestones:

- Submit Permit Package – May 2007 (DONE)
- Prepare Construction Package – June to September 2007
- Permits Received – November 2007
- Contractor Selection – December 2007
- Construction – January to March 2008

Immediate initial steps will include some limited bathymetry surveys (Task 1), as well as additional surface sediment sampling as required by Ecology (which will be covered under a separate request). Anchor will then develop construction plans and specifications as part of a bid-ready construction package that specifies the final design elements for the cleanup (Task 1). A separate basis of design or similar design report will not be prepared. The cleanup will address soil and sediment cleanup on the adjacent property as required by Ecology.

The identification and selection of the most qualified contractor at the best price will require continued close coordination with City staff to ensure that the construction package meets City requirements and yields an acceptable bid. Anchor will lead the effort for identification and selection of the most qualified contractor, in close coordination with City staff (contractor procurement will be consistent with EPA Brownfields Work Plans and City procurement

practices). With the successful bidder under contract with the City, Anchor will provide construction management (Task 2, to be covered under separate request). These construction activities will conclude with the development of a final report (consistent with the requirements of the EPA Brownfields Work Plans), which will include a request to Ecology for an Opinion Letter (i.e., No Further Action letter) and negotiation of a long-term monitoring plan. We expect the Opinion Letter to include a requirement for limited monitoring of the completed cleanup.

Anchor will submit a subsequent scope of work detailing the tasks and budget associated with Task 2 – Contractor Selection and Construction Management in July 2007. This will ensure that the contractor selection process is initiated, so construction can commence in January 2008.

To this end, Anchor is currently requesting authorization for budget for Task 1 – Design and Construction Documents. The total estimated cost for these tasks are summarized in Table 1, and described in detail in Table 2 (included as an attachment to this letter).

**Table 1
Budget Summary**

Task	Description	Current Request	Duration
1	Design and Construction Documents	\$103,027	June – September 2007
TOTAL CURRENT AUTHORIZATION		\$103,027	

Detailed Scope of Work

Task 1. Design and Construction Documents

Bathymetric Survey and Base Map

- Conduct an updated bathymetric survey of the offshore portion of the site. The survey will include the entire area to be dredged and capped, and will be integrated with the upland topography.
- We propose to use David Evans Associates (DEA) to perform the bathymetric survey. DEA has conducted previous surveys at the Site.

- We will not conduct a new uplands topographic survey, but will instead use the most recently conducted survey for uplands areas.
- This updated survey will be used to create an updated base map for use in developing construction plans. The base map will include the topography of uplands areas based on the most recently completed upland survey.

Disposal Options and Locations

- We will review potential specific transportation and disposal options for dredged sediments, as well as possible locations for sediment offloading, to be used to clarify specification language and to develop an updated cost estimate (see below). While the selection of disposal site and transportation will be left to the Contractor, this is a critical implementation step for the project and our review will enable us to narrow down the potential disposal options as well as refining costs for these activities.

Cap Design

- Evaluate long-term chemical transport mechanisms (using the Boudreau model, or appropriate equivalent) to properly design the cap thickness and cap material gradation. This design step is intended to document the adequacy of the sediment cap to isolate chemically impacted sediments.
- Document the minimum particle size required for stability by evaluating hydrodynamic conditions and potential scour forces expected to act on the sediment cap. The hydrodynamic evaluation of potential scour forces will include assessment of currents, wind waves, storm waves, vessel wakes, and propeller wash forces from typical vessels (small private craft, in general) that will typically be present at the Site. Results of this evaluation will be used to finalize and document the appropriate thickness and gradation of capping material properties, and to assess the availability, pricing, and sources for these materials.

Site Access and Traffic Control

- Evaluate Contractor needs for upland staging and material handling areas.

- Evaluate requirements for contractor use of Site upland areas, access points, and ingress/egress to adjacent city streets, as well as traffic concerns and public safety issues.
 - To include one site visit and meeting with City representatives to discuss these issues. This meeting will be attended by two Anchor representatives.

Construction Documents - Plans

- We will prepare a set of construction plans with the following sheets:
 - Existing Site Conditions, showing known Site features, updated bathymetry, relevant property lines, construction stationing, and benchmark(s).
 - Demolition and Temporary Removal Plan, showing the removal of the pier, float, marine railways, and bulkhead (Anchor will be assisted by structural consultant KPFF for this plan).
 - Site Access/Staging Plan, showing upland areas that are open for contractor use, areas that the Contractor may not use, and allowable ingress and egress to and from the Site for land-based equipment. This plan will also identify the extents of salt marsh vegetation and other features that the Contractor needs to avoid.
 - Dredging Plan, showing the extents and depths of required dredging, including overdredging allowances and side slope requirements.
 - Capping and Backfilling Plan, showing the extents and thicknesses of required cap and backfill materials, including overplacement allowances and final elevation requirements.
 - Bulkhead Regrading Plan, showing the extents and contours of regrading behind the removed timber bulkhead.
 - Cross-sections and profiles, taken at regular intervals through the offshore area of the Site showing extents, depths, and thicknesses of dredging, capping, and backfill areas; demolished structures; salt marsh vegetation limits; and other relevant features.
 - Environmental Controls (Best Management Practices or BMP) Plan, showing requirements for upland erosion and sedimentation control, prevention of tracking dirt to roadways, and offshore BMPs such as silt curtains.

- Any additional necessary technical details. This may include details for silt curtains and BMPs, side slope details for capping, and other specifics that are referenced on other plans sheets.
- Plans will not include reconstruction of the piers or marine railways. It is assumed that this work will be separately bid and performed during a different construction season. However, plans will take into account the anticipated reconstruction for compatibility so future conflict with the new construction does not occur.
- Plans will be prepared in a format that is consistent with City precedent and expectations, and will be stamped and signed by Anchor's lead Professional Engineer on the project.
- An initial draft set of plans will be prepared for review by the City and by Harbor Cove. Three full-size sets of plans will be provided for review.
- After receiving comments from the City and Harbor Cove, we will finalize the plans set, including the seal and signature of a registered Professional Engineer. We will then provide one full-size mylar set for the City, stamped and signed and ready for reproduction, plus the files on CD in both .dwg and .pdf format.

Construction Documents - Specifications

- Anchor will prepare of a set of bid-ready Technical Specifications to accompany the plans, which will be used by the City to assemble the final bid package and contract documents.
- Technical Specifications will include the following:
 - A Bid Schedule, showing the various pay items, the unit of measurement, and estimated bid quantities of each item
 - Site access requirements and limitations
 - Demolition, Relocation, and Disposal specifications (with assistance from KPFF)
 - Dredging and Disposal specifications
 - Capping and Backfilling specifications (materials and placement requirements)
 - Surveying and Positioning Control specifications
 - Environmental Protection specifications (including permit requirements)
 - Traffic control and access requirements
 - Finish and clean-up requirements

- The Technical Specifications will be prepared in a format that is consistent with CSI Standards or APWA/WSDOT standards depending upon City preference.
- Specifications will not include reconstruction of the piers or marine railways. It is assumed that this work will be conducted under a separate contract during a different construction season.
- We have assumed that the City will provide General Conditions language and a standard cover sheet, which we will combine with our Technical Specifications to assemble the full contract document.
- We will review the City's General Conditions language and, if it appears that modifying portions of the language would benefit the project, we will discuss with the City our intention of editing the language appropriately. In particular, it is essential that the bid document include appropriate screening language for bidders to ensure that only properly qualified construction firms bid and perform the work. (The WSDOT Standard Specifications, for example, contain such language). The goal is to develop with the City a contractor selection process that will result in selection of the most qualified contractor at the lowest cost.
- An initial draft set of Specifications will be prepared for review by the City. Three hard copies and an electronic version will be provided.
- After receiving comments from the City and from Harbor Cove, we will finalize the Specifications and will provide them as a reproduction-ready hard copy, and in electronic form to the City (.doc and .pdf formats) for the City to produce and distribute.

Engineer's Estimate of Construction Costs

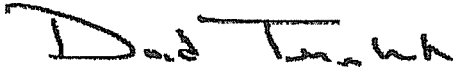
- Preparation of an updated Engineer's Estimate (Opinion of Probable Costs) on the project, consistent with the design as presented in the contract documents. This estimate can be used as a basis for budgetary planning and for evaluation of contractor bids. It will be prepared as a spreadsheet table in MS Excel, with an accompanying brief descriptive memorandum.

If this Scope of Work meets the City's needs, we will assume that the City will prepare the necessary contracts. We propose to perform these tasks on a time and material and not to

exceed basis. If the project conditions change outside the assumptions discussed above, Anchor will work with you to re-scope the necessary project elements.

Please feel free to contact me at (206) 910-4279 or dtempleton@anchorenv.com if you have any questions or would like additional information on this scope of work.

Sincerely,

A handwritten signature in black ink that reads "David Templeton". The signature is written in a cursive style with a large, sweeping initial "D".

David Templeton

Partner, Anchor Environmental

Attachments

Table 2 – Detailed Cost Summary

Cc: William Joyce, Salter, Joyce, Ziker, PLLC

Exhibit B

ANCHOR ENVIRONMENTAL, L.L.C.
2007 PROJECT COST ESTIMATING FORM

Table 2 - Detailed Cost Summary

Proposal/Project Name:
 06/15/07

Eddon Boatyard Sediment Cleanup
 City of Gig Harbor

040289-02
 Michael Whelan

Task 1. Design and Construction Documents

Labor Categories	Billing Rate	Task 1	Task	Total Hours	Total Dollars
Principal Engr/LA/Plan/Sci	\$ 180	70		70	\$ 12,600
Consulting Engr/LA/Plan/Sci	\$ 165	8		8	\$ 1,320
Senior Engr/LA/Plan/Sci	\$ 145	170		170	\$ 24,650
Engr/LA/Plan/Sci	\$ 125	0		0	\$ -
Senior Staff Engr/LA/Plan/Sci	\$ 105	0		0	\$ -
Staff 2 Engr/LA/Plan/Sci	\$ 95	354		354	\$ 33,630
Staff 1 Engr/LA/Plan/Sci	\$ 85	0		0	\$ -
Senior Design/GIS/Dbase/IT	\$ 90	108		108	\$ 9,720
Design/GIS/Dbase/IT	\$ 80	0		0	\$ -
Project Assistant	\$ 70	74		74	\$ 5,180
Administrative	\$ 65	2		2	\$ 130
Field Technician	\$ 65	0		0	\$ -
		0		0	\$ -
Total Hours		786		786	
Total Labor		\$ 87,230			\$ 87,230
Average Hourly Rate	\$ 111				
Subconsultants					
Hydro Surveyor		\$ 9,000			\$ 9,000
KPFF		\$ 4,000			\$ 4,000
Analytical Resources Inc.		\$ -			\$ -
List subconsultants here		\$ -			\$ -
List subconsultants here		\$ -			\$ -
List subconsultants here		\$ -			\$ -
Total Cost		\$ 13,000			\$ 13,000
Markup on Subs	10.0%	\$ 1,300			\$ 1,300
Reimbursables					
CAD/Computer (\$/hr)	\$10.00	\$ 1,080			\$ 1,080
Mileage (\$/mile)	\$0.485	\$ 97			\$ 97
Copies (\$/copy)	\$0.10	\$ 100			\$ 100
Anchor boat (\$/day)		\$ -			\$ -
Faxes (\$/fax)	\$1.00	\$ -			\$ -
Outside Expenses					
Airfare		\$ -			\$ -
Hotel		\$ -			\$ -
Car Rental		\$ -			\$ -
Repro/Plotting		\$ -			\$ -
Mail/Fedex/Courier		\$ 200			\$ 200
Other expenses		\$ -			\$ -
Total Cost		\$ 1,477			\$ 1,477
Outside Exp Markup	10.0%	\$ 20			\$ 20
Field Equip. and Supplies Summary					
		\$ -			\$ -
Markup	10.0%	\$ -			\$ -
TOTAL COSTS			\$ 103,027		\$ 103,027

Chunn, Jami

From: Misiurak, Steve
Sent: Monday, July 02, 2007 8:27 AM
To: Chunn, Jami
Subject: FW: Eddon Boat Permitting

Please print off and attach to Agenda Bill. Also, please prepare the Agenda Bill. THanks.

From: Barry Margolese [mailto:barmargo@hotmail.com]
Sent: Friday, June 29, 2007 5:52 PM
To: Misiurak, Steve
Cc: Chris Houck; Eileen Tellefson; marcia@mjid-mjm.com
Subject: FW: Eddon Boat Permitting

06/29/07

Steve-

Here are Retec's comments,

The Anchor revised scope referenced in your email is acceptable to us.

Thank you for the opportunity to review

Barry

Subject: RE: Eddon Boat Permitting
Date: Fri, 29 Jun 2007 13:33:26 -0400
From: CHouck@ensr.aecom.com
To: barmargo@hotmail.com

Barry,

This looks good.

I've been in contact with Templeton. Apparently the City is still reviewing the cost loaded schedule and we therefore still don't have a meeting date. I'll keep you informed as I hear more.

From: Barry Margolese [mailto:barmargo@hotmail.com]
Sent: Thursday, June 28, 2007 6:05 PM
To: Chris Houck
Cc: Stephen Misiurak
Subject: FW: Eddon Boat Permitting

06/28/07

Chris-

Please review and comment

Barry

> Subject: FW: Eddon Boat Permitting
> Date: Thu, 28 Jun 2007 16:05:38 -0700
> From: misiuraks@cityofgigharbor.net
> To: barmargo@hotmail.com
>
> Hi Barry. Can you please review and provide me any comments you may
> have.
> Thanks.
>
> -----Original Message-----
> From: Misiurak, Steve
> Sent: Thursday, June 21, 2007 8:22 AM
> To: 'Barry Margoese'
> Cc: 'William Joyce'; 'David Templeton'
> Subject: Eddon Boat Permitting
>
> Greetings.
> Please see the revised scope of services per your request, and provide
> me any comments you may have.
>
> ER 408 Protected.

Change is good. See what's different about Windows Live Hotmail. [Check it out!](#)

Live Earth is coming. Learn more about the hottest summer event - only on MSN. [Check it out!](#)



Business of the City Council
City of Gig Harbor, WA

Subject: Public Disclosure Act –
Rules for Handling Requests

Proposed Council Action:

Adopt the Ordinance at the Second
Reading

Dept. Origin: Administration

Prepared by: City Attorney

For Agenda of: July 9, 2007

Exhibits: Ordinance, Ex. A

Initial & Date

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

CLH 7/5/07

POK 7/3/07

CAm 7/3/07

POK 7/3/07

Table with 4 columns: Expenditure Required, Amount Budgeted, Appropriation Required, and values (0, 0, 0).

INFORMATION / BACKGROUND

The City is required by law to establish procedures to provide full public access to non-exempt public records. The City Attorney drafted the attached ordinance to adopt rules for handling public disclosure requests.

Councilmember Dick made suggestions for changes to this ordinance to the City Attorney. His e-mail and the City Attorney's comments were forwarded to all councilmembers during the week of July 2, 2007.

FISCAL CONSIDERATION

N/A

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Adopt the ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING RULES FOR HANDLING PUBLIC DISCLOSURE REQUESTS, DEFINING A PUBLIC RECORD, DESIGNATING THE CITY'S PUBLIC RECORDS OFFICER, DESCRIBING THE PROCESSING OF A PUBLIC DISCLOSURE REQUEST, DESCRIBING THE INTERNAL REVIEW OF A DENIAL OF A REQUEST, LISTING THE COSTS ASSOCIATED WITH COPYING AND PROCEDURES FOR INSPECTION, ADDING A NEW CHAPTER 2.52 TO THE GIG HARBOR MUNICIPAL CODE.

WHEREAS, the City is required by law to establish procedures to provide full public access to non-exempt public records, to protect public records from damage or disorganization, to prevent excessive interference with agency functions, to ensure timely action on requests (RCW 42.56.090, .100); and

WHEREAS, the City's SEPA Responsible Official issued a threshold determination of non-significance for this Ordinance on June 14, 2007; and

WHEREAS, the City Council held a public hearing and considered this Ordinance during its regular City Council meeting of June 25, 2007; and

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

Section 1. A new chapter 2.52 is hereby added to the Gig Harbor Municipal Code, which shall read as follows:

**Chapter 2.52
Disclosure of Public Records**

- 2.52.010 Authority and Purpose.**
- 2.52.020 Scope of Coverage of Public Records Act and Definitions.**
- 2.52.030 Non-liability for Disclosure.**
- 2.52.040 Agency Description – Contact Information – Public Records Officer.**
- 2.52.050 Availability of Public Records.**
- 2.52.060 Retention of Records.**
- 2.52.070 Processing of Public Records Requests – General.**
- 2.52.080 Obligations of Requestors.**
- 2.52.090 Exemptions.**
- 2.52.100 Costs of Providing Public Records.**
- 2.52.110 Review of Denials of Public Records.**

2.52.010. Authority and purpose.

A. RCW 42.56.070(1) requires each agency to make available for inspection and copying nonexempt "public records" in accordance with published rules. RCW 42.56.070(2) requires each agency to set forth "for informational purposes" every law, in addition to the Public Records Act, that exempts or prohibits the disclosure of public records held by that agency. In addition, the Act requires that the City adopt and enforce reasonable rules and regulations to provide full public access to public records, to protect public records from damage or disorganization, and to prevent excessive interference with other essential functions of the City. RCW 42.56.100.

B. The purpose of this chapter is to establish the procedures the City of Gig Harbor will follow in order to provide full access to public records. These rules provide information to persons wishing to request access to public records of the City and establish processes for both requestors and City of Gig Harbor staff that are designed to best assist members of the public in obtaining such access.

2.52.020. Scope of Coverage of Public Records Act and Definitions.

A. The Act applies to an "agency." RCW 42.56.020(2). "'Agency' includes all state agencies and all local agencies. 'Local agency' includes every county, city, town, municipal corporation, quasi-municipal corporation, or special purpose district, or any office, department, division, bureau, board, commission, or agency thereof, or other local public agency." RCW 42.56.020(2). The City should coordinate responses to records requests across departmental lines. RCW 42.56.580 (Agency's public records officer must "oversee compliance with the Act.)

B. Court files and judges' files are not subject to the act. These rules do not address access to court records.

C. "Public record" defined. The City shall use the court's three-part test to determine if a record is a "public record." RCW 42.17.020(41). The document must be: A "writing," containing information "relating to the conduct of government" or the performance of any governmental or proprietary function, "prepared, owned, used or retained" by an agency.

D. "Writing" defined. A "public record" can be any writing "regardless of physical form or characteristics. A list of examples appears in RCW 42.17.020(41). An e-mail is a writing.

E. Relating to the conduct of government. To be a "public record," a document must relate to the "conduct of government or the performance of any governmental or proprietary function." RCW 42.17.020(41).

F. Prepared, owned, used or retained. A “public record” is a record “prepared, owned, used or retained” by an agency. A record can be “used” by an agency even if the agency does not actually possess the record. If an agency uses a record in its decision-making process it is a “public record.” Home computer documents of employees relating to agency business are “public records” unless they are exempt from disclosure. Employees should keep agency-related documents on home computers in separate folders and to routinely blind carbon copy (bcc) work e-mails back to the employee’s agency e-mail account.

2.52.030. Non-liability for disclosure. RCW 42.56.060 provides: “No public agency, public official, public employee, or custodian shall be liable, nor shall a cause of action exist, for any loss or damage based upon the release of a public record if the public agency, public official, public employee, or custodian acted in good faith in attempting to comply” with the act.

2.52.040 Agency description--Contact information—Public records officer.

A. The City of Gig Harbor Civic Center is located at 3510 Grandview Street, Gig Harbor, WA 98335.

B. Any person wishing to request access to public records of the City, or seeking assistance in making such a request should contact the public records officer of the City:

The City Public Records Officer is the City Clerk
Of the City of Gig Harbor
3510 Grandview Street, Gig Harbor, WA 98335
(253) 851-8136
(253) 851-8267 fax
Information is also available at the City of Gig Harbor’s web site at
www.cityofgigharbor.net.

C. The public records officer will oversee compliance with the act but another City staff member may process the request. Therefore, these rules will refer to the public records officer “or designee.”

D. The City is required by RCW 42.56.040 RCW 42.56.580 to publish its public record policies, organizational information and methods for requestors to obtain public records. These rules will be available in the Gig Harbor Municipal Code and on the City’s official website.

2.52.050. Availability of public records.

A. Hours for inspection of records. Public records are available for inspection and copying during normal business hours of the City, e.g., Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding legal holidays). Records must be inspected at the offices of the City.

B. Records index. The City finds that maintaining an index is unduly burdensome and would interfere with agency operations. The requirement would unduly burden or interfere with the City of Gig Harbor's operations in the following ways: the magnitude and diversity of four City departments with an even greater number of divisions/subdivisions, has resulted in the creation and use of as many different computer systems. The diversity in programs and information retaining systems would be extremely difficult, if not physically impossible, to compile into a single index. The performance of the City's overall mission does not allow for the addition to, or the revision or reassignment of duties for existing personnel so that a current index may be developed and maintained without additionally-required staff, and anticipated City revenue do not allow for additional staff members for the sole purpose of creating and maintaining such an all-inclusive index.

C. Organization of records. The City will maintain its records in a reasonably organized manner. The City will take reasonable actions to protect records from damage and disorganization. A requestor shall not take City records from City premises. A variety of records is available on the City web site at www.cityofgigharbor.net. Requestors are encouraged to view the documents available on the web site prior to submitting a records request.

D. Making a request for public records.

1. Any person wishing to inspect or copy public records of the City should make the request in writing on the City's request form, or by letter, delivery, fax, or e-mail addressed to the public records officer and including the following information:

- Name of requestor;
- Mailing address of requestor;
- Other contact information, including telephone number and any e-mail address;
- Identification of the public records adequate for the public records officer or designee to locate the records; and
- The date and time of day of the request.

2. If the requestor wishes to have copies of the records made instead of simply inspecting them, he or she should so indicate and make arrangements to pay for copies of the records or any required deposit and/or postage to mail such records. Pursuant to Resolution No. 498, standard photocopies will be provided at \$.15 cents per page.

3. A form is available for use by requestors at the office of the public records officer and on-line at www.cityofgigharbor.net. Oral requests are accepted, but are problematic because an oral request does not memorialize the exact records sought and therefore prevents a requestor or agency from later proving what was included in the request. In addition, a requestor must provide the agency with reasonable notice that the request is for the disclosure of public records and oral requests, especially to agency staff

other than the public records officer or designee, may not provide the agency with the required reasonable notice. Therefore, requestors are encouraged to provide written requests. If the City receives an oral request, the City staff person receiving it should immediately reduce it to writing and then verify in writing with the requestor that it correctly memorializes the request.

4. The public records officer or designee may accept requests for public records that contain the above information by telephone or in person. If the public records officer or designee accepts such a request, he or she will confirm receipt of the information and the substance of the request in writing.

5. The City may ask a requestor to prioritize the records he or she is requesting so that the City is able to provide the most important records first. The City is not required to ask for prioritization, and the requestor is not required to provide it.

6. The City cannot require the requestor to disclose the purpose of the request with two exceptions. RCW 42.56.080. First, if the request is for a list of individuals, the City will ask the requestor if he or she intends to use the records for a commercial purpose (a profit-expecting activity). The City's request for public records form includes a statement that the City is not authorized to provide public records consisting of a list of individuals for commercial use (a profit expecting activity), and there is a blank for the requestor's signature under penalty of perjury. This is to acknowledge that the requestor understands the prohibition on the use of such lists, but the requestor is not required to sign in order to obtain the records.

Second, the City may seek information sufficient to allow it to determine if another statute prohibits disclosure. For example, some statutes allow an agency to disclose a record only to a person having particular qualifications or for particular purposes. In such cases, the City is authorized to require that the requestor provide sufficient information in writing under penalty of perjury to allow the City to reasonably determine if the record is disclosable to the requestor.

2.52.060. Retention of records. The City is not required to retain every record it ever created or used. The state and local records committees approve a general retention schedule for state and local agency records that applies to records that are common to most agencies. Individual agencies seek approval from the state or local records committee for retention schedules that are specific to their agency, or that, because of particular needs of the agency, must be kept longer than provided in the general records retention schedule. The retention schedules for state and local agencies are available at www.secstate.wa.gov/archives/gs.aspx.

The City has a retention policy in which employees save retainable documents and delete nonretainable ones. The lawful destruction of public records is governed by retention schedules.

An agency is prohibited from destroying a public record, even if it is about to be lawfully destroyed under a retention schedule, if a public records request has been made for that record. RCW 42.156.100. Additional retention requirements might apply if the records may be relevant to actual or anticipated litigation. The agency is required to retain the record until the record request has been resolved.

2.52.070. Processing of public records requests--general.

A. The public records officer or designee will process requests in the order allowing the most requests to be processed in the most efficient manner.

B. Within five business days of receipt of the request, the public records officer will do one or more of the following:

1. Make the records available for inspection or copying;
2. If copies are requested and payment of a deposit, for the copies, if any, is made or terms of payment are agreed upon, send the copies to the requestor;
3. Provide a reasonable estimate of when records will be available;
4. If the request is unclear or does not sufficiently identify the requested records, request clarification from the requestor. Such clarification may be requested and provided by telephone. The public records officer or designee may revise the estimate of when records will be available; or
5. Deny the request. RCW 42.56.520.

C. Consequences of failure to respond. If the City does not respond in writing within five business days of receipt of the request for disclosure, the requestor should consider contacting the public records officer to determine the reason for the failure to respond.

D. Protecting rights of others. In the event that the requested records contain information that may affect rights of others and may be exempt from disclosure, the public records officer may, prior to providing the records, give notice to such others whose rights may be affected by the disclosure. Such notice should be given so as to make it possible for those other persons to contact the requestor and ask him or her to revise the request, or, if necessary, seek an order from a court to prevent or limit the disclosure. The notice to the affected persons will include a copy of the request.

E. Records exempt from disclosure. Some records are exempt from disclosure, in whole or in part. If the City believes that a record is exempt from disclosure and should be withheld, the public records officer will state the specific exemption and provide a brief explanation of why the record or a portion of the record is being withheld. If only a portion of a record is exempt from disclosure, but the remainder is not exempt, the public records

officer will redact the exempt portions, provide the non-exempt portions, and indicate to the requestor why portions of the record are being redacted, except to the extent otherwise provided by law.

F. Inspection of records.

1. Consistent with other demands, the City shall promptly provide space to inspect public records. No member of the public may remove a document from the viewing area or disassemble or alter any document. The requestor shall indicate which documents he or she wishes the agency to copy.

2. The requestor must claim or review the assembled records within thirty days of the City's notification to him or her that the records are available for inspection or copying. The City will notify the requestor by telephone, e-mail or in writing of this requirement and inform the requestor that he or she should contact the agency to make arrangements to claim or review the records. If the requestor or a representative of the requestor fails to claim or review the records within the thirty-day period or make other arrangements, the City may close the request and re-file the assembled records. If payment for copies made to honor the requestor's request is not made within the thirty-day period, the City will not provide additional copies for other requests until payment has been received in full for all those previously copied, even if the copies have been destroyed after the request was closed for the requestor's failure to act. Other public records requests can be processed ahead of a subsequent request by the same person for the same or almost identical records, which can be processed as a new request.

G. Providing copies of records. After inspection is complete, the public records officer or designee shall make the requested copies or arrange for copying.

H. Providing records in installments. When the request is for a large number of records, the public records officer or designee will provide access for inspection and copying in installments, if he or she reasonably determines that it would be practical to provide the records in that way. If, within thirty days, the requestor fails to inspect the entire set of records or one or more of the installments, the public records officer or designee may stop searching for the remaining records and close the request.

I. Completion of inspection. When the inspection of the requested records is complete and all requested copies are provided, the public records officer or designee will indicate that the City has completed a diligent search for the requested records and made any located non-exempt records available for inspection.

J. Closing withdrawn or abandoned request. When the requestor either withdraws the request or fails to fulfill his or her obligations to inspect the records or pay the deposit or final payment for the requested copies, the public records officer will close the request and indicate to the requestor that the City has closed the request.

K. Later discovered documents. The City has no obligation to search for records responsive to a closed request. If the City discovers responsive records after a request has been closed, the City should provide the later-discovered records to the requestor.

M. No duty to create records. The City is not obligated to create a new record in order to satisfy a record request.

N. Searching for records. The City must conduct an objectively reasonable search for responsive records. Such a search usually begins with the public records officers for the City deciding where the records are likely to be and who is likely to know where they are. The records officer should also e-mail staff members selected as most likely to have responsive records. Staff are required to promptly respond to inquires regarding responsive records from the records officer.

2.52.080. Obligations of requestors.

A. Reasonable notice that request is for public records. A requestor must give an agency reasonable notice that the request is being made pursuant to the act. A requestor should not submit a "stealth" request, which is buried in another document in an attempt to trick the agency into not responding.

B. Identifiable record. A requestor must request an "identifiable record" or "class of records" before an agency must respond to it. An "identifiable record" is one that agency staff can reasonably locate. Public records requests are not interrogatories. An agency is not required to conduct legal research for a requestor. When an agency receives a request for records "relating to" or similar request, it should seek clarification of the request from the requestor.

C. "Overbroad" requests. An agency cannot deny a request for identifiable public records based solely on the basis that the request is overbroad. However, if such a request is not for identifiable records or otherwise is not proper, the request can still be denied. When confronted with a request that is unclear, an agency should seek clarification.

D. Documenting compliance. The City may number-stamp or number-label paper records provided to a requestor to document which records were provided. The City may also keep a copy of the numbered records so either the agency or requestor can later determine which records were or were not provided. If memorializing which specific documents were offered for inspection is impractical, the City may document which records were provided for inspection by making an index or list of the files or records made available for inspection.

2.52.090. Exemptions.

A. The Public Records Act provides has a number of types of documents are exempt from public inspection and copying. In addition, documents are exempt from

disclosure if any "other statute" exempts or prohibits disclosure. The City must describe why each withheld record or redacted portion of a record is exempt from disclosure. Requestors should be aware of exemptions, outside the Public Records Act, that restrict the availability of some documents held by the City of Gig Harbor for inspection and copying. The most current list of statutory exemptions and prohibitions from public disclosure adopted by the City is available at www.mrsc.org/publicatoins/XXXXPRA.pdf, and is hereby incorporated herein by reference. At the time this Ordinance was adopted, this list of statutory exemptions are as set forth in Exhibit A, attached hereto and incorporated herein by this reference. A copy of the most recent list of statutory exemptions will be provided by the City public records officer upon request.

2.52.100. Costs of providing copies of public records.

A. Costs for paper copies. There is no fee for inspecting public records. A requestor may obtain standard black and white photocopies for \$.15 cents per page. The City may charge the higher amount set forth in a written statement setting forth the factors and manner in which the higher actual cost of copying has been determined, provided that the public records officer has available for inspection and copying that written statement.

Before beginning to make the copies, the public records officer or designee may require a deposit of up to ten percent of the estimated costs of copying all the records selected by the requestor. The public records officer or designee may also require the payment of the remainder of the copying costs before providing all the records, or the payment of the costs of copying an installment before providing that installment. The City will not charge sales tax when it makes copies of public records.

B. Costs for electronic records. The cost of electronic copies of records shall be \$1 for information on a floppy disk and \$1 for information on a CD-ROM, or the higher amount set forth in a written statement containing the factors and manner in which the higher actual cost of copying has been determined, provided that the public records officer has available for inspection and copying that written statement.

C. Costs of mailing. The City may also charge actual costs of mailing, including the cost of the shipping container.

D. Payment. Payment may be made by cash, check, debit, credit, or money order to the City.

E. Other statutes govern charges for particular kinds of records. As examples, RCW 46.52.085 (charges for traffic accident reports), RCW 10.97.100 (copies of criminal histories), RCW 3.62.060 and 3.62.065 (charges for certain records of municipal courts).

F. The City has the discretion to waive copying charges. For administrative convenience, many agencies waive copying charges for small requests.

G. The City may charge a deposit of up to ten percent of the estimated copying costs of an entire request before beginning to copy the records. The estimate must be reasonable. The City can require the payment of the deposit before copying an installment of the records or the entire request. The deposit applies to the records selected for copying by the requestor, not all the records made available for inspection. Any unused deposit must be refunded to the requestor. When copying is completed, the City can require the payment of the remainder of the copying charges before providing the records.

H. If the City provides records in installments, the City may charge and collect all applicable copying fees (not just the ten percent deposit) for each installment. If the City provides records in installments, the City shall charge and collect all applicable copying fees (not just the ten percent deposit) for each installment, before providing the copies.

2.52.110. Review of denials of public records.

A. Petition for internal administrative review of denial of access. Any person who objects to the initial denial or partial denial of a records request may petition in writing (including e-mail) to the public records officer for a review of that decision. The petition shall include a copy of or reasonably identify the written statement by the public records officer or designee denying the request.

B. Consideration of petition for review. The public records officer shall promptly provide the petition and any other relevant information to (public records officer's supervisor or other agency official designated by the agency to conduct the review). That person will immediately consider the petition and either affirm or reverse the denial within two business days following the City's receipt of the petition, or within such other time as the City agreed to by the City and the requestor.

C. Judicial review. Any person may obtain court review of denials of public records request pursuant to RCW 42.56.550 at the conclusion of two business days after the initial denial regardless of any internal administrative appeal.

Section 2. 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 3. 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 _____, 2007.

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: 06/13/07
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO:



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

Subject: Lease of City tidelands to Peter Stanley

Proposed Council Action:

The Council may move to:

1. Refuse to lease the tidelands;
2. Modify the lease terms and approve; or
3. Approve the lease as presented

Dept. Origin: Administration

Prepared by: City Attorney

For Agenda of: July 9, 2007

Exhibits: Lease and Exhibits

Initial & Date

Concurred by Mayor:

CLH 7/5/07

Approved by City Administrator:

PK 7/3/07

Approved as to form by City Atty:

CAM 7/3/07

Approved by Finance Director: _____

Approved by Department Head: _____

Expenditure	Amount	Appropriation
Required	Budgeted	Required
0	0	0

INFORMATION / BACKGROUND

On March 14, 1988, the City granted Dylan Enterprises, dba the Tides Tavern, a twenty year easement for the placement of floats and docks which encroach on the City's tidelands adjacent to the street end on Harborview Drive. There is also a small storage shed placed by the Tides on the street end.

In 2006, Mr. Stanley requested that the City renew the easement for another twenty years. Apparently, he is negotiating with DNR for a renewal of the tidelands lying adjacent to the City-owned tidelands. At the time he originally made this request, I recommended that if the Council was willing to allow an extension of such use by the Tides, that an easement not be used.

Instead, I recommended that any use of the public right-of-way be authorized only through the existing process for encroachment permits (chapter 12.02 GHMC). Mr. Stanley has apparently submitted an application for an encroachment permit, and under GHMC Section 12.02.040(B), such permit would be valid for one year.

I also recommended that if the City chose to allow use of the tidelands adjacent to the street, that a lease be negotiated between the parties. At the last Council meeting, the Council considered a lease that was signed by Mr. Stanley. This lease included a rent of forty cents a square foot (which is the same amount he pays to DNR for his other lease). In addition, the lease was for twenty years.

The Council asked me to bring back a lease for five years with three options to renew, at the Council's discretion. Mr. Stanley's attorney prepared Section 3.4 of the attached lease. I have added new language (shown underlined) and deleted language that was inconsistent (shown crossed out). Mr. Stanley's attorney had inserted language that appeared to allow deviation from the conditions of the lease only to adjust the rent three percent per annum.

In the attached lease, my suggested language would allow the Council to decide whether or not to renew the lease at the end of each five year term. In addition, the Council could renegotiate all terms of the lease at the beginning of each five year term.

FISCAL CONSIDERATION

Because the City will receive very little in return for this lease of public property for private purposes, I recommend that the lease term be as short as possible. Mr. Stanley proposes that the City tie up the property for his private use for very little consideration.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to:

1. Reject the lease;
2. Modify the lease terms and authorize the Mayor to sign; or
3. Clarify the provisions of Section 3.4, add the rent to Section 3.6 and authorize the Mayor to sign the lease.

**CITY OF GIG HARBOR
AND
PETER STANLEY
LEASE AGREEMENT**

SECTION I – PARTIES TO THE LEASE AGREEMENT

The parties to this lease agreement are the City of Gig Harbor, a municipal corporation of the State of Washington, (hereinafter referred to as “Lessor” or “City”), and PHILIP T. STANLEY, 602 North C Street, Tacoma, WA 98403, (hereinafter referred to as “Lessee”).

SECTION II – PURPOSE

2.1. Purpose. The purpose of this Agreement is to lease a portion of the City’s tidelands as depicted on a survey marked Exhibit A attached (hereinafter the “Property”), to allow private and public access activities, so that the public may arrive by boat and patronize the Tides Tavern and other merchants and amenities of Gig Harbor, upon the terms and conditions set forth herein.

2.2. Legal Description. The Property are legally described on the document identified as Exhibit A attached hereto and made a part of hereof by reference. In executing this Lease, the City is relying on the surveys, diagrams and legal descriptions provided by the Lessee.

2.3. Inspection. The City makes no representation regarding the condition of the Property, improvements located on the Property, the suitability of the Property for Lessee’s permitted use, compliance with governmental laws and regulations, availability of utility rights, access to the Property or the existence of hazardous substances on the Property. Lessee has inspected the Property and accepts it “as is.”

SECTION III – THE USE

3.1. Permitted Use. Lessee shall use the Property for private access, limited public access activities, private storage and for no other purpose.

3.2. Restrictions on Use. Lessee shall not cause or permit any damage to natural resources on the Property. Lessee shall also not cause or permit any filling activity to occur on the Property. This prohibition includes any deposit of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other pollutants, or other matter in or on the Property, except as approved in writing by the City.

The prohibitions in this Section against damage to natural resources, filling, deposition of any unapproved materials, and waste, shall also apply to protect any City or state-

owned aquatic lands adjacent to the Property from any of Lessee's activities related to Lessee's occupation of the Property. All obligations imposed by this Section on Lessee to cure any violation of the prohibited activities in this Section shall also extend to City or state-owned aquatic lands adjacent to the Property when the violation arose from the Lessee's activities related to Lessee's occupation of the Property.

Lessee shall use the Premises only for the purposes and activities identified herein. The use of the Property by the Lessee shall not be of a religious or partisan political nature. Such use shall be made in a responsible and prudent manner continuously during the terms of the Lease. Lessee shall not use or permit the Property, or any part thereof, to be used for any purposes other than those set forth herein. Lessee shall neither permit on the Property any act or storage that may be prohibited under standard forms or fire insurance policies, nor use the Property for any such purpose.

Lessee shall not permit any waste, damage or injury to the Property, use the Property for anything that will increase the rate of insurance, maintain anything on the Property that may be hazardous to life or limb, permit any objectionable odor, permit anything to be done on the Property or use the Property in any way tend to create a public or private nuisance, or use or permit the Property to be used for lodging or sleeping purposes.

3.3. Conformance with Laws. The Lessee shall, at all times, keep current and comply with all conditions and terms of any permits, licenses, certificates, regulations, ordinances, statutes and other government rules and regulations regarding its use or occupancy of the Property.

3.4. Terms of Lease and Options to Renew. This lease shall be for a term of five (5) years after the date this Lease is signed by both parties, with three (3) five (5) year options to renew. Ninety (90) days prior to the expiration date of this Lease or any renewal, the Lessee may furnish a written notice of intent to renew this Lease to the Lessor. If the Lessor receives a timely written notice of intent to renew this Lease, the ~~parties may~~ the City Council shall use its discretion to decide whether to enter into a new Lease for another five (5) years. All lease terms are subject to re-negotiation for each five year option to renew. ~~(the terms of which may be adjusted with respect to the rent not to exceed three (3%) pre annum.)~~ If the Lessor does not receive a timely written notice of intent to renew, this Lease shall expire. Lessee shall not be entitled to renew this Lease if it is in default under the terms of this Lease at the time the option to renew is exercised. Upon the expiration or termination of this Lease (or any extended term), the Lessee shall surrender the Property to the City.

3.5. Hold Over. If the Lessee remains in possession of the Property after the Termination Date, the occupancy shall not be an extension or renewal of the Term. The occupancy shall be a month-to-month tenancy, on terms identical to the terms of this Lease, which may be terminated by either party on thirty (30) days' notice. The monthly rent during the holdover shall be the same rent which would be due if the Lease were still in effect and all adjustments in rent were made in accordance with its terms. If the

City provides notice to vacate the Property in anticipation of the termination of this Lease or at any time after the Termination Date and Lessee fails to do so within the time set forth in the notice, then the Lessee shall be a trespasser and shall owe the City all amounts due under RCW 79.01.760 and all other applicable law.

3.6. Lease Payments/Considerations. Lessee shall pay Lessor the amount of _____ (\$_____) by the 20th day of January of each year for the lease of the Premises, without demand or billing. Payment is to be made to the City of Gig Harbor, Finance Director, 3510 Grandview Street, Gig Harbor, WA 98335.

3.7. Improvements. On the Commencement Date, the following improvements are located on the Property: a thirty-five square foot portion of the floating dock extending from the tidelands of the Department of Natural Resources onto the tidelands of the City of Gig Harbor. These improvements are not owned by the City and are maintained by the Lessee. So long as this Lease remains in effect, the Lessee shall retain ownership of all existing improvements identified in this paragraph (the "Lessee-Owned Improvements"). No Lessee-Owned improvements shall be placed on the Property without the City's written consent.

3.8. Services in Addition to Lessee Payment. The Lessee shall maintain all privately owned improvements on the Property in safe and clutter-free manner.

3.9. Signs. All signs or symbols currently placed by Lessee upon the Property are acceptable but any new signs or symbols placed by Lessee on part of the structures or Property shall be subject to Lessor's prior written approval. Lessor may demand the removal of signs which are not so approved, and Lessee's failure to comply with said request within forty-eight (48) hours after such demand will constitute a breach of this paragraph and will entitle Lessor to terminate this Lease or, in lieu thereof, to cause the sign to be removed and the building repaired at the sole expense of the Lessee. At the termination of this Lease, Lessee shall remove all signs placed by it upon the Property, and shall repair any damages caused by such removal. All signs must comply with applicable sign ordinances and be placed in accordance with required permits.

3.10. Alterations. Prior to any construction, alteration, replacement, removal or major repair of any improvements, the Lessee shall submit to the City plans and specifications which describe the proposed activity. Construction shall not commence until City has approved those plans and specifications in writing. The plans and specifications shall be deemed approved and the requirement for the City's written consent shall be treated as waived, unless the City notifies the Lessee otherwise within sixty (60) days. Upon completion of construction, the Lessee shall promptly provide the City with as-built plans and specifications. Lessee agrees to comply with all laws, ordinances, rules and regulations of any proper public authority in the construction of any improvements or repair, and to save the Lessor harmless from damage, loss or expense. After notice of termination of this Lease, and upon Lessor's request or Lessor's approval, the Lessee shall remove such improvements and restore the Property to its original condition not later than the termination date, at Lessee's sole cost and expense. Any improvements

not so removed may be removed by the Lessor at Lessee's expense. If the Lessee-Owned improvements remain on the Property after the termination date without the City's consent, they will become the property of the City, but the City may remove them and the Lessee shall pay the cost of removal and disposal upon the City's demand.

3.11. Inspection by Lessor. The Lessor may enter upon the Premises at any reasonable time during normal business hours or after hours with reasonable notice for the purpose of inspecting the same for compliance with the terms of this Lease.

3.12. Contractor's Bonds and Liens –

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

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

3.13. Indemnification and Waiver. Lessee agrees to defend, indemnify, and hold harmless the Lessor, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits, including costs and attorney's fees, arising out of or in connection with the performance of this Lease or Lessee's enjoyment of the Property, except for injuries or damages caused solely by the negligence of the Lessor, its officers, officials, employees and volunteers. In the event of liability for injuries or damages which are the result of the concurrent negligence of the Lessee and Lessor, each party shall be responsible only to the extent of their own negligence. Lessee agrees to defend, indemnify and hold harmless the Lessor, its officials, officers, employees and volunteers from any and all claims, injuries, damages, losses or suits, including costs and attorneys' fees, which are caused by or arise out of any condition of the Premises arising after execution of this Lease. Lessee further agrees that in the event that any conditions affect its quiet enjoyment of the Property to such a degree that

the Lessee no longer wishes to occupy the Property, then the Lessor shall not be required to reimburse the Lessee for any amounts relating to the Lease term.

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

Lessee's liability to the City for hazardous substances, and its obligation to defend and hold the City harmless for hazardous substances, shall be governed exclusively by Section 4.2. The provisions of this Indemnification Section shall survive the termination or expiration of this Lease Agreement.

3.14. Insurance.

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

A. Types of Required Insurance.

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

Description	
Each Occurrence	\$1,000,000
General Aggregate Limit	\$2,000,000

The City may impose changes in the limits of liability:

- (i) As a condition of approval of assignment or sublease of this Lease;
- (ii) Upon a material change in the condition of the Property or any improvements;

- (iii) Upon any breach of the Sections in this Lease relating to Hazardous Substances;
- (iv) Upon a change in the Permitted Use.

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

2. Property Insurance. The Lessee shall procure and maintain property insurance covering all real property located on or constituting a part of the Property in an amount equal to the replacement value of all improvements on the Property. Such insurance may have commercially reasonable deductibles.

3. Builder's Risk Insurance. As applicable, the Lessee shall procure and maintain builder's risk insurance in an amount reasonably satisfactory to the City during construction, replacement, or material alteration of the Property or improvements on the Property. Coverage shall be in place until such work is completed and evidence of completion is provided to the City.

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

1. Policies shall be written as primary policies not contributing with and not in excess of coverage that the City may carry;

2. Policies shall expressly provide that such insurance may not be canceled or nonrenewed with respect to the City except upon forty-five (45) days prior written notice from the insurance company to the City;

3. To the extent of the City's insurable interest, property coverage shall expressly provide that all proceeds shall be paid jointly to the City and the Lessee;

4. All liability policies must provide coverage on an occurrence basis; and

5. Liability policies shall not include exclusions for cross liability.

C. Proof of Insurance. The Lessee shall furnish evidence of insurance in the form of a Certificate of Insurance satisfactory to the City accompanied by a checklist of coverages provided by the City, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements described in this Section, and, if requested, copies of policies to the City. The Certificate of Insurance shall reference the City of Gig Harbor and this lease. Receipt of such certificates or policies by the City does not constitute approval by the City of the terms of such policies. The Lessee acknowledges

that the coverage requirements set forth herein are the minimum limits of insurance the Lessee must purchase to enter into this Lease Agreement. These limits may not be sufficient to cover all liability losses and related claim settlement expenses. Purchase of these limits of coverage does not relieve the Lessee from liability for losses and settlement expenses greater than these amounts.

3.15. Condemnation. If during the Term of this Lease there shall be a condemnation or a taking of all or a portion of the Property and/or any improvements thereon under the power of eminent domain (either by judgment or settlement in lieu of judgment), the leasehold estate of the Lessee in the Property shall terminate as of the date of the taking. If this Lease is terminated, in whole or in part, all rentals and other charges payable by the Lessee to the City and attributable to the Property taken shall be paid by the Lessee up to the date of the taking. If Lessee has pre-paid rent, then Lessee shall be entitled to a refund of the pro rata share of the pre-paid rent attributable to the period after the date of taking.

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

3.17. Leasehold Taxes. Lessee shall pay promptly, and before they become delinquent, all taxes on this Lease, merchandise, personal property or improvements on the Premises, whether existing on the Property at the time of execution of this Lease or at any time during the term of this Lease. This includes leasehold excise taxes, assessments, governmental charges, of any kind whatsoever, applicable or attributable to the Property, Lessee's leasehold interest, the improvements or Lessee's use and enjoyment of the Property. Lessee may contest any tax or assessment at its sole cost and expense. At the request of the City, Lessee shall furnish reasonable protection in the form of a bond or other security, satisfactory to the City, against any loss or liability by reason of such contest.

3.18. Default and Remedies.

A. The Lessee shall be in default of this Lease upon the occurrence of any of the following:

1. Failure to pay annual rent or expenses when due;
2. Failure to comply with any law, regulation, policy or order of any lawful governmental authority;
3. Failure to comply with any other provision of this Lease;
4. Two or more defaults over a period of time, or a single serious default, that demonstrates a reasonable likelihood of future defaults in the absence of corrective action by the Lessee; or

5. Proceedings are commenced by or against the Lessee under any bankruptcy act or for the appointment of a trustee or receiver of the Lessee's property.

B. A default shall become an Event of Default if the Lessee fails to cure the default within thirty (30) days after the City provides the Lessee with written notice of default, which specifies the nature of the default.

C. Upon an Event of Default, the City may terminate this Lease and remove the Lessee by summary proceedings or otherwise. The City may also, without terminating this Lease, relet the Property on any terms and conditions as the City in its sole discretion may decide are appropriate. If the City elects to relet, rent received by it shall be applied: (i) to the payment of any indebtedness other than rent due from the Lessee to the City; (ii) to the payment of any cost of such reletting; (3) to the payment of the cost of any alterations and repairs to the Property; and (4) to the payment of rent and leasehold excise tax due and unpaid under this Lease. Any balance shall be held by the City and applied to the Lessee's future rent as it becomes due. The Lessee shall be responsible for any deficiency created by the reletting during any month and shall pay the deficiency monthly. The City's reentry or repossession of the Property under this subsection shall not be construed as an election to terminate this Lease or cause a forfeiture of rents or other charges to be paid during the balance of the Term, unless the City gives a written notice of termination to the Lessee or termination is decreed by legal proceedings. The City may, at any time after reletting, elect to terminate this Lease for the previous Event of Default.

3.19. Disclaimer of Quiet Enjoyment. This Lease is subject to all valid recorded interests of third parties, as well as the rights of the public under the Public Trust Doctrine or federal navigation servitude, and treaty rights of Indian Tribes. The City believes that its grant of this Lease is consistent with the Public Trust Doctrine and that none of the identified interests of third parties will materially and adversely affect the Lessee's right of possession and use of the Property as set forth herein, but makes no guaranty or warranty to that effect. The Lessee and City expressly agree that the Lessee shall be responsible for determining the extent of its right to possession and for defending its leasehold interest. Consequently, the City expressly disclaims and the Lessee expressly releases the City from any claim for breach of any implied covenant of quiet enjoyment with respect to the possession of the Property. This disclaimer includes, but is not limited to, interference arising from or in connection with access or other use rights of adjacent property owners or the public over the water surface or in or under the water column, including rights under the Public Trust Doctrine; rights held by Indian Tribes; and the general power and authority of the City and the United States with respect to aquatic lands, navigable waters, bedlands, tidelands and shorelands. In the event that the Lessee is evicted from the Property by reason of successful assertion of any of these rights, this Lease shall terminate as of the date of the eviction. In the event of a partial eviction, the Lessee's rent obligations shall abate as of the date of the

partial eviction, in direct proportion to the extent of the eviction, but in all other respects, this Lease shall remain in full force and effect.

3.20. Termination. In the event Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed or performed by Lessee, and such default is not corrected within thirty (30) days after receipt of notice thereof from Lessor, or such shorter period as may be reasonable under the circumstances; or if Lessee shall abandon, desert, vacate or otherwise leave the Premises; then, in such event, Lessor, at its option, may terminate this Lease together with all of the estate, right, title or interest thereby granted to or vested in Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and Lessor may re-enter the Premises using such force as may be required.

Lessor shall not be in breach of any obligation to perform under this Lease unless Lessor fails to perform an obligation within a reasonable time, which time shall not extend more than thirty (30) days after notice by the Lessee to Lessor specifying the particular obligation that Lessor has failed to perform; PROVIDED, HOWEVER, that if the Lessor is informed by the Lessee in advance that the nature of the remedial action requires more than thirty (30) days for performance, the Lessor agrees to the additional time and the Lessee performs within the additional time specifically granted by the City, then the Lessee shall not be in default.

If this Lease shall be terminated as herein provided, the Lessor may immediately or at any time thereafter reenter the Premises and remove any and all persons and property there from, by any suitable proceeding at law or otherwise, without liability therefore, and reenter the Premises, without such reentry diminishing Lessee's obligation to pay rental for the full term hereof, and Lessee agrees to pay Lessor any deficiency arising from reentry and reletting of the Premises at a lesser rental than provided herein. Lessor shall apply the proceedings of any reletting first to the payment of such reasonable expenses as Lessor may have incurred in recovering possession of the Premises, and removing persons and property there from, and in putting the same in good order or condition or preparing or altering the same for reletting, and all other expense incurred by Lessor for reletting the Premises; and then to Lessee's obligation to pay rental.

3.21. Notices. All notices required or desired to be given under this lease shall be personally served or given by mail. If mailed, they may be sent by certified mail to the following respective address:

To the City: City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

To the Lessee: Philip T. Stanley
602 North C Street
Tacoma, Washington 98403

3.22. Assignment and/or Subletting. Lessee shall not, under any circumstances whatsoever, assign or sublet this Lease or any part of the Premises, unless the Lessee has obtained the Lessor's prior written agreement to such assignment or subletting. The Lessor's agreement to such assignment or subletting shall be at the Lessor's sole discretion. In determining whether to consent, the City may consider, among other items, the proposed transferee's financial condition, business reputation and experience, the nature of the proposed transferee's business, the then-current value of the Property, and such other factors as may reasonably bear upon the suitability of the transferee as a tenant of the Property. Each permitted transferee shall assume all obligations under this Lease, including the payment of rent. No assignment, sublet, or transfer shall release, discharge or otherwise affect the liability of the Lessee. If Lessee is a corporation, dissolution of the corporation or a transfer (by one or more transactions) of a majority of the voting stock of Lessee shall be deemed to be an assignment of this Lease. If the Lessee is a partnership, a dissolution of the partnership or a transfer (by one or more transactions) of the controlling interest in the Lessee shall be deemed an assignment of this Lease. The acceptance by the City of the payment of rent following assignment or transfer shall not constitute any assignment or transfer.

3.23. Terms of Subleases. All subleases shall be submitted to the City for approval and shall meet the following requirements:

- A. The sublease shall be consistent with and be subject to all the terms and conditions of this Lease;
- B. The sublease shall confirm that if the terms of the sublease conflict with the terms of this Lease, this Lease shall control;
- C. The term of the sublease (including any period of time covered by a renewal option) shall end before the Termination Date of the initial Term or any renewal term;
- D. The sublease shall terminate if this Lease terminates, whether upon expiration of the Term, failure to exercise an option to renew, cancellation by the City, surrender or for any other reason;
- E. The subtenant shall receive and acknowledge receipt of a copy of this Lease;

F. The sublease shall prohibit prepayment to the Lessee by the subtenant of more than one month's rent;

G. The sublease shall identify the rental amount to be paid to the Lessee by the subtenant;

H. The sublease shall confirm that there is no privity of contract between the subtenant and the City;

I. The sublease shall require removal of the subtenant's improvements and trade fixtures upon termination of the sublease; and

J. The subtenant's permitted use shall be within the Permitted Use authorized by this Lease.

3.24. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties, their heirs and assigns.

3.25. Employees and/or Agents. The employees or agents of the Lessee shall not be considered employees or agents of the Lessor.

3.26. Entire Agreement. This document contains the entire and integrated agreement of the parties and may not be modified except in writing signed and acknowledged by both parties.

3.27. Dispute Resolution, Legal Fees and Costs. Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Lease which cannot be resolved between the parties within a reasonable period of time, 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 party's expenses and reasonable attorney's fees.

In addition, the Lessee agrees to pay all of the Lessor's attorneys' fees and costs necessitated by the Lessee's failure to comply with any of the provisions of this Agreement, including but not limited to notices, legal fees and costs arising from third party actions against the Lessor arising from acts or omissions of the Lessee related to this Agreement. The rights and remedies of the City under this Lease are cumulative and in addition to all other rights and remedies afforded to the City by law or equity or otherwise.

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

3.29. Discrimination Prohibited. The Lessee agrees not to discriminate based upon race, color, religion, creed, national origin, sex, age, handicap, membership in a class (such as unmarried mothers or recipients of public assistance), in all activities relating to the Lessee's use of the Premises.

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

3.31. Non-Waiver of Breach. The failure of either party to insist on 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.

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

3.33. Recordation. The City shall record this Lease at the Lessee's cost, with the Pierce County Auditor.

3.34. Modification. Any modification of this Lease must be in writing and signed by the parties. The City shall not be bound by any oral representations or statements.

SECTION IV - ENVIRONMENTAL LIABILITY/RISK ALLOCATION

4.1. Environmental Liability/Risk Allocation.

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

B. Use of Hazardous Substances. Lessee covenants and agrees that Hazardous Substances will not be used, stored, generated, processed,

transported, handled, released or disposed of in, on, under or above the Property, except in accordance with applicable laws.

C. Current Conditions, Duty of Utmost Care and Duty to Investigate. The City makes no representation about the condition of the Property. Hazardous Substances may exist in, on, under or above the Property. With regard to any Hazardous Substances that may exist in, on, under or above the Property, the City disclaims any and all responsibility to perform investigations, or to review any City records, documents or files, or to obtain or supply any information to the Lessee.

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

1. Lessee shall not undertake any activities that will cause, contribute to or exacerbate contamination on the Property;
2. Lessee shall not undertake any activities that damage or interfere with the operation of remedial or restoration activities on the Property or undertake activities that result in human or environmental exposure to contaminated sediments on the Property;
3. Lessee shall not undertake any activities that result in the mechanical or chemical disturbance of on-site habitat mitigation;
4. If requested, the Lessee shall allow reasonable access to the Property by employees and authorized agents of the Environmental Protection Agency, the Washington State Department of Ecology, or other similar environmental agencies; and
5. If requested, the Lessee shall allow reasonable access to potentially liable or responsible parties who are the subject of an order or consent decree which requires access to the Property. The Lessee's obligation to provide access to potentially liable or responsible parties may be conditioned upon the negotiation of an access agreement with such parties, provided that such agreement shall not be unreasonably withheld.

It shall be the Lessee's obligation to gather sufficient information concerning the Property and the existence, scope and location of Hazardous Substances on the Property, or adjoining Property, that allows the Lessee to effectively meet its obligations under this lease.

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

1. A release or threatened release of Hazardous Substances in, on, under or above the Property, any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Property;

2. Any problem or liability related to, or derived from, the presence of any Hazardous Substance in, on, under or above the Property, any adjoining property subject to use by the Lessee in conjunction with its use of the Property;

3. Any actual or alleged violation of any federal, state or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Property, any adjoining property or any other property subject to use by the Lessee in conjunction with its use of the Property;

4. Any lien or action with respect to any of the foregoing; or

5. Any notification from the U.S. Environmental Protection Agency (EPA) or the Washington State Department of Ecology (DOE) that remediation or removal of Hazardous Substances is or may be required at the Property.

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

4.2. Indemnification – Hazardous Substances.

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

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

2. The release or threatened release of any Hazardous Substance, or the exacerbation of any Hazardous Substance contamination, in, on, under or above the Property, any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Property, which release, threatened release, or exacerbation occurs or occurred during the Term of this Lease or during any time when the Lessee occupies or occupied the Property or any such other property, and as a result of:

(i) Any act or omission of the Lessee, its subtenants, contractors, agents, employees, guests, invitees or affiliates; or,

(ii) Any foreseeable act or omission of a third party unless the Lessee exercised the utmost care with respect to the foreseeable acts or omissions of the third party and the foreseeable consequences of those acts or omissions.

3. In addition to the indemnifications provided in this Section, the Lessee shall fully indemnify the City for any and all damages, liabilities, costs or expenses (including attorney's fees and disbursements) that arise out of or are in any way related to the Lessee's breach of the obligations of this Section. This obligation is not intended to duplicate the indemnity provided within this Section, and applies only to damages, liabilities, costs or expenses that are associated with a breach of this Section and which are not characterized as a release, threatened release, or exacerbation of Hazardous Substances. This Indemnification Section shall survive termination or expiration of this Lease Agreement.

4.3 Cleanup. If a release of Hazardous Substances occurs in, on, under or above the Property, or any other City-owned property, arising out of any action, inaction, or event described or referred to in Section 3.14 above, the Lessee shall, at its sole expense, promptly take all actions necessary or advisable to clean up the Hazardous Substances. Cleanup actions shall include, without limitation, removal, containment and remedial actions and shall be performed in accordance with all applicable laws, rules, ordinances, and permits. The Lessee's obligation to undertake a cleanup under this Section 3.15 shall be limited to those instances where the Hazardous Substances exist in amounts that exceed the threshold limits of any applicable regulatory cleanup standards. The Lessee shall also be solely responsible for all cleanup, administrative and enforcement costs of governmental agencies, including natural resource damage claims, arising out of any action, inaction, or event described or referred to in Subsection 3.14 above. The Lessee may undertake a cleanup pursuant to the Washington State Department of Ecology's Voluntary Cleanup Program, provided that: (1) any cleanup plans shall be submitted to the City for review and comment at least thirty (30) days prior to implementation (except in emergency situations), and the Lessee must not be in breach of this lease. Nothing in the operation of this provision shall be construed as an agreement by the City that the voluntary cleanup complies with any laws or with the provisions of this Lease.

4.4. Sampling by City, Reimbursement and Split Samples.

A. The City may conduct sampling, tests, audits, surveys or investigations (“Tests”) of the Property at any time to determine the existence, scope or effects of Hazardous Substances on the Property, any adjoining property, any other property subject to use by Lessee in conjunction with its use of the Property, or any natural resources. If such tests, along with any other information, demonstrates the existence, release, or threatened release of Hazardous Substances arising out of any action, inaction, or event described to referred to in Section 3.14 or 3.15 above, the Lessee shall promptly reimburse the City for all costs associated with such tests.

B. The City’s ability to seek reimbursement for any tests under this Section shall be conditioned on the City providing the Lessee with written notice of its intent to conduct any tests at least thirty (30) calendar days prior to undertaking such tests, unless such tests are performed in response to an emergency situation in which case the City shall only be required to give such notice as is reasonably practical.

C. The Lessee shall be entitled to obtain split samples of any test samples obtained by the City, but only if the Lessee provides the City with written notice requesting such samples within twenty (20) calendar days of the date the Lessee is deemed to have received notice of the City’s intent to conduct any non-emergency tests. The additional cost, if any, of split samples shall be borne solely by the Lessee. Any additional costs incurred by the City by virtue of the Lessee’s split sampling shall be reimbursed to the City within thirty (30) calendar days after a bill with documentation for such costs is sent to the Lessee.

D. Within thirty (30) calendar days of a written request (unless otherwise required pursuant to Subsection 4.4(B) above, either party to this Lease shall provide the other party with validated final data, quality assurance/ quality control information, chain of custody information, associated with any tests of the Property performed by or on behalf of the City or the Lessee. There is no obligation to provide any analytical summaries of expert opinion work product.

4.5. Reservation of Rights. The parties have agreed to allocate certain environmental risks, liabilities, and responsibilities by the terms of Sections 3.13, 3.14, 3.15 and 3.16. With respect to those environmental liabilities covered by the indemnification provisions of Section 3.14, the parties expressly reserve and do not waive or relinquish any rights, claims, immunities, causes of action, or defenses relating to the presence, release, or threatened release of Hazardous Substances in, on, under, or above the Property, any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Property, that either party may have against the other under federal, state or local laws, including but not limited to, CERCLA, MTCA, and the common law. No right, claim, immunity or defense either party may

have against third parties is affected by this Lease and the parties expressly reserve all such rights, claims, immunities and defenses. The allocations of risks, liabilities and responsibilities set forth above do not release either party fro, or affect either party's liability for, claims or actions by federal, state, or local regulatory agencies concerning Hazardous Substances.

IN WITNESS WHEREOF, the parties hereto have executed this document as of the day and year below written.

DATED this _____ day of _____, 2007.

LESSOR:

LESSEE:

CITY OF GIG HARBOR

By _____
CHARLES L. HUNTER, Mayor

PHILIP T. STANLEY

ATTEST:

MOLLY M. TOWSLEE, City Clerk

APPROVED AS TO FORM:

CAROL A. MORRIS, City Attorney

State of Washington)
 ss.
County of Pierce)

On this ____ day of _____, 2007, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Charles L. Hunter, to me known to be the Mayor of the City of Gig Harbor, a Washington municipality, that he executed the foregoing instrument, and acknowledged that the said instrument to be the free and voluntary act and deed of said municipality, for the uses and purpose therein mentioned, and on oath stated that he was authorized to execute the said instrument.

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

(print name)
NOTARY PUBLIC for the State of
Washington, residing at _____
My commission expires: _____

State of Washington)
 ss.
County of Pierce)

On this ____ day of _____, 2007, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____, that he executed the foregoing instrument, and acknowledge that the said instrument to be the free and voluntary act and deed of said organization, for the uses and purpose therein mentioned, and on oath stated that he was authorized to execute the said instrument.

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

(print name)
NOTARY PUBLIC for the State of
Washington, residing at _____
My commission expires: _____

EXHIBIT A
LEGAL DESCRIPTION



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

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

Proposed Council Action:

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

Dept. Origin: Administration

Prepared by: Rob Karlinsey

For Agenda of: July 9, 2007

Exhibits: Lease Initial & Date

Concurred by Mayor: OK 7/5/07

Approved by City Administrator: ROK 7/3/07

Approved as to form by City Atty: CAM 7/3/07

Approved by Finance Director: _____

Approved by Department Head: ROK 7/3/07

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

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

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

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

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

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

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

Term

20 years, ending June 30, 2027

Premises Included in the Lease

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

Consideration

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

Maintenance

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

Building Renovation and Restoration

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

Future Negotiation for Additional Portions of the Property

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

FISCAL CONSIDERATION

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

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

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

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

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

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

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

WITNESSETH:

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

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

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

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

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

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

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

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

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

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

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

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

T E R M S

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

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

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

defined to be the "Premises." The leased area does not include the tidelands adjacent to the Premises.

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

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

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

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

3. Addendum to Lease. GHB desires to lease the remainder of the Eddon Boat Property not included in this Lease. However, at this point in time, the City does not know when the environmental remediation of the remainder of the Property will be complete. Nothing in this Lease obligates the City to complete the remediation, or to accomplish it by any particular date. However, once the remediation is complete, GHB will request that the City Council negotiate an addendum to this Lease to include other portions of the Eddon Boat Property, such as the dock, float, and marine railways, under such terms as the parties may agree upon. If the parties are unable to agree on

the terms of an addendum to include other portions of the Eddon Boat Property, then GHB may terminate this existing Lease, after providing the City with 60 days' written notice.

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

5. USE.

A. GHB shall commit to a minimum of 900 hours (one hour equals one hour of programming for one participant) per year to pursue for the public's benefit the interpretation of the historic and contemporary working waterfront/maritime heritage activities that shall include, but not be limited to, any combination of three or more of the following maritime heritage programs (free or for a fee), unless the City otherwise approves other activities.

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

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

1. Year round interpretive signs and displays
2. Observation area(s) where the public can view boat building and educational activities from the interior of the building, such as a mezzanine or raised viewing platform constructed by the City during the restoration. Such observation areas shall be open to the public when boat building and educational activities are occurring.
3. *Public presentations (e.g. boat building skills demonstrations) – at least one per year*

4. Retail sales of items related to maritime heritage activities.

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

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

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

7. Term.

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

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

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

- a) woodworking
- b) working with modern materials including, but not limited to epoxys, resins, structural cloth, glues and solvents
- c) metalworking
- d) joinery
- e) sanding
- f) rigging
- g) wiring
- h) coating and painting
- i) use of power and hand tools
- j) boatbuilding-related retail sales

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

Lessee shall use the Premises only for the purposes and activities identified herein. The use of the Premises by the Lessee shall not be of a religious or partisan political nature. Such use shall be made in a responsible and prudent manner continuously during the terms of the Lease. Lessee shall neither permit on the Premises any act or storage that may be prohibited under standard forms of fire insurance policies, nor use the Premises for any such purpose.

Lessee shall not intentionally cause or permit any damage to the Premises or any other portion of the Property. Lessee shall also not cause or permit any release of a hazardous substance or any filling activity to occur on the Property. This prohibition includes any deposit or spill of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other hazardous substances or pollutants, or other matter in or on the Property, except as approved in writing by the City.

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

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

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

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

10. Environmental Liability/Risk Allocation.

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

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

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

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

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

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

D. Notification and Reporting. The Lessee shall immediately notify the City if

the Lessee becomes aware of any of the following:

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

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

E. Indemnification – Hazardous Substances.

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

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

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

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

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

G. Sampling by City, Reimbursement and Split Samples. The City may conduct sampling, tests, audits, surveys or investigations ("Tests") of the Premises or the Property at any time to determine the existence, scope or effects of Hazardous Substances on the Premises, the Property, or any adjoining property in conjunction with its use of the Premises, or any natural resources. If such tests, along with any

other information, demonstrate the existence, release, or threatened release of Hazardous Substances arising out of any action or inaction of Lessee, the Lessee shall promptly reimburse the City for all costs associated with such tests.

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

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

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

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

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

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

of liability for injuries or damages which are the result of the concurrent negligence of the Lessee and Lessor, each party shall be responsible only to the extent of its own negligence.

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

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

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

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

A. Types of Required Insurance.

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

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

The City may impose changes in the limits of liability:

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

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

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

- 1) Policies shall be written as primary policies not contributing with and not in excess of coverage that the City may carry;
- 2) Policies shall expressly provide that such insurance may not be canceled or non-renewed with respect to the City except upon forty-five (45) days prior written notice from the insurance company to the City;
- 3) To the extent of the City's insurable interest, property coverage shall expressly provide that all proceeds shall be paid jointly to the City and the Lessee;
- 4) All liability policies must provide coverage on an occurrence basis; and
- 5) Liability policies shall not include exclusions for cross liability.

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

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

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

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

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

payment of all laborers, mechanics, subcontractors and material-men, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

20. Alterations. Prior to the Lessee's construction, alteration, replacement, removal or major repair of any improvements on the Premises, the Lessee shall submit to the City plans and specifications which describe the proposed activity. Construction shall not commence until the City has approved those plans and specifications in writing. The plans and specifications shall be deemed approved and the requirement for the City's written consent shall be treated as waived, unless the City notifies the Lessee otherwise within sixty (60) days. At the time the Lessee submits the proposed plans and specifications, the Lessee will declare if the Lessee intends for the improvements to remain at the Premises at the conclusion of the Lease. If the Lessee makes such declaration, the City shall declare that the Lessee must remove the improvements upon the termination of the Lease at the Lessee's expense or that the improvements shall remain at the Premises at no removal-expense to Lessee. Upon completion of construction, the Lessee shall promptly provide the City with as-built plans and specifications. Lessee agrees to comply with all laws, ordinances, rules and regulations of any proper public authority in the construction of any improvements or repair, and to save the Lessor harmless from damage, loss or expense. After notice of termination of this Lease, and upon Lessor's request or Lessor's approval, the Lessee shall remove such improvements and restore the Premises to its original condition not later than the termination date, at Lessee's sole cost and expense. If the Lessee-Owned improvements remain on the Premises or Property after the termination date without the City's consent, they will become the property of the City, but the City may remove them and the Lessee shall pay the cost of removal and disposal upon the City's demand.

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

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

23. Fire and Other Casualty. In the event that the Premises are destroyed or damaged by fire, earthquake or other casualty not the fault of the Lessor, and any damage is to such an extent as to render the Premises untenable by the Lessee in

whole or substantial part, Lessor shall have the option to terminate this Lease immediately without any further liability or obligation to Lessee. The decision whether the Premises are untenable shall be made by the Lessor, after discussion with Lessee on the feasibility of repair.

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

25. Default and termination. In the event Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed or performed by Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from Lessor, or such shorter period as may be reasonable under the circumstances; or if Lessee shall abandon, desert, vacate or otherwise leave the Premises; then, in such event, Lessor, at its option, may terminate this Lease together with all of the estate, right, title and interest thereby granted to or vested in Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and Lessor may re-enter the Premises using such force as may be required. Lessor shall not be in breach of any obligation to perform under this Lease unless Lessor fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after written notice by the Lessee to Lessor specifying the particular obligation that Lessor has failed to perform; Provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for performance, then Lessor shall not be in breach if Lessor commences performance within the 30 day period, and thereafter diligently prosecutes the same to completion.

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

27. Surrender of Premises. Upon expiration or termination of this Lease, including any extensions thereof, Lessee shall quit and surrender the Premises without notice,

and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee.

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

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

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

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

32. Disputes, Governing Law. Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Lease which cannot be resolved between the parties within a reasonable period of time, any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

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

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

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

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

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

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

IN WITNESS WHEREOF, the parties have executed this instrument this _____ day of _____, 2007.

LESSOR:
CITY OF GIG HARBOR

LESSEE:
The Gig Harbor BoatShop

By: _____
Its Mayor

By: _____
Its: _____

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/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the Mayor of the City of Gig Harbor to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(print or type name)

NOTARY PUBLIC in and for the State
of Washington, residing
at: _____
My Commission expires: _____

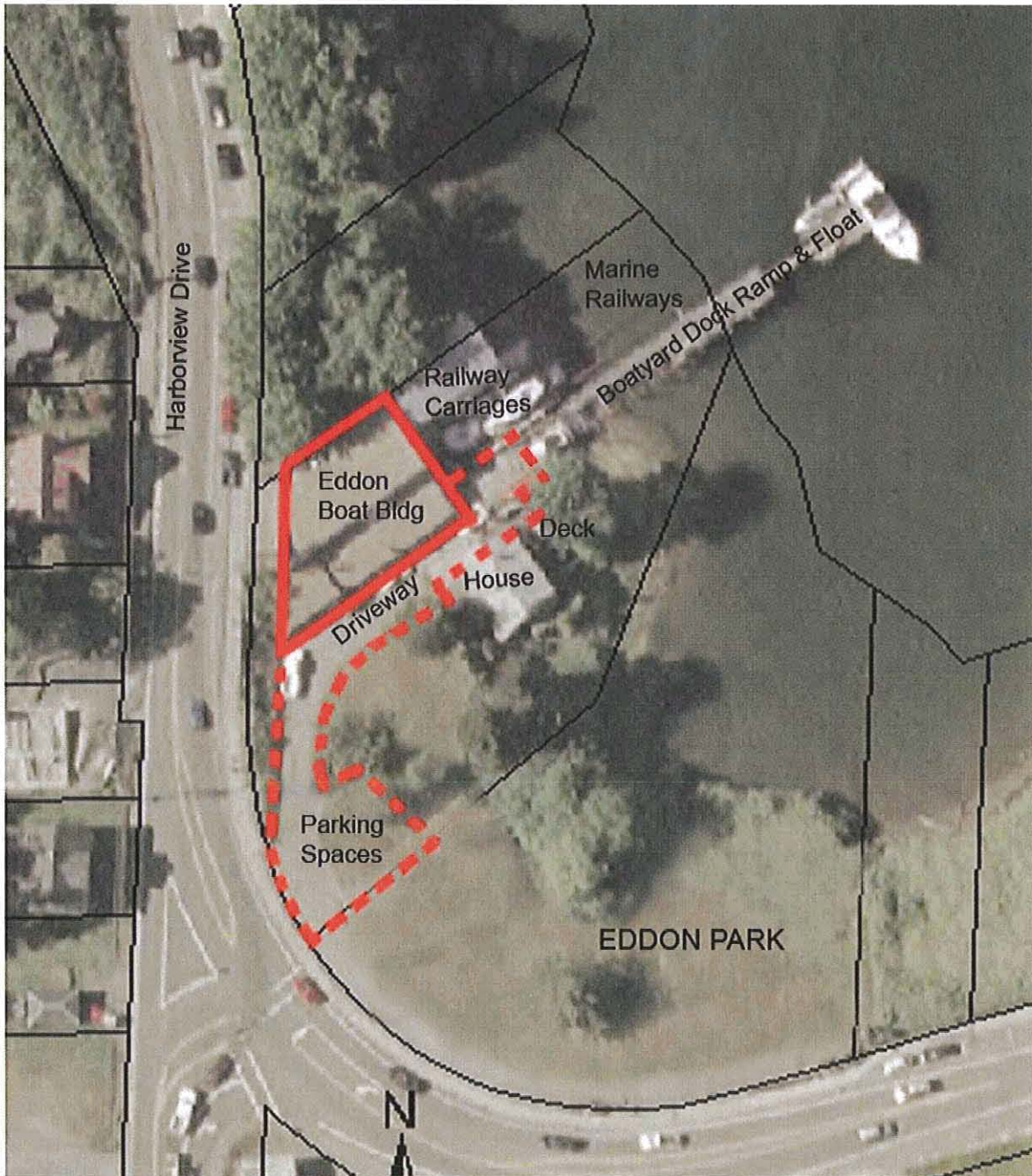
STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that _____ 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 the Gig Harbor
BoatShop, a State of Washington 501(C)(3) non-profit corporation, 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



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

EXHIBIT B

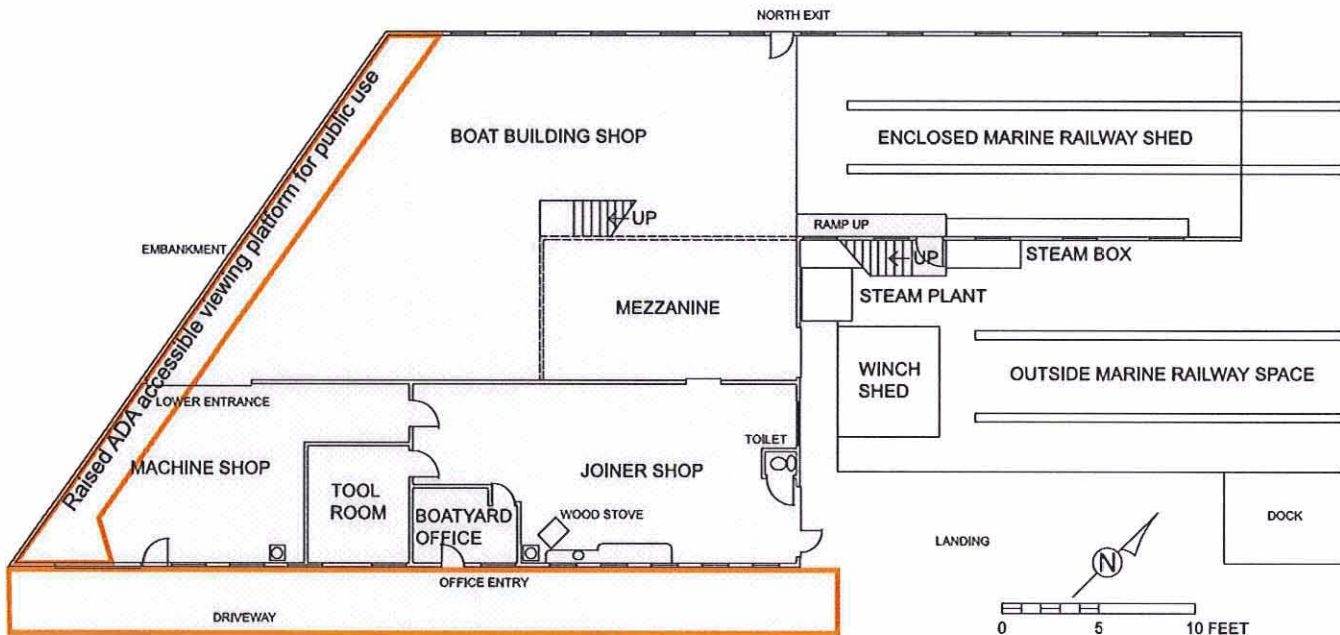


DIAGRAM A: BOAT BUILDING - LOWER FLOOR

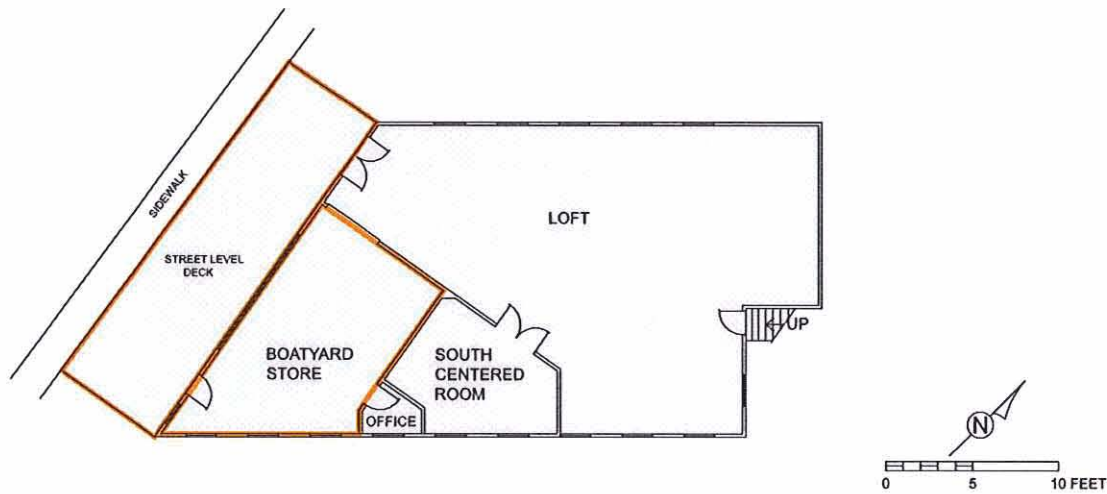


DIAGRAM B: BOAT BUILDING - UPPER FLOOR



Leased space.

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

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

Mezzanine: Storage

Boatyard Office: Programming staff activities/management

Tool room: Tool storage

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

Office: Boatyard Store office activities

Boatyard Store: Retail sales activities



Limited public access



Business of the City Council
City of Gig Harbor, WA

Subject: First Reading of Ordinance Amending
The 2007 General Fund Budget

Dept. Origin: Finance

Prepared by: David Rodenbach

For Agenda of: July 9, 2007

Exhibits: Ordinance, Community Development Staffing
Memo

Proposed Council Action:

Adopt ordinance amending the 2007 General
Fund budget.

Initial & Date

Concurred by Mayor:

Approved by City Administrator: [Signature] 6/29/07
Approved as to form by City Atty: [Signature] 7/2/07
Approved by Finance Director: [Signature] 6/29/07
Approved by Department Head: [Signature] 6/29/07

Table with 4 columns: Expenditure Required, Amount Budgeted, Appropriation Required, and a note 'see fiscal consideration'. Values include \$209,300 and \$0.

INFORMATION / BACKGROUND

Development activity is at an all-time high in the city and city-planned capital projects over the next 5-7 years are expected to exceed \$100 million. In order to keep pace with this activity and the capital spending plan, additional staffing is needed. The proposed positions will be funded by additional revenues resulting from recently adopted fee increases and increased development and capital project activity. In a sense these are project positions. If the increased activity slows down or goes away – then the corresponding positions will be eliminated. However, it is anticipated that the revenue and corresponding workload will sustain these positions for the next four or more years.

A total of seven new positions are proposed as follows: Engineer-Journey, Permit Coordinator, Associate Planner, Building Inspector, Maintenance Technician (formerly Laborer), Administrative Assistant, and Community Development Assistant.

Two new positions, Engineer-Journey, and Permit Coordinator and several changes to job titles as highlighted with strikeout and underline in the position and salary range listing are also deleted/proposed. These changes have no budgetary impact other than what is identified under the fiscal consideration section below.

The Administration budget also needs to be increased due to the J. Richard Aramburu legal contract and other incurred legal services which were not contemplated in the 2007 budget.

FISCAL CONSIDERATION

As of June 27, building permits and land use fee revenues were \$780,000 more than was budgeted. This trend is expected to continue for the rest of this year and into the foreseeable future. The unexpected revenue increase more than pays for the additional positions.

Total unanticipated revenues through June are \$780,000. Of this amount we are recommending that an additional \$210,000 and \$99,300 be appropriated for legal fees and additional positions respectively; and the remaining \$470,700 be appropriated to ending fund balance.

RECOMMENDATION / MOTION

Move to: Pass ordinance amending the 2007 General Fund Budget.

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO THE CITY'S 2007 BUDGET, INCREASING THE APPROPRIATION TO THE GENERAL FUND AND ADDING SEVEN NEW POSITIONS FOR THE 2007 BUDGET.

WHEREAS, the Community Development Activity and corresponding revenues are at an all time high for the city; and

WHEREAS, permit revenues are more than double historical levels and have already exceeded 2007 budget by \$780,000 ; and

WHEREAS, the city will spend over \$100 million on its own capital projects over the next 5-7 years; and

WHEREAS, increased development activity requires that an additional Associate Planner, Building Inspector, Maintenance Technician (formerly Laborer) and Administrative Assistant be hired; and

WHEREAS, the desire to enhance customer service in Community Development requires that a Permit Coordinator be hired; and

WHEREAS, increased capital projects activity requires that an additional Engineer-Journey and Community Development Assistant be hired; and

WHEREAS, seven new positions are required and will be added; and

WHEREAS, the Administrative/Finance department requires an additional budgetary appropriation due to increased legal fees; NOW, THEREFORE,

THE GIG HARBOR CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. The 2007 Budget for the General Fund shall be amended as follows:

Fund/Department	Original Appropriation	Amended Appropriation
Licenses and Permits	\$549,756	\$1,329,756
Fund/Department	Original Appropriation	Amended Appropriation
Administration/Finance	\$1,068,200	\$1,178,200
Community Development	\$1,670,160	\$1,769,460

Ending Fund Balance \$930,701 \$1,501,401

Section 2. The Gig Harbor City Council finds that it is in the best interests of the City to increase the General fund appropriations as shown above, and directs the Finance Director to amend the budget as shown above.

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. 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: 06/29/07
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO:

POSITION	2007 RANGE	
	Minimum	Maximum
City Administrator	\$ 8,595	\$ 10,744
Chief of Police	6,714	8,393
Community Development Director	6,592	8,240
Finance Director	6,481	8,101
Police Lieutenant	5,806	7,258
City Engineer	5,735	7,169
Director of Operations	5,735	7,169
Fire Marshal/Building Official	5,735	7,169
Information Systems Manager	5,735	7,169
Planning Director	5,735	7,169
Senior Engineer	4,759	6,805
Wastewater Treatment Plant Supervisor	4,965	6,206
Court Administrator	4,913	6,141
Police Sergeant	4,901	6,126
City Clerk	4,807	6,009
Tourism Marketing Director	4,807	6,009
Senior Planner	4,786	5,983
<u>Engineer-Journey</u>	<u>4,759</u>	<u>5,949</u>
Assistant Building Official/Fire Marshall	4,728	5,910
Public Works Supervisor	4,728	5,910
Accountant	4,664	5,830
Field Supervisor	4,463	5,579
Construction Inspector	4,083	5,104
Planning / Building Inspector	4,083	5,104
Associate Planner	4,045	5,056
Payroll/Benefits Administrator	4,038	5,048
Wastewater Treatment Plant Operator	3,897	4,871
Police Officer	3,846	4,808
Mechanic	3,812	4,765
Engineering Technician	3,749	4,686
Information System Assistant	3,672	4,590
Maintenance Specialist Worker	3,645	4,556
Assistant City Clerk	3,584	4,480
Assistant Planner	3,529	4,411
<u>Permit Coordinator</u>	<u>3,529</u>	<u>4,411</u>
Community Services Officer	3,426	4,283
Finance Technician	3,414	4,268
Community Development Assistant	3,295	4,119
Administrative Assistant	3,028	3,785
Police Services Specialist	2,979	3,724
Court Clerk	2,939	3,674
Custodian	2,927	3,659
Laborer <u>Maintenance Technician</u>	2,927	3,659
Mechanic Assistant	2,927	3,659
Administrative Receptionist	2,563	3,204
Community Development Clerk	\$ 2,563	\$ 3,204



TO: Mayor and City Council

FROM: Rob Karlinsey, City Administrator

SUBJECT: Community Development Staffing Recommendations

DATE: May 30, 2007

Community Development Department activity and corresponding revenues are at an all-time high for the City of Gig Harbor. Permit fee revenues are more than double historical levels; in addition, we project that the City will spend over \$100 million on its own capital projects over the next 5-7 years, dwarfing capital spending of prior years.

This increased level of development services and capital activity is not expected to let up any time soon, and City employees are struggling to keep up with demand. In other words, staff workload demands have been tracking with the increased activity, and we need to staff accordingly.

Therefore, I recommend the addition of eight new Community Development positions, most of which should be added as soon as possible. The proposed eight positions will help meet the needs of increased activity and new projects in the following areas:

- Development Services (planning, building, and engineering permits, plan reviews, inspections, etc.): 4.5 positions.
- Capital Projects (street, sewer, water, and park infrastructure improvements): 3.0 positions.
- New Stormwater Quality Requirements Mandated by the State and Federal Governments: 0.5 position

I also propose that these positions be funded with *no net negative impact* to the City's budget (i.e., revenue-expenditure neutral). In order for there to be no net negative impact to the budget, the funding for these positions is proposed to come from a combination of the following sources:

- New revenue from recently adopted development services fee increases
- New revenue from increased development activity that is above the historical baseline level of activity
- Capital project revenue (grants, hospital benefit zone tax increment, federal earmarks, etc.)
- Stormwater Utility rate increase

The following table provides a summary of the eight proposed positions:

Community Development Staffing Recommendations						
DIVISION	POSITION	DUTIES/ PROJECT(S)	START	DURATION	ANNUAL COST	FUNDING SOURCE
DEVELOPMENT SERVICES						
#FTE	Associate Planner	Increased & Ongoing Development Activity	Now	4 years & Re-assess	\$87,980	Planning fees increase
1						
1	Building Inspector/Plan Review	Increased & Ongoing Development Activity, incl. Hospital & MOB	Now	4 years & Re-assess	\$87,980	Higher than historical baseline activity & increased fees
1	Permit Coordinator/ "Ombudsman"	Coordinate Permits; Serve as "one stop" for permits.	Now	4 years & Re-assess	\$77,200	Higher than historical baseline activity & increased fees
0.5	Project Engineer – EIT	Civil review of development plans	January 2008	4 years & Re-assess	\$50,000	Engineering plan review fee Increase
0.5	Laborer - Utilities	Backfill workload of increased utility plan review activity	Now	4 years & Re-assess	\$26,000	Sewer fee updates starting in '08
0.5	Administrative Assistant/Shop Clerk	Backfill workload of increased utility plan review activity	Now	4 years & Re-assess	\$33,390	Water, Sewer, Stormwater fee updates starting '08
CAPITAL PROJECTS						
#FTE	Project Engineer - P.E.	Oly/56 th , BB- 16, WWTP Upgrades & Outfall, etc.	Now	4 years & Re-assess	\$109,900	CERB, TIB, PWTF, HBZ, etc.
1						
1	Community Development Assistant	Oly/56 th , BB- 16, WWTP Upgrades & Outfall, etc.	Now	4 years & Re-assess	\$66,780	CERB, TIB, PWTF, HBZ, etc.
0.5	Laborer - Utilities	Backfill workload of utility capital projects	Now	4 years & Re-assess	\$26,000	Capital project funding sources
0.5	Administrative Assistant/Shop Clerk	Backfill workload of utility capital projects	Now	4 years & Re-assess	\$33,390	Capital project funding sources
UTILITIES						
#FTE	Project Engineer – EIT	NPDES Phase II Permit: Stormwater Quality Mandate	January 2008	4 years & Re-assess	\$50,000	Stormwater fee increase
0.5						

Note that each of the ½-time positions will be combined—for example, the two ½-time laborers will actually be filled by one person.

The remainder of this proposal is divided into two sections:

1. An outline of the proposed new positions, including a five-year cost summary and funding strategy.
2. Justification for the proposed positions: duties, what voids they will fill, etc.

Part I: Outline of the Proposed New Positions and How to Pay for Them

Development Services (planning, building, engineering, & utilities):

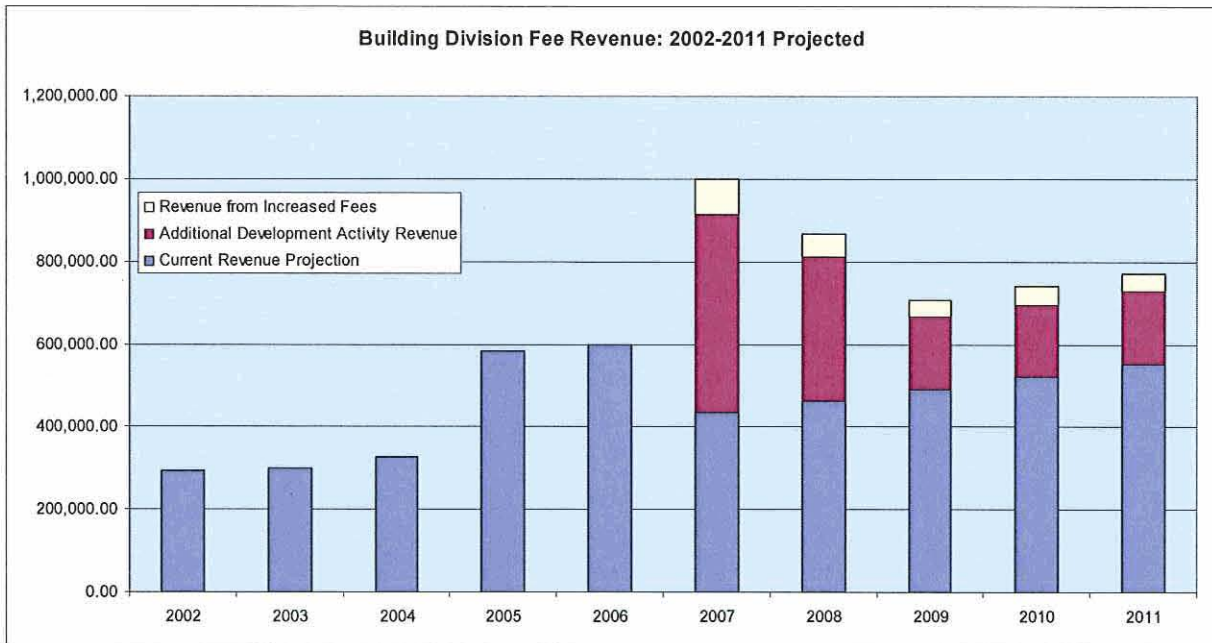
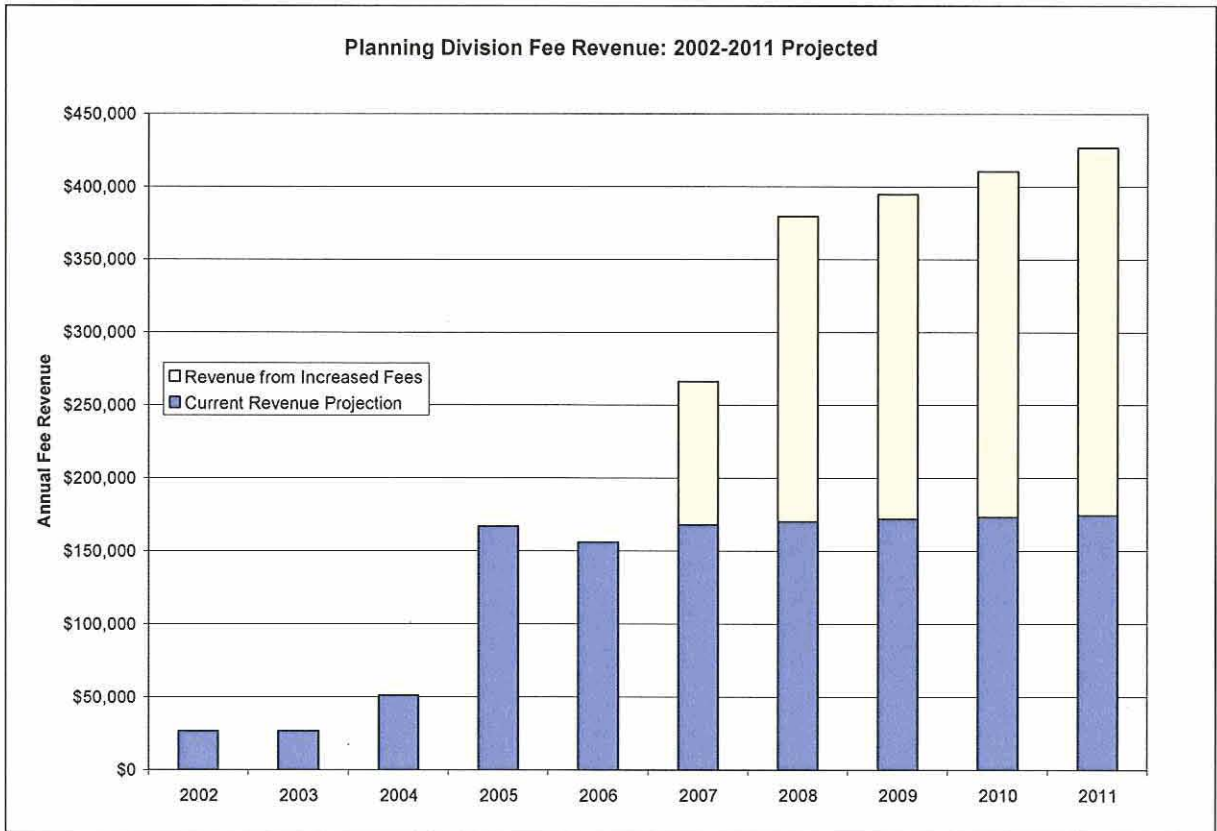
1.0	Associate Planner
1.0	Building Inspector/Plans Examiner
1.0	Permits Coordinator/"Ombudsman"
0.5	Project Engineer – E.I.T.
0.5	Laborer – Utilities (development workload backfill)
<u>0.5</u>	<u>Administrative Assistant/Shop Clerk (development workload backfill)</u>
4.5	Total

The above development services (planning, building, engineering, and utilities) positions are proposed to be funded with no net negative impact to the City's budget. The funding for these 4.5 new positions comes from two sources:

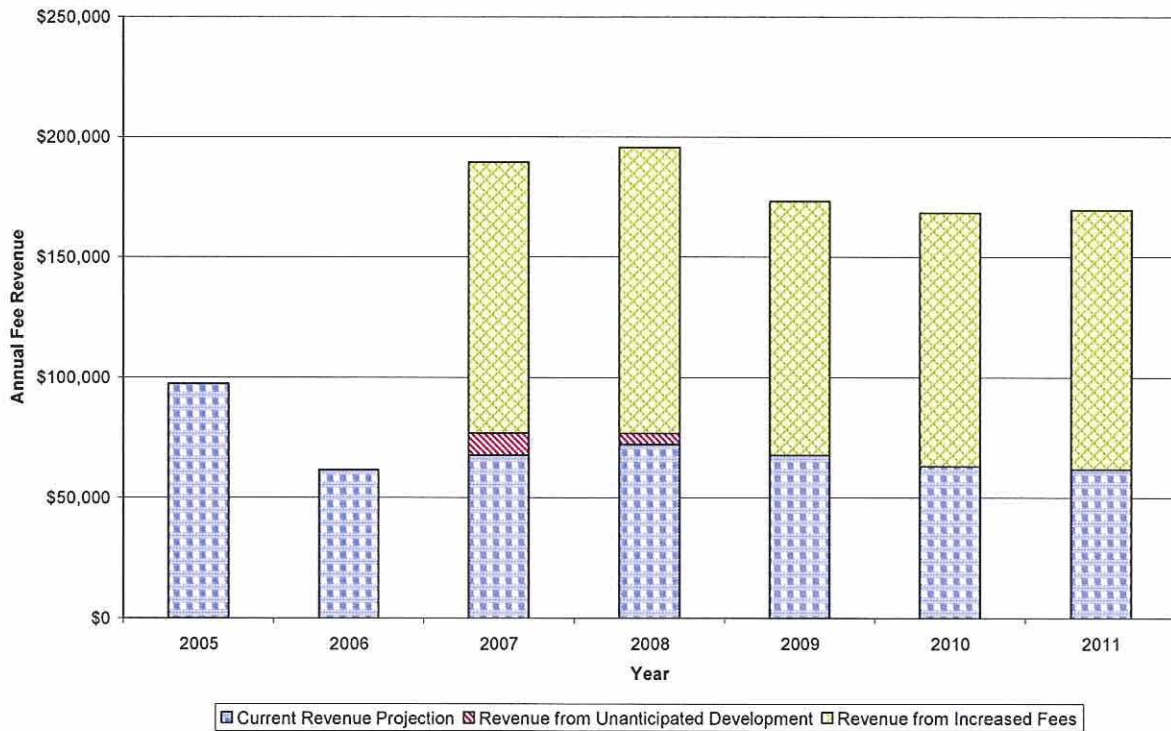
- Unbudgeted, new revenue from recently adopted increases in development services fees (planning, building, and engineering fees). Due to the recent adoption of new fees, the planning and engineering divisions forecast an annual increase of approximately \$210,000 and \$105,000 per year, respectively. The building division predicts an annual increase in excess of \$40,000 due to the recently increased fees.
- Unbudgeted, new revenue from increased development activity (i.e. number of permit applications) above the historical base line. For 2007, the building division predicts its revenue to be over \$500,000 above budget projections, and, based on land availability and activity, the trend is expected to continue into the foreseeable future.

Note that the two utility positions, laborer and administrative assistant/shop clerk, will be funded indirectly from development fee revenue—utility supervisors' and operators' time spent on development review (water plans, sewer plans, etc.) will be backfilled by the two new positions. As a result, a portion of the utilities supervisors' and operators' time would now be funded via development fees, and the resulting freed up operations funding would pay for a portion (50%) of the two new utility positions.

The following three graphs illustrate the increased development fee revenue for the three development fee-generating divisions (planning, building, and engineering):



Engineering Division Fee Revenues: 2005-2011 Projected



Note that the above estimates are conservative. For example, the building division revenue graph projects \$1 million in full-year revenue for 2007; at the end of May, building division revenues have already exceeded the full-year \$1 million projection.

The five-year cost and funding strategy for these positions are detailed on the following page. Note that the costs are "fully loaded," meaning that they include salary, benefits, startup costs (new furniture and equipment if needed), and ongoing support costs (supplies, services, etc.).

Development Services

Sources

	2007	2008	2009	2010	2011	Total
Development Services Fees						
Planning, Building, and Engineering Fees						
Revenue Above Historical Baseline Activity	\$488,007	\$354,527	\$175,000	\$175,000	\$175,000	\$1,367,534
New Revenue from Adopted Fee Increase	\$297,024	\$382,861	\$370,378	\$387,218	\$404,917	\$1,842,397
Total New Development Services Fee Revenue	\$785,031	\$737,389	\$545,378	\$562,218	\$579,917	\$3,209,932

Uses

	2007	2008	2009	2010	2011	Total
Proposed Development Services Positions						
Associate Planner	\$45,000	\$87,980	\$93,259	\$98,854	\$104,786	\$429,879
Building Inspector/Plan Reviewer	\$45,000	\$87,980	\$93,259	\$91,000	\$95,000	\$412,239
Permit Coordinator/"Ombudsman"	\$39,999	\$77,199	\$81,831	\$86,741	\$91,945	\$377,715
Project Engineer - E.I.T. (0.5 FTE)	\$0	\$50,000	\$48,000	\$50,880	\$53,933	\$202,813
Laborer - Utilities (0.5)*	\$9,500	\$26,000	\$27,560	\$29,214	\$30,966	\$123,240
Administrative Assistant/Shop Clerk (0.5)*	\$9,356	\$25,740	\$27,284	\$28,921	\$30,657	\$121,958
Development Services Total Uses	\$148,855	\$354,899	\$371,193	\$385,610	\$407,287	\$1,667,843
Balance	\$636,177	\$382,490	\$174,185	\$176,607	\$172,630	\$1,542,088

*Funded indirectly as workload backfill for utility time/resources spent by other utility staff on development review.

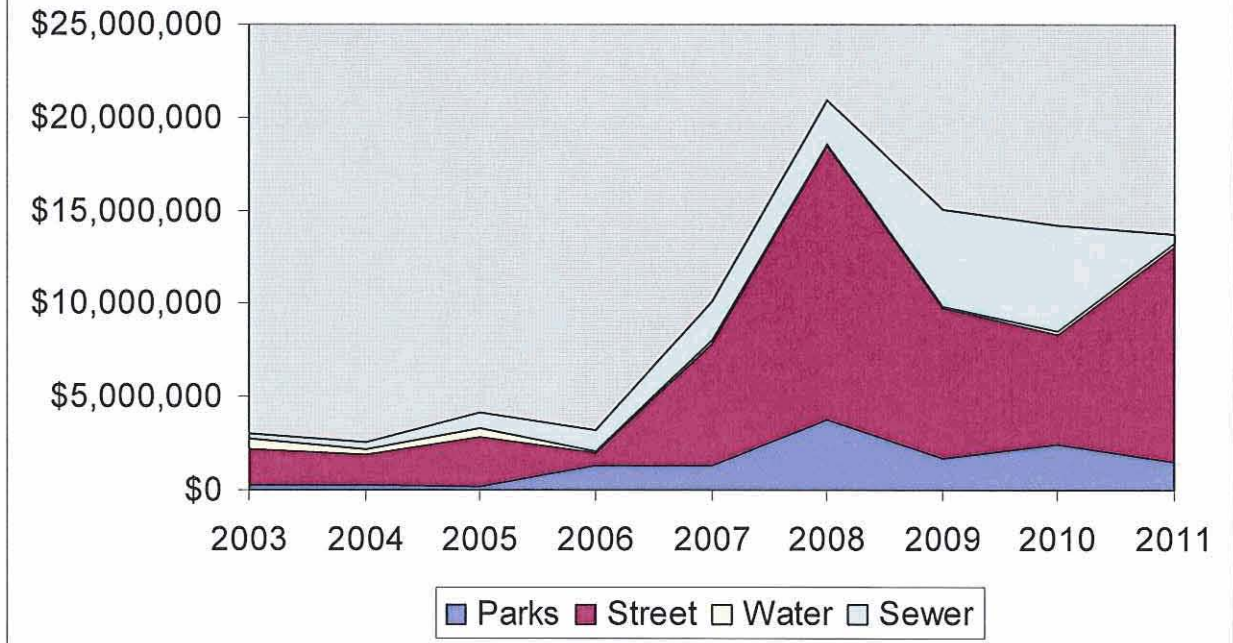
As the above table demonstrates, because they are funded from increased fees and revenue from increased development activity, the addition of the proposed 4.5 development services positions is revenue-expenditure neutral.

Capital Projects

- 1.0 Project Engineer – P.E.
- 1.0 Administrative Assistant
- 0.5 Laborer – Utilities (capital project workload backfill)
- 0.5 Administrative Assistant/Shop Clerk (capital project workload backfill)
- 3.0 Total

Similar to development activity, the City's own capital project activity is at an all-time high, and will most likely be into the foreseeable future (Olympic/56th improvements, Burnham Interchange interim and long-term improvements, sewer treatment plant and outfall expansion, and more). The \$10 million capital budget for 2007 more than doubles last year's capital budget (or any prior year in recent memory, for that matter), and we anticipate that the capital budgets for 2008 through 2011 will also be significantly higher than in the past. The following graph shows historical and predicted capital expenditures through 2011:

**City of Gig Harbor
Capital Improvement Project Expenditures:
Historical and Projected**



The addition of a project engineer is needed to help design and manage this increase in project activity, as is an administrative assistant to provide the clerical support needed for grant/loan documentation and contract administration.

Similar to backfilling development review activity, the laborer and administrative assistant/shop clerk are needed to fill the voids left by utility staff who will be working on the utility capital projects (treatment plant expansion, outfall expansion & extension, lift station upgrades, etc.).

The funding strategy for these capital project positions is detailed in the next page. Note that the costs are “fully loaded,” meaning that they include salary, benefits, startup costs (new furniture and equipment if needed), and ongoing support costs (supplies, etc.).

Capital Projects

Sources

	2007	2008	2009	2010	2011	Total
Capital Projects						
Streets Capital						
TIB Grant (Olympic/56th)	\$35,000	\$40,457	\$0	\$0	\$0	\$75,457
CERB Grant (Burnham Interchange)	\$20,500	\$80,914	\$114,114	\$0	\$0	\$215,528
HBZ Revenue (GH North Infrastructure)	\$0	\$0	\$38,038	\$161,281	\$197,458	\$396,778
Streets Subtotal	\$55,500	\$121,370	\$152,152	\$161,281	\$197,458	\$687,762
Utilities Capital						
PWTF Loan (Tx Plant & Outfall Expansion)	\$35,356	\$84,494	\$89,564	\$94,937	\$100,634	\$404,984
Utilities Subtotal	\$35,356	\$84,494	\$89,564	\$94,937	\$100,634	\$404,984
Parks Capital						
Brownsfield Grant (Eddon Cleanup)	\$11,000	\$21,836	\$0	\$0	\$0	\$32,836
Parks Subtotal	\$11,000	\$21,836	\$0	\$0	\$0	\$32,836
Capital Projects Total Sources	\$101,856	\$227,700	\$241,716	\$256,219	\$298,092	\$1,125,582

Uses

	2007	2008	2009	2010	2011	Total
Capital Projects						
Streets						
Project Engineer - P.E. (0.5 FTE)*	\$27,500	\$54,590	\$81,365	\$86,247	\$117,922	\$367,625
Administrative Assistant (1.0 FTE)	\$28,000	\$66,780	\$70,787	\$75,034	\$79,536	\$320,137
Streets Capital Subtotal	\$55,500	\$121,370	\$152,152	\$161,281	\$197,458	\$687,762
Utilities						
Project Engineer - P.E. (0.3 FTE)	\$16,500	\$32,754	\$34,719	\$36,802	\$39,011	\$159,786
Laborer - Utilities (0.5)**	\$9,500	\$26,000	\$27,560	\$29,214	\$30,966	\$123,240
Administrative Assistant/Shop Clerk (0.5)**	\$9,356	\$25,740	\$27,284	\$28,921	\$30,657	\$121,958
Utilities Capital Subtotal	\$35,356	\$84,494	\$89,564	\$94,937	\$100,634	\$404,984
Parks						
Project Engineer - P.E. (0.2 FTE)*	\$11,000	\$21,836	\$0	\$0	\$0	\$32,836
Parks Capital Subtotal	\$11,000	\$21,836	\$0	\$0	\$0	\$32,836
Capital Projects Total Uses	\$101,856	\$227,700	\$241,716	\$256,219	\$298,092	\$1,125,582

* Streets Project Engineer increases from 0.5 to 0.7 FTE starting in 2009. Corresponding decrease in Parks Engineer that same year.
 **Funded indirectly as workload backfill for utility time/resources spent by other utility staff on capital projects.

As shown in the table above, the funding for these capital project positions can come directly from the projects—the positions can be charged to the grants and loans that fund the projects. As a result, the addition of these capital project positions will also result in no net negative impact to the City's budget (i.e. these positions do not increase the size of the project budgets). If and when the level of capital project activity drops, these positions will need to be reduced or eliminated accordingly; however this higher level of capital activity is anticipated well beyond 2011.

When designing and managing capital projects, cities can choose to use engineering firms to perform the work, hire in-house engineers to do the work, or a combination of the two. Contracting with engineering firms makes sense when the capital project workload comes in spurts. However, when the capital project workload is at a high level for a sustained period, it makes more sense to bring more of the work in-house—the hourly rate of an in-house engineer is lower than a consulting engineer. Furthermore, consulting engineers are still labor intensive for city staff because the engineer's contract requires negotiating, monitoring, etc.

Utilities

0.5	Storm Water Project Engineer – E.I.T.
0.5	Total

Stormwater Project Engineer (0.5 FTE). With the new Federal and State NPDES Phase II stormwater requirements, the City will need the equivalent of a half-time engineer to implement the program, which will include water quality testing at all of the City's outfalls, community education/outreach, and working with both public and private property owners to comply with the new regulations.

The five-year cost and funding strategy for this position is detailed below. Note that the cost is "fully loaded," meaning that it includes salary, benefits, startup costs (new furniture and equipment if needed), and ongoing support costs (supplies, services, etc.).

Utilities						
Sources						
	2007	2008	2009	2010	2011	Total
Utilities Operations						
Storm Water Rate Increase	\$0	\$50,000	\$48,000	\$50,880	\$53,933	\$202,813
Utilities Total Sources	\$0	\$50,000	\$48,000	\$50,880	\$53,933	\$202,813
Uses						
	2007	2008	2009	2010	2011	Total
Utilities Operations						
Storm Water						
Project Engineer - E.I.T. (0.5 FTE)	\$0	\$50,000	\$48,000	\$50,880	\$53,933	\$202,813
Utilities Operations Total Uses	\$0	\$50,000	\$48,000	\$50,880	\$53,933	\$202,813

According to the proposed funding strategy outlined above, the stormwater rate increase would be approximately \$1.45 per household per month, translating into a stormwater rate percentage increase of approximately 17%.

Part II: Justification for the Positions

Development Services

Associate Planner (1.0 FTE)

At the February 28, 2007 City Council Retreat, Planning Director Tom Dolan identified a number of process improvements that would improve the land use permitting process. The improvements are summarized as follows:

- Comprehensive review of zoning regulations to identify needed changes.
- Development of standard operating procedures for our permits and activities.
- Updating existing and developing new handouts.
- In conjunction with the City Attorney – identifying specific needs for training on various sections of the code.

- e. Staff identification of specific permits (currently pending and those proposed) that have the potential for conflicts with existing provisions of the zoning ordinance. Such identified permits shall be forwarded to the City Attorney for review.
- f. Review needs for technology improvements within the planning section. This may include replacement of computers for some of the staff. This may also include the purchase of additional modules for the Interlocking Permit System.

The immediate need is to identify internal conflicts within the zoning ordinance. In addition, the development of standard operating procedures and customer handouts are critically important. Although not yet critical in terms of timing, the city's Shoreline Master Program and accompanying regulations will require major review and revision by 2011.

One of the issues that planning is currently dealing with is a substantial increase in the volume of permits being submitted. As of April 13, approximately 200 permits (of all types) have been submitted for planning review in 2007. This compares to 89 applications in 2005 and 102 applications in 2006 (again as of April 13 for both of those years).

Due to current caseloads, the process improvements identified above cannot be implemented by existing planning staff. It is my recommendation that an additional associate planner position be authorized. It would be my intent to utilize the new associate planner position to implement the process improvements identified above and to assist with the increase in planning caseload.

Building Inspector/Plans Examiner (1.0 FTE)

Like the other positions needed for development services, the justification for the Building Inspector/Plans Examiner comes from increased development activity well above the historical baseline level. This position will be responsible for performing all duties of the position as contained in the current building inspector position description.

Due to the high level of activity and the large projects currently under review and construction, it is anticipated that one inspector will be needed nearly full time at the St. Anthony's project when it begins substantial vertical construction. Based on the activity in the Harbor Crossing plat, we also anticipate that one inspector will also be needed full time as additional homes are started.

The new position will allow us the ability to provide timely inspections without reducing our established level of service. Depending on qualifications, the new inspector will either be assigned to the Harbor Crossing plat or general permits and inspections (commercial and residential).

Permit Coordinator/Ombudsman (1.0 FTE)

There are two main reasons for adding this position:

1. Increased development activity. As of the end of April there were 326 building permit applications in the pipeline compared to 140 and 195 for the same period in 2006 and 2005, respectively. This permit coordinator position will help to meet these increased workload demands.

2. The need to better coordinate the processing of applications between the development services divisions (planning, building, engineering, and utilities). This “Ombudsman” position will fill two key roles:
 - Serve as a main point of contact for permit applications and inquiry. This person will “own the call” and will be able to know the status of the entire application and inform the customer accordingly.
 - In addition, this person in this position will be the internal “shepherd” of land use applications. The Ombudsman will work to keep applications on track, on schedule, and coordinated. Put another way, this position will serve as an internal advocate for the applicant.

Specific duties of the Permit Coordinator/Ombudsman would include the following:

- Coordinate intake of all development permit applications including building/fire, planning and engineering.
- Serve as first point of contact for general permitting questions and for specific permit questions that don’t require a technical answer from a project lead.
- Monitor applications for compliance with statutorily required time frames.
- Serve as the public’s “ombudsman” in working through the City permit processes by troubleshooting administrative permit issues and offering suggestions to resolve them and keep projects on track.
- Generate reports on activity levels, turnaround times, permit status, etc. as requested by other staff members and the public (as approved).
- Route and track documents, plans, etc. submitted/generated during the review and inspection processes.
- Coordinate cross-department inspection records using the LIS inspection module.
- Perform file management activities to assure documents are properly archived while reducing un-necessary paper file storage.
- Other duties as assigned.

Project Engineer – E.I.T. (0.5 FTE)

Similar to the other proposed development services positions, the half-time project engineer would provide the civil engineering support needed for the increase in development activity. This position would provide routine development engineering review and would therefore free up more senior engineers for capital project design management along with capital facilities planning. Specific duties of this position would include:

Some of the specific duties of the proposed project engineer – EIT position would include the following:

- Attend pre-applications meetings.
- Conduct plan review for consistency with City public works requirements.
- Generate plan check comments and plan review schedule.
- Provide project SEPA comments.
- Interface with developers and applicants, and guide them through the engineering portion of the permitting process.

- Assist in and/or monitor construction survey staking.
- Assist in the preparation of capital construction planning and documents.

Laborer – Utilities (1.0 FTE: ½ from development workload backfill and ½ from capital project workload backfill)

See under capital projects below.

Administrative Assistant/Shop Clerk (1.0 FTE: ½ from development workload backfill and ½ from capital project workload backfill)

See under capital projects below.

Capital Projects

Project Engineer – P.E. (1.0 FTE)

The proposed new project engineer at the professional engineer (P.E.) level is essential to help manage the design, permitting, and construction of the City's capital projects over the next four or more years. Because of the sustained level of capital project activity, hiring a P.E. in-house is more cost-effective than using consultants. This P.E. will manage the work of engineering firms through the design, bid, construction, and permitting process and will also provide in-house design and construction management work. Potential projects include but are not limited to the following:

- Olympic/56th Street Improvements
- Burnham Interchange Interim design and construction and long-term designing and permitting.
- Gig Harbor North Infrastructure Improvements
- Wastewater Treatment Plant Expansion
- Wastewater Outfall Expansion and Extension
- Eddon Boat Cleanup

Administrative Assistant (1.0 FTE)

This position will be consumed with the administrative and clerical work that will come with the City's large capital projects. The current administrative assistant is currently overburdened with both capital project support and all of engineering's development review support. The proposed new administrative assistant's duties will include:

Engineering Contract Administration:

- Requests for Qualifications
- Council bill and contract preparation
- Invoice processing
- Professional services agreement processing and monitoring

Capital Project Contract Administration:

- Requests for bids, including compiling bid documents and addenda
- Council bill and contract preparation
- Contract execution
- Insurance certificates
- Prevailing wage affidavits and compliance
- Notice to proceed/substantial completion, etc.
- Retainage tracking, reporting, and processing
- Change order processing
- Progress payment processing and tracking
- Project closeout procedures and final contract payments and records management

Grant Administration:

- Grant applications
- Grant Compliance tracking and reporting
- Project time tracking
- Grant accounting
- Drawdown requests
- Federal/state audit compliance
- Records management

Laborer – Utilities (1.0 FTE: ½ from development workload backfill and ½ from capital project workload backfill)

This laborer position would backfill the increased development review and capital project workload of utility supervisors and operators. Currently, only six employees are assigned to the wastewater treatment division that maintains over 50 miles of sewer line, 17 lift stations throughout the City, and all of the moving parts that go with a 1 million gallon-per-day treatment plant. Treatment plant supervisor Darrel Winans and his plant operators also have the added capital project workload of expanding the plant and outfall starting this year and going easily through 2011.

Furthermore, both wastewater and water division staff have the responsibility of keeping up with water and wastewater plan reviews for new developments. Mr. Winans provides the following justification and duties for the laborer position:

- Line maintenance and televising: Currently we have to do a major juggling process to schedule annual line cleaning. We have to drop all maintenance tasks for at least 2 areas of the system maintenance to perform line cleaning. We are short staffed to have a complete flagging and operation crew so we have to borrow street/parks staff. That reduces their productivity.
- Lift Station mechanical maintenance: Our lift stations are getting old and require a lot of maintenance and repair. We have a lot of corrosion issues, peeling paint, rusting bolts needing replaced, electrical cabinet repairs, and more.
- Lift Station landscape maintenance: All the lift stations could use some year round maintenance but only get minimal off season care; better care comes with the seasonal summer help.
- Flagging Duties: We always need a flagger for some form of maintenance work.

- Friday fill in: On Fridays we are always one person short because it is the previous week's on call person's day off. Having an extra person available would allow us to do tasks we normally would put off because we are short staffed.
- Plant site maintenance: General cleanup around the plant site, mowing, hosing down basins and general maintenance.
- Inventory Control for maintenance parts: This person could also keep our maintenance supplies stocked and order parts and supplies for upcoming projects.
- As we've discussed each individual has a daily task at the treatment plant and every time we have to do any additional work to a lift station or have a major repair we have to pull someone away from their duties and then have to make up for lost time. We always seem to be playing catch up and keep getting further behind.

Administrative Assistant/Shop Clerk (1.0 FTE: ½ from development workload backfill and ½ from capital project workload backfill)

As stated previously, this proposed position would backfill the increased development review and capital project workload of utility supervisors and operators. Only one person, Terri Reed, provides direct clerical support to the three utilities (water, wastewater, and stormwater) as well as parks and streets. Terri is stretched thin and is often unable to complete the numerous administrative tasks that go with her position, often because her co-workers are consumed with development review and capital project work.

This new administrative assistant position would provide needed relief and support and would perform the following duties (a list of duties performed by the existing community development assistant for operations follows):

Maintenance Shop:

- Fleet Maintenance (all city vehicles & equipment):
 - Track equipment inventory data
 - Coordinate purchases and surplus
 - Track vehicle mileage
 - Enter work orders into RTA database to track all repairs and maintenance
 - Track cost of each part used
 - Track labor required
 - Track preventative maintenance schedule
 - Monthly reporting of vehicles due for pm
 - Monthly reporting of vehicle repair costs, per vehicle
 - Fuel card administration
- Filing and file clean up
- Office organization

Water System:

- CCR – Yearly creation, printing, mailing, delivery of Water Quality Brochures
- Maintain reporting requirements to DOE, DOH
- City water quality issues
- Outside water company/utilities coordination

Waste Water Treatment Plant Support:

- DMR Entry and associated monthly totals and checks
- Work order entry – monthly meter number entry
- Invoice processing/tracking
- Control charts entry
- Filing and file clean-up
- SOP typing
- Grease program letters and data entry
- Lab manual updates
- Monthly completion of lab sheets
- Monthly dewatering/thickening Excel reports
- Monthly forms print out
- Manual updates

Capacity Reservation Certificates (CRC's):

- Track applications in Interlocking
- Approval from Director of Operations
- ERU Tracking
- Coordination with Engineering requirements
- Documentation

Sidewalk Inventory:

- Enter repair information and photos into database

Traffic Signal Maintenance:

- Coordinate maintenance with Pierce County and WSDOT

Citizen Requests/Questions/Concerns/Complaints:

- Phone Calls/Walk-in
 - Receive information
 - Enter into Call Director database
 - Route to appropriate resources
 - Follow up on tasks
 - Respond to Citizen

Contact Lists/Cards:

- Maintain current information for phone contacts
- Create laminated phone number cards for Public Works and City Council

Filing:

- Maintain all department files and records-electronic and hard copy

Adopt-A-Road Program – Program Coordinator:

- Program paperwork
- Safety training
- Equipment/Supplies check-out/in
- Litter bag retrieval after pickup
- New group assignment

Pagers

- Track Inventory
- Provide replacement for damaged pagers

Purchasing:

- Order office supplies
- Order miscellaneous equipment/items
- Coordinate delivery of purchases
- Process invoices for payment

For context and informational purposes, duties that will be (are) performed by the existing community development assistant position are as follows:

Budget:

- Monitor budget lines
- Purchase Orders
- Contract administration
- Bonds
- Contract Award
- Invoices/Vouchers
- Consultant services contracts
- Insurance

City Council:

- Prepare items for agenda
- Creation and approvals for Council Bills
- Track City Attorney contract & council bill review progress

Claims for Damages/Public Record Requests:

- Respond to request
- Supply forms
- Forward to City Clerk
- Research details of request
- Provide documentation

Director of Operation Support:

- Meeting coordination
- Mail
- Responding to calls and requests

Festivals/Events:

- Holidays – coordination of tree cutting, wreath orders, tree lighting
- Maritime Gig – coordination with committee
- Blessing of the Fleet – coordination with committee, float permits-WDFW, USACE, DOE
- Outdoor movies/concerts – coordination of Public Works activities with Marketing

Field Supervisor Meetings:

- Schedule meetings
- Follow up on task assignments GIS:

Use of GIS system for requests and permits

Outside Agency Permits:

- Creation and submittal of permitting requirements and documents for WDFW, USACE, DOE
 - Mooring Buoys
 - Temporary Floats

Park Projects (current):

- Westside Park
 - Public meeting administration
 - Team meetings with HBB & HDR
 - Respond to citizen questions
- Cushman Trail
 - Public meeting administration
 - Team meetings with Pierce County, TPU and IAC
 - Respond to citizen questions
- Skansie House
- Estuary Park
- Crescent Creek
- Donkey Creek

Parks Commission:

- Provide administrative support to Commission
- Create agendas, meeting packets, notifications
- Provide meeting minutes
- Coordinate public meetings
- Communicate with City Council (reports, recommendations, etc.)

Permit Tracking:

- Route permits to Director and WWTP for approvals and comments
- Coordinate for Engineering, Building and Planning requirements

Public Works Project Tracking:

- Maintain status of projects
- Track budgeted purchases

Requests for Proposals/Bids:

- Advertisement
- Contracts
- Awards
- Specs
- Communication with bidders

Training/Certifications:

- Operator Certifications

- Scheduling and registering for classes/conferences
- Coordinating requests for leave

Volunteer Program Coordination:

- Envirocorps
- Scout/Senior Projects
- Parks Appreciation Day

Stormwater Utility

Project Engineer – E.I.T. (0.5 FTE)

The “NPDES Phase II” stormwater requirement is an unfunded mandate from state and federal governments. To comply with this mandate, a minimum of a ½-time engineer is needed.

The person in this position would help the City comply with the new NPDES regulations and improve stormwater quality by doing the following:

- Outfall sampling and testing.
- Working with property owners (primarily businesses) to improve on-site stormwater quality and retention.
- Providing stormwater quality education and outreach to the community at-large.
- Detecting and enforcing illicit discharge violations.
- Developing a comprehensive citywide storm water monitoring and reporting program.
- Reporting compliance to appropriate state and federal agencies.

Conclusion

In conclusion, the eight proposed new positions in the community development department are needed because of the increased development activity and capital project workload that will most likely be sustained through 2011 and beyond. All of these proposed new positions are revenue-expenditure neutral, meaning that they are fee and/or projected supported and will not have a negative impact on the city's historical baseline budget.

Only one of these proposed positions, the ½-time stormwater quality engineer, will need to be funded through a rate increase to local residents and property owners. The other 7.5 positions will be funded through increased development activity and permit fee increases as well as capital project revenue (grants, tax increment financing, etc.).



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

Subject: Public Hearing and First Reading of an Ordinance Amending School Impact Fees

Proposed Council Action:
Conduct a public hearing and first reading of the Ordinance

Dept. Origin: Community Development

Prepared by: John P. Vodopich, AICP
Community Development Director

For Agenda of: July 9, 2007

Exhibits: Draft Ordinance amending School Impact Fees; Letter of June 8, 2007 from the Peninsula School District; PSD Six-Year CFP 2007-2013; & Pierce County Ordinance No, 2006-109s

Initial & Date

Concurred by Mayor: CLH 7/5/07

Approved by City Administrator: ROK 7/3/07

Approved as to form by City Atty: CAM 6/19/07

Approved by Finance Director:

Approved by Department Head: JPV 6-14

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

INFORMATION / BACKGROUND

The Peninsula School District has requested a revision to the current impact fee Ordinance. The fee schedule presented in the Ordinance is based on the Peninsula School District's proposal that the district considers consistent with its capital facility plan and growth projection needs. The proposed fees are identical to fees currently collected in Pierce County.

School impact fees will provide mitigation for the effects of new residential growth and attendant school capacity needs.

FISCAL CONSIDERATION

The proposed fee levels are equal to the currently adopted Pierce County fee levels.

	Current Fee	Proposed Fee
Single Family Dwelling:	\$2,675.00	\$2,780.00
Multi-Family Dwelling:	\$1,410.00	\$1,465.00 x number of units

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Conduct a public hearing and first reading of the Ordinance.

ORDINANCE NO. xxxx

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LAND USE AND ZONING, AMENDING THE FEE SCHEDULE FOR SCHOOL IMPACT FEES, ADOPTED AS APPENDIX D TO ORDINANCE NO. 1017, AS CONTEMPLATED BY GIG HARBOR MUNICIPAL CODE SECTIONS 19.12.070 AND 19.12.080.

WHEREAS, with the adoption of Ordinance No. 963 on July 12, 2004, the City amended Chapter 19.12 of the Gig Harbor Municipal Code to provide for the imposition and collection of school impact fees; and

WHEREAS, the City has the authority to adopt impact fees to address the impact on school facilities caused by new development, pursuant to RCW 82.02.050 through 82.02.100; and

WHEREAS, Pierce County amended school impact fees for 2007 with the adoption of Pierce County Ordinance No. 2006-109s; and

WHEREAS, the Peninsula School District has requested that the City amend the school impact fee scheduled to be consistent with the changes made by Pierce County; and

WHEREAS, the Peninsula School District SEPA Responsible Official issued a determination of non-significance on April 6, 2007, with a comment and appeal deadline of May 4, 2007, and no appeals were filed; and

WHEREAS, the City's SEPA Responsible Official issued a determination that the adoption of this ordinance is exempt from SEPA under WAC 197-11-800; and

WHEREAS, the City Council held a public hearing and considered this Ordinance during its regular City Council meeting of July 9th and July 23rd, 2007; Now, Therefore,

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

Section 1. The impact fee schedule for schools, adopted as appendix D to Ordinance No. 1017, as contemplated by Gig Harbor Municipal Code sections 19.12.070 and 19.12.080 is hereby repealed.

Section 2. The following impact fee schedule for schools, identified as Appendix D in Gig Harbor Municipal Code sections 19.12.070 and 19.12.080 is hereby adopted to read as follows:

Appendix 'D'

**City of Gig Harbor
2007 School Impact Fee Schedule**

Single Family Dwelling: \$2,780.00

Multi-Family Dwelling: \$1,465.00 x number of units

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

PASSED by the Council and approved by the Mayor of the City of Gig Harbor this 23rd day of July, 2007.

CITY OF GIG HARBOR

CHARLES L. HUNTER, MAYOR

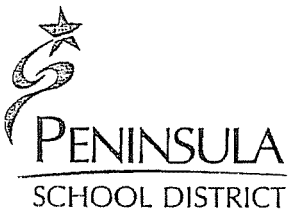
ATTEST/AUTHENTICATED:

By: _____
MOLLY TOWSLEE, CITY CLERK

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

By: _____
CAROL A. MORRIS

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.



14015 62nd Avenue NW Gig Harbor, WA 98332
253 530.1000 253 530 1010 fax www.psd401.net

June 8, 2007

John P. Vodopich, AICP
Community Development Director
3510 Grandview Street
Gig Harbor, WA 98335

RECEIVED
CITY OF GIG HARBOR

JUN 13 2007

CITY
DEVELOPMENT

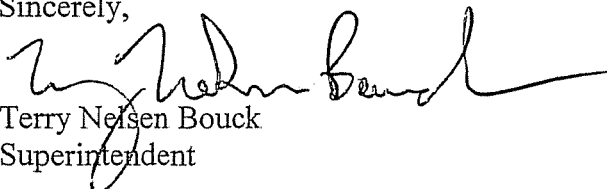
Dear Mr. Vodopich:

The Peninsula School District has recently updated its Capital Facilities Plan for 2007 - 2013. A copy is enclosed. The plan addresses the district's projected growth and facility needs for the next six years and was approved by the district Board of Directors at their May 10, 2007 meeting. The district issued a SEPA Determination of Non-significance on April 6, 2007 with a comment and appeal deadline of May 4, 2007. No appeals were filed.

I understand that the city adopted Ordinance No. 1017 in October 2005 which indicates the city school impact fee schedule will be consistent with the fees collected by Pierce County. The county impact fee schedule for 2007 has been established at \$2,780 per single-family dwelling unit and \$1,465 per multi-family dwelling unit. The county adopted Ordinance No. 2006-109s which indicates that impact fees will be adjusted annually according to the Consumer Price Index for the Seattle/Tacoma/Bremerton Standard Metropolitan Statistical area. The fees have not yet been adjusted for 2008. A copy of the county ordinance is enclosed.

As we receive communication from the county regarding impact fee schedules, we will forward the information on to you. I can be reached at (253)530-1021 if you have questions or need any other information.

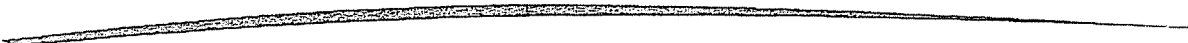
Sincerely,



Terry Neilsen Bouck
Superintendent

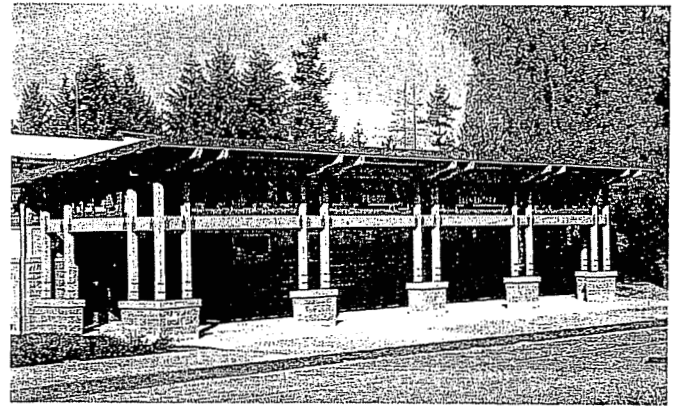
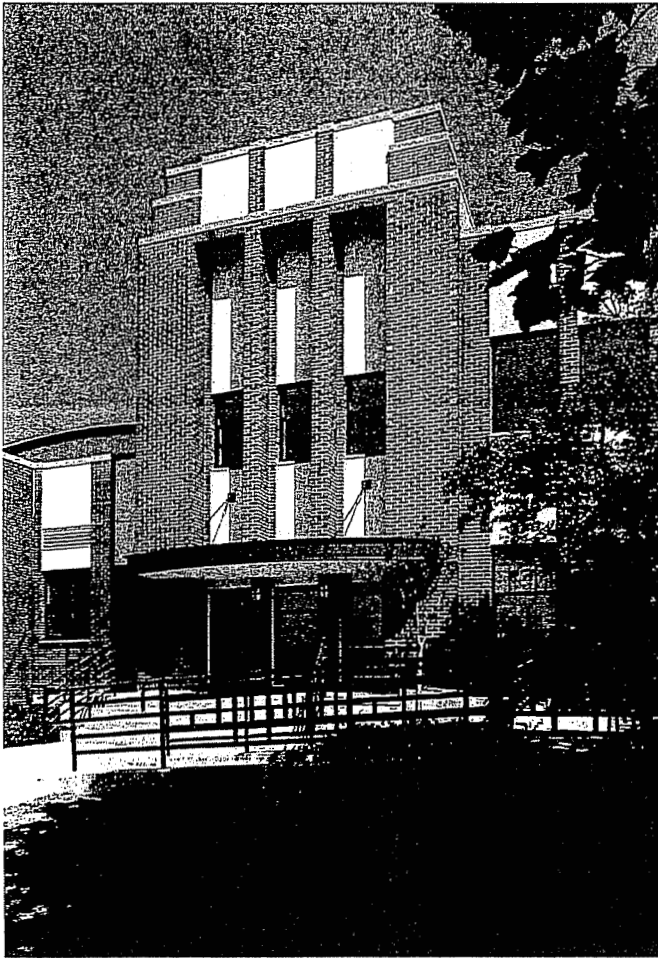
Enclosure

Cc: Chuck Cuzzetto, Associate Superintendent
Vicki Smith, Business Officer
Rob Karlinsey, City Administrator



PENINSULA SCHOOL DISTRICT No. 401

**SIX-YEAR
CAPITAL FACILITIES PLAN
2007-2013**



MARCH 2007

PENINSULA SCHOOL DISTRICT
14015 62nd Ave. NW
Gig Harbor, WA 98332
253-530-1000

BOARD OF DIRECTORS

Geoffrey Baillie, President
Jill Guernsey, Vice President
Betty Ringlee
Jill Johnson
Jill Uddenberg

Terry Nelsen Bouck, Superintendent

Adopted by the Board of Directors on May 10, 2007.

Prepared by

Jeff Greene
Greene Gasaway Architects, pllc
May 2007

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I. EXECUTIVE SUMMARY AND SCHOOL DISTRICT OVERVIEW

EXECUTIVE SUMMARY

The Peninsula School District (PSD) Capital Facilities Plan is a six year plan intended to be revised each year for the succeeding six years.

The plan is developed with the knowledge of the development and population implications of the City of Gig Harbor and Pierce County community and land use plans and with the projections of Office of Financial Management (OFM) for population increases. The District is committed to planning in a manner consistent with the community's vision of its future as represented in these and other development documents. For these reasons, the District is committed to acquiring future school sites in advance of need consistent with its evaluation of the ultimate build-out of the District.

The plan addresses the anticipated capital facility needs through the 2012/2013 school year.

The plan addresses the following elements:

- Executive summary and district overview.
- Analysis of the current and projected growth in student enrollment within the District's boundaries. Office of the Superintendent of Public Instruction (OSPI) projects a significant increase in enrollment at the elementary school grade level, a moderate increase in enrollment at the middle school grade level, and a decline in enrollment at the high school grade level. The District's enrollment projection accounts for the provision of full-day kindergarten starting in September 2007.
- The 2007 capacity summary is included for reference. The District has recently updated its capacity analysis. Comparing the District's capacity to the projected enrollment indicates that the District will remain over capacity at all grade levels.
- The six-year plan is revised to reflect the impact of the revised enrollment projections. The plan anticipates capacity projects at elementary and middle school grade levels as well as property acquisitions and temporary classrooms. The District intends to payoff the Local Government Obligation (LGO) bonds used to finance the construction of Henderson Bay High School. No construction project is anticipated at the high school grade level.

The impact fee is re-calculated using the Pierce County formula. Input factors are revised using the most current information.

II. SIX YEAR ENROLLMENT PROJECTIONS

The District has reviewed historical demographic trends and enrollment projection techniques.

The District prepares enrollment projections based on historical enrollment data, census and planning information and knowledge of residential construction information.

Currently the District believes that the OSPI projection represents a moderately conservative estimate of its anticipated future enrollment.

Total enrollment has grown slightly since October 2000. Elementary enrollment has fluctuated, but remained essentially unchanged. Enrollment at the middle school grade level has declined slightly. That decline has been offset by a slight increase at the high school grade level. The District believes that enrollment will increase at the elementary grade level and at the middle school grade level while declining at the high school grade level over the next six years. This belief is supported by research from OFM that projects a future baby-boom echo commencing in the next decade. The District anticipates that enrollment will continue to increase at all grade levels over the next twenty years as that future baby-boom echo moves through to the high school grade level.

The District is planning to provide full-day kindergarten beginning in September 2007. This policy change will increase enrollment by approximately 275 full-time-equivalent (fte) students.

Attached is the enrollment projection through 2013 in accordance with OSPI projection formula.

PENINSULA SCHOOL DISTRICT NO. 401
DETERMINATION OF PROJECTED ENROLLMENT BY COHORT SURVIVAL (CONSTANT K)

ACTUAL FTE ENROLLMENT ON OCTOBER 1
PREPARED MARCH 30, 2007

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>SURVIVAL</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>KINDERGARTEN</u>	460	479	550	594	526	550	566		581	591	602	612	623	633	644
<u>GRADE 1</u>	586	566	540	626	652	576	581	<u>1.1029</u>	624	641	652	664	675	687	698
<u>GRADE 2</u>	607	623	596	563	659	684	602	<u>1.0485</u>	609	655	672	683	696	708	720
<u>GRADE 3</u>	677	635	645	635	588	688	712	<u>1.0460</u>	630	637	685	703	715	728	740
<u>GRADE 4</u>	711	718	649	690	658	606	691	<u>1.0326</u>	735	650	658	707	726	738	752
<u>GRADE 5</u>	694	734	737	688	710	689	631	<u>1.0408</u>	719	765	677	685	736	755	768
<u>TOTAL K-5</u>	3735	3755	3717	3796	3793	3793	3783	<u>FULL DAY K</u>	<u>3899</u>	<u>3939</u>	<u>3945</u>	<u>4054</u>	<u>4171</u>	<u>4250</u>	<u>4323</u>
<u>TOTAL K-5 FTE</u>	<u>3505</u>	<u>3516</u>	<u>3442</u>	<u>3499</u>	<u>3530</u>	<u>3518</u>	<u>3500</u>		3608	3643	3644	3748	3859	3933	4001
<u>TOTAL 1-5</u>	3275	3276	3167	3202	3267	3243	3217		3318	3348	3343	3442	3548	3617	3679
<u>GRADE 6</u>	786	700	776	771	732	752	709	<u>1.0511</u>	663	756	804	711	720	773	794
<u>TOTAL K-6</u>	4521	4455	4493	4567	4525	4545	4492		4562	4695	4749	4765	4890	5023	5117
<u>TOTAL K-6 FTE</u>	4291	4216	4218	4270	4262	4270	4209		4271	4399	4448	4459	4579	4706	4795
<u>TOTAL 1-6</u>	4061	3976	3943	3973	3999	3995	3926		3981	4104	4147	4153	4267	4390	4473
<u>GRADE 7</u>	740	815	724	822	831	746	760	<u>1.0402</u>	738	690	786	837	740	749	805
<u>GRADE 8</u>	741	779	849	738	827	860	756	<u>1.0231</u>	778	755	706	804	856	757	766
<u>TOTAL 6-8</u>	<u>2267</u>	<u>2294</u>	<u>2349</u>	<u>2331</u>	<u>2390</u>	<u>2358</u>	<u>2225</u>		<u>2178</u>	<u>2200</u>	<u>2296</u>	<u>2352</u>	<u>2316</u>	<u>2279</u>	<u>2364</u>
<u>TOTAL 7-8</u>	1481	1594	1573	1560	1658	1606	1516		1515	1444	1492	1641	1596	1506	1571
<u>GRADE 9</u>	906	845	829	935	845	919	929	<u>1.1004</u>	832	856	830	777	885	942	833
<u>TOTAL 7-9</u>	2387	2439	2402	2495	2503	2525	2445		2347	2300	2322	2418	2481	2448	2404
<u>GRADE 10</u>	903	899	842	848	895	838	911	<u>0.9919</u>	921	825	849	824	770	878	934
<u>GRADE 11</u>	791	793	841	773	785	829	776	<u>0.9263</u>	844	854	764	786	763	714	813
<u>GRADE 12</u>	717	681	737	720	709	749	789	<u>0.9217</u>	715	778	787	705	725	703	658
<u>TOTAL 9-12</u>	<u>3317</u>	<u>3218</u>	<u>3249</u>	<u>3276</u>	<u>3234</u>	<u>3335</u>	<u>3405</u>		<u>3313</u>	<u>3312</u>	<u>3230</u>	<u>3091</u>	<u>3143</u>	<u>3237</u>	<u>3239</u>
<u>TOTAL 10-12</u>	2411	2373	2420	2341	2389	2416	2476		2481	2457	2400	2314	2258	2295	2405
<u>TOTAL K-12</u>	9319	9267	9315	9403	9417	9486	9413		<u>9389</u>	<u>9452</u>	<u>9472</u>	<u>9497</u>	<u>9629</u>	<u>9766</u>	<u>9926</u>
<u>TOTAL K-12 FTE</u>	<u>9089</u>	<u>9028</u>	<u>9040</u>	<u>9106</u>	<u>9154</u>	<u>9211</u>	<u>9130</u>		9099	9156	9171	9191	9318	9449	9604
<u>TOTAL 1-12</u>	8859	8788	8765	8809	8891	8936	8847		8808	8861	8870	8885	9006	9133	9282

III. DISTRICT STANDARD OF SERVICE

The District standard of service is based on classroom use. It is expected that, over time, community expectations for reduced number of students in each classroom and for program enrichment, including changing government mandates, will increase the amount of area required to provide services to each student.

Peninsula School District has adopted an organization that houses kindergarten through fifth grade in elementary schools, sixth, seventh and eighth grade in middle schools and ninth through twelfth grade in high school. In 2007 PSD will provide full-day kindergarten at all facilities. This is indicated in the enrollment projection, not in the capacity calculation.

Peninsula School District has adopted a traditional calendar beginning in late August or early September and completing in mid June. Peninsula School District has adopted a traditional daily schedule with academic classes beginning 7:30 - 9:00 am and completing mid afternoon.

Although Peninsula School District continues to study alternate organizations, calendars and schedules, the Peninsula School District believes the adopted organization is educationally sound and reflects community values.

Peninsula School District, together with Peninsula Education Association, has established goals to limit average class size to 22 students for grades K through 2, 27 students for grades 3 and 4, and 28 students for grade 5. Secondary grades are limited by classroom utilization factors as well, with 30 students for grades 6 through 8 with 83.3% utilization, and 30 students for grades 9 through 12 with 80% utilization.

Portables are excluded from the level of service calculation.

The capacity for each facility is established by multiplying the permanent classrooms available by the programmatic limitations on average students per class.

For purposes of this submittal, the Level of Service (LOS) is quantified by dividing the calculated capacity into the permanent square foot area by grade grouping. Given current trends, the district anticipates that the level of service will change every year as new programs are mandated and implemented. The District's LOS is not the same as the LOS provided in the OSPI funding matching formula.

<u>Facility Grade Group</u>	<u>LOS</u>
High School	133.3 SF/Student
Middle School	129.6 SF/Student
Elementary School	93.8 SF/Student

DEFINITION

With respect to public schools, the “level of service” is a measure of the school buildings provided for the purpose of supporting the instruction of students. Most often, the measure of service is reported as the number of students that a school accommodates (i.e. the Practical Capacity). However, the number of square feet each student is afforded (i.e. Space Allocation) is also used as a measure of service.

The level of service (LOS) is dictated by the types and amounts of space required to accommodate the District’s adopted educational program. The educational program standards that typically drive facility space needs include grade configuration, optimum facility size, class size, educational program offerings, and classroom utilization and scheduling requirements.

Government mandates and community expectations may affect how classroom space is used. Traditional educational programs offered by school districts are often supplemented by non-traditional or special programs such as special education, bilingual education, remediation, alcohol and drug education, AIDS education, preschool programs, computer lab, music programs, etc. These special or non-traditional programs can have a significant impact on the student capacity of school facilities.

District educational program standards and government mandates will undoubtedly change in the future as a result of changes in the school year, special programs, class sizes, grade span configurations, use of new technology, and other physical aspects of the school facilities. The LOS will be reviewed periodically and adjusted for any changes to the educational program standards. These changes will also be reflected in future updates of this Capital Facilities Plan (CFP).

PRACTICAL CAPACITY MODEL

The Practical Capacity Model calculates student capacity based on limitations that existing facilities place on enrollment due to existing educational program, operating policy and contractual restrictions.

The calculation is made by reviewing the use of each room in each facility. For every room housing students, a calculation is made assigning a maximum number of students per room.

Often core facilities, such as size of cafeteria or size of gym, number of restrooms or size and number of specialty areas such as shops; limit enrollment to levels below that expected by room occupancy levels.

Occupancy at secondary schools is further limited by scheduling limitations and student course selection. If rooms are utilized by staff for their planning period in a six period day, capacity is limited to 83% (5/6) of the theoretical capacity. Since secondary schools offer a number of elective courses, many courses will not attract a full classroom of students.

SPACE ALLOWANCE MODEL

The Space Allowance Model calculates student capacity based on an allowance of a certain number of building square footage for each student.

The space allowance model has a great deal of credibility because the State of Washington assists local school districts in funding school construction in accordance with a space allowance model that allows 90 SF per elementary school student, 117 SF per middle school student and 130 SF per senior high student. The state allows 144 SF per special needs student at any grade level.

The state does not consider portable space as part of a school district's building inventory.

IV. INVENTORY AND EVALUATION OF FACILITIES

Facilities include Peninsula High School, Gig Harbor High School, Henderson Bay High School, Harbor Ridge Middle School, Goodman Middle School, Kopachuck Middle School, Key Peninsula Middle School, Artondale Elementary School, Discovery Elementary School, Evergreen Elementary School, Harbor Heights Elementary School, Minter Creek Elementary School, Purdy Elementary School, Vaughn Elementary School, and Voyager Elementary School. The capacity of Henderson Bay is shown as 0 since it is a portable facility.

TABLE : INVENTORY OF FACILITIES

<u>NAME</u>	<u>CAPACITY</u>	<u>LOCATION</u>
<u>Elementary</u>		
Artondale	<u>500</u>	6219 40 th St NW, Gig Harbor 98335
Discovery	<u>475</u>	4905 Rosedale St NW, Gig Harbor 98335
Evergreen	<u>250</u>	1820 Key Peninsula Hwy, Lakebay 98349
Harbor Heights	<u>550</u>	4002 36 th St NW, Gig Harbor 98335
Minter Creek	<u>400</u>	12617 118 th Ave NW, Gig Harbor 98329
Purdy	<u>500</u>	13815 62 nd Ave NW, Gig Harbor 98332
Vaughn	<u>500</u>	17521 Hall Rd, Vaughn 98394
Voyager	<u>525</u>	5615 Kopachuck Dr NW, Gig Harbor 98335
ELEMENTARY	3,700	
<u>Middle</u>		
Goodman	<u>600</u>	3701 38 th Ave NW, Gig Harbor 98335
Harbor Ridge	<u>545</u>	9010 Prentice Ave, Gig Harbor 98332
Key Peninsula	<u>600</u>	5510 Key Peninsula Hwy, Lakebay 98349
Kopachuck	<u>580</u>	10414 56 th St NW, Gig Harbor 98335
MIDDLE SCH	2,325	
<u>High School</u>		
Gig Harbor	<u>1,500</u>	5101 Rosedale St, Gig Harbor 98335
Peninsula	<u>1,400</u>	14105 Purdy Dr NW, Gig Harbor 98332
Henderson Bay (1)	<u>0</u>	8402 Skansie Dr NW, Gig Harbor 98332
HIGH SCHOOL	2,900	
DISTRICT TOTAL	<u>8,925</u>	

(1) All portables are excluded from permanent capacity.

INVENTORY OF EXISTING ELEMENTARY SCHOOL FACILITIES

School	Permanent Construction	Date	Square Feet	Portable Construction	Date	Number of Classrooms	Square Feet
Elementary Schools							
Artondale	Orig. Constructed	1950's		Constructed	2005	4	3,584
	Remodeled	1988	38,548		2006	2	1,792
	Addition	1991	14,804				
	Assignable S.F.		53,352				
Discovery	Constructed	1980	32,585	Constructed	2006	4	3,584
	Addition	1988	7,920				
	Assignable S.F.		40,505				
Evergreen	Orig. Constructed	1955		Constructed	1994	4	3,584
	Addition/Re-Mod	1988	18,489		2004	2	1,792
	Addition	2000	6,925				
	Assignable S.F.		25,414				
Harbor Heights	Constructed	1991	48,225	Constructed	2004	4	3,584
	Assignable S.F.		48,225		2004	2	1,792
					2005	2	1,792
Minter Creek	Constructed	1983	22,617	Constructed	1993	2	1,792
	Addition	1988	13,298		2004	2	1,792
	Assignable S.F.		35,915				
Purdy	Orig. Constructed	1971		Constructed	1991	2	1739
	Modernization	2005	55,477		2004	2	1792
	Assignable S.F.		55,477		2006	2	1792
Vaughn	Constructed	1992	48,214	Constructed	1992	4	3584
	Assignable S.F.		48,214		2005	2	1792
Voyager	Constructed	1988	40,878	Constructed	2002	2	1680
	Assignable S.F.		40,878		2006	6	6272
Elementary	Assignable Permanent S.F.		347,980	Total Portable S.F.		48	43,739

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INVENTORY OF EXISTING MIDDLE SCHOOL FACILITIES

School	Permanent Construction	Date	Square Feet	Portable Construction	Date	Number of Classrooms	Square Feet
Middle Schools							
Goodman	Constructed	1991	70,094	Constructed	1994	4	3,584
	Assignable S.F.		70,094				
Harbor Ridge	Orig. Constructed	1922					
	Addition	1968	13,228				
	Addition	1975	7,129				
	Replaced with New	2003	51,826				
	Assignable S.F.		72,183				
Key Peninsula	Constructed	1980	57,710	Constructed	1994	2	1,792
	Addition	1991	5,640		2004	2	1,792
	Addition	1993	1,384		2004	2	1,792
	Assignable S.F.		64,734				
Kopachuck	Constructed	1980	63,164	Constructed	2005	2	1,792
	Addition	1991	2,555		2005	1	1,120
	Assignable S.F.		65,719				
Middle	Assignable Permanent S.F.		272,730	Total Portable S.F.		13	11,872

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INVENTORY OF EXISTING HIGH SCHOOL FACILITIES

School	Permanent Construction	Date	Square Feet	Portable Construction	Date	Number of Classrooms	Square Feet	
High Schools								
Gig Harbor	Constructed	1979	120,142	Constructed	2000	1	768	
	Addition	1982	1,819		2006	2	1792	
	Addition	1991	73,699					
	Assignable S.F.		195,660					
Henderson Bay				Constructed	2002	14	27,332	
	Assignable S.F.		0					
Peninsula	Constructed	1946	49,142	Constructed	1970's	7	4,200	
	Addition	1954	4,581		2004	8	8,064	
	Addition	1960	10,131					
	Addition	1962	13,991					
	Addition	1964	11,703					
	Addition	1969	29,242					
	Addition	1970	19,451					
	Addition	1978	6,644					
	Addition	1981	19,197					
	Addition	1992	26,844					
	Assignable S.F.		190,926					

High Schools	Assignable Permanent S.F.	386,586	Total Portable S.F.	32	42,156
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SCHOOL SUMMARY

Elementary	Assignable Permanent S.F.	347,980	Total Portable S.F.	43,739
Middle	Assignable Permanent S.F.	272,730	Total Portable S.F.	11,872
High	Assignable Permanent S.F.	386,586	Total Portable S.F.	42,156

Combined	Assignable Permanent S.F.	1,007,296	Total Portable S.F.	97,767
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V. SIX YEAR CAPITAL FACILITIES PLAN

Between 2000 and 2003 Peninsula School District completed construction of Henderson Bay High School as a factory-built (portable) facility and Harbor Ridge Middle School, Phase 1 (opened fall 2003). Between 2003 and 2006 Peninsula School District completed modernization and addition to Purdy Elementary School, modernization of Peninsula High School, modernization of Gig Harbor High School food lab and auditorium, addition to Harbor Ridge Middle School (Final Phase), replacement of mechanical systems, technology upgrades and portable replacements. PSD is currently planning implementation of additional site improvement projects funded by the May 20, 2003 Capital Facilities Bond. These projects will modernize sites but not provide additional school capacity.

In addition to these projects, PSD intends to continue funding capital projects for increased capacity through impact/mitigation fees and future bond issues.

A. CAPITAL PROJECTS FOR ENROLLMENT GROWTH¹

The District anticipates that elementary enrollment will increase approximately 540 students from current enrollment (K-5) per the OSPI chart on page 3. Middle school enrollment will increase approximately 139 students, and high school enrollment will decrease approximately 166 students.

The District intends to add portables at permanent facilities as necessary to house increases in enrollment at that facility.

The District intends to construct a new elementary school or to provide elementary school additions in order to house the increases in elementary level enrollment projected by OSPI. Additional middle school capacity will be provided through additions at the existing facilities.

In addition, the District intends to acquire additional sites for future enrollment growth.

B. BUSES FOR ENROLLMENT GROWTH²

The District anticipates that additional buses will be required. Estimated cost is \$1,375 per elementary school child. Total estimated cost to handle enrollment growth is \$1,131,625.

C. CAPITAL FACILITIES FOR SUPPORT SERVICES³

Additional improvements for support services have not been identified at this time.

D. IMPROVEMENTS TO EXISTING FACILITIES³

Site improvements were identified for use of State reimbursement funds in the 2003 Capital Facilities Bond. These site improvements are being planned at this time.

E. CONSTRUCTION FOR PROGRAM CHANGES³

The Capital Facilities Task Force identified improvements for program changes for construction within the next six years. Those improvements are identified in the May 20, 2003 bond issue literature and include the addition of modular facilities to support the Community Transition programs. These improvements are funded through the 2003 Capital Facilities Bond.

¹ Included in fee calculation

² Not included in the fee calculation per Pierce County Ordinance

³ Not included in fee calculation per the Growth Management Act

VI. THE DISTRICT'S FINANCE PLAN

Many on-going capital facility needs that maintain the existing facilities are funded through the District's general operating fund.

Many improvements to existing facilities, property acquisitions for future facilities, and most construction of new facilities are funded through the District's capital fund. There are a number of sources of revenue that are restricted to the capital fund.

The District is currently studying future capital facility needs.

FUNDING SOURCES

Current projects are funded with impact fees and with funds from state match on OSPI-qualified capital projects funded by the 2003 bond issue.

BONDS

The District currently has an assessed valuation of \$10,040,182,116. The bond limit for all outstanding bonds is 5% of assessed value, or \$502,009,105. The District currently has about \$55,075,000 debt as of January 2007, leaving capacity of about \$479,934,105.

STATE MATCHING FUNDS

The District has not qualified for state matching funds for additional capital facilities.

The District intends to apply for state matching funds for several future projects.

The State of Washington has a Common School Construction Fund. The State Board of Education is responsible for administration of the funds and the establishment of matching ratios on an annual basis. The Office of the Superintendent of Public Instruction (OSPI), on behalf of the State Board of Education, has determined that Peninsula School District's 2006 matching ratio is 39.2 percent, for the expenses that are qualified to be matched.

The base to which the percent is applied is the cost of construction, as determined by the AREA COST ALLOWANCE Index. The AREA COST ALLOWANCE Index is an index of construction costs that is used by the state to help define or limit their level of support. This particular construction cost index rarely matches the actual cost of school construction in districts across Washington State. Nevertheless, the AREA COST ALLOWANCE Index for school construction costs as of June 2006 is \$154.22 per square foot (less 7% state sales tax).

The formula for determining the amount of state matching support can be expressed as $A \times B \times C = D$ where:

- A = eligible area (determined by OSPI's student square foot allowances)
- B = the AREA COST ALLOWANCE Index (in dollars per square foot)
- C = a school district's applicable matching rate
- D = the amount of state fiscal assistance to which a district will be entitled

Qualification for state matching funds involves an application process. Districts may submit information for consideration by the State Board of Education, which meets once every two months during the year. Once approved, a district qualifies for matching funds in a sequence that recognizes the existing approvals of previous submittals. Failure of a school district to proceed with a project in a timely manner can result in loss of a district's "place in line".

RESIDENTIAL DEVELOPER MITIGATION/IMPACT FEES

State laws allow permitting authorities to require residential developers to make provisions for public schools.

Residential developers may contribute properties that will have value to a district.

Since the mid-1990's it has been more common for residential developers to contribute money through payment of impact fees imposed by the permitting authority, or through mitigation payments requested under SEPA either voluntarily agreed to or imposed by a Hearing Examiner.

The District collects impact fees for residences constructed in Pierce County in accordance with its adopted impact fee ordinance. The fee is capped at \$2,780 for single family residences and \$1,465 for multi-family residences.

The City of Gig Harbor imposes impact fees similarly to those imposed by Pierce County.

TABLE: CONSTRUCTION FINANCE PLAN

<u>ITEM</u>	<u>EXPENSE</u>	<u>INCOME</u>
• Construction for Enrollment Growth	\$ 18,855,629	
• Site Acquisition	5,440,000	
• Construction of Support Facilities (tentative)	0	
• Portables	450,000	
• Buses	856,625	
• Improvements to Existing Facilities	4,000,000	
• Program Changes	0	
• Funds Balance		\$ 4,000,000
• Voluntary Mitigation/Impact Fees		2,625,000
• Transfer from General Fund		0
• State Matching Funds		0
<hr/>		
• <i>Unfunded Balance</i>		22,977,254
<hr/>		
TOTAL	\$ 29,602,254	\$ 29,602,254
<p>The current District unused bonding capacity is estimated to be \$479,934,105.</p>		

VII. IMPACT FEE CALCULATION

In accordance with Pierce County ordinance, the impact fee is calculated on the attached spreadsheet.

PENINSULA SCHOOL DISTRICT
 FEE CALCULATION PER PIERCE COUNTY FORMULA
 SINGLE-FAMILY RESIDENCE
 JANUARY 29, 2007

PROJECTS: Peninsula School District is planning to acquire additional property in anticipation of enrollment increases after completion of the second Tacoma Narrows Bridge.

Based on OSPI enrollment projections Peninsula School District is planning new elementary school and middle school capacity.

PSD is planning to provide additional portable classrooms at elementary and middle schools as required to house enrollment shifts.

Student factor, land cost, building cost, temporary building cost, Cost Index, match ratio, bond rate and duration, average assessed value, interest rate for bonds, term and tax rate have been updated to 2006 data.

SITE ACQUISITION COST

	<u>SITE AREA</u>	<u>COST PER ACRE</u>	<u>STUDENTS</u>	<u>STUDENT FACTOR</u>	<u>COST</u>
A1	12	120000	550	0.238	\$623
A2	24	110000	750	0.119	\$420
A3	40	100000	750	0.135	\$723
A					\$1,765

BUILDING ACQUISITION COST

	<u>COST</u>	<u>STUDENTS</u>	<u>STUDENT FACTOR</u>	<u>COST</u>
B1	17,285,783	623	0.238	\$6,604
B2	1,569,846	39	0.119	\$4,800
B3	0	0	0.135	\$0
B				\$11,404

TEMPORARY BUILDING ACQUISITION COST

	<u>COST</u>	<u>STUDENTS</u>	<u>STUDENT FACTOR</u>	<u>COST</u>
C1	150,000	44	0.238	\$811
C2	150,000	50	0.119	\$358
C3	0	0	0.135	\$0
C				\$1,169

STATE MATCH CREDIT

	<u>COST INDEX</u>	<u>SPI SQ FT</u>	<u>MATCH %</u>	<u>STUDENT FACTOR</u>	<u>CREDIT</u>
D1	154.22	90	0.392	0.238	\$1,295
D2	154.22	117	0.392	0.119	\$844
D3	154.22	130	0.392	0.135	\$0
D					\$2,136

TAX PAYMENT CREDIT

AVERAGE ASSESSED VALUE	402,462	
INTEREST RATE FOR BONDS	0.61%	
TERM (MAXIMUM 10)	10	
TAX RATE	0.000826678	
		\$3,403.96 NET PRESENT VALUE OF TAX PAYMENTS
TC		\$3,404

FACILITY CREDIT

	\$0
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FEE	\$8,796
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50% FEE	\$4,398
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PENINSULA SCHOOL DISTRICT
 FEE CALCULATION PER PIERCE COUNTY FORMULA

MULTI-FAMILY RESIDENCE

JANUARY 29, 2007

PROJECTS: Peninsula School District is planning to acquire additional property in anticipation of enrollment increases after completion of the second Tacoma Narrows Bridge.

Based on OSPI enrollment projections Peninsula School District is planning new elementary school and middle school capacity.

PSD is planning to provide additional portable classrooms at elementary and middle schools as required to house enrollment shifts.

Student factor, land cost, building cost, temporary building cost, Cost Index, match ratio, bond rate and duration, average assessed value, interest rate for bonds, term and tax rate have been updated to 2005 data.

SITE ACQUISITION COST

	<u>SITE AREA</u>	<u>COST PER ACRE</u>	<u>STUDENTS</u>	<u>STUDENT FACTOR</u>	<u>COST</u>
A1	12	120000	550	0.143	\$374
A2	24	110000	750	0.071	\$251
A3	40	100000	1250	0.081	\$259
A					\$884

BUILDING ACQUISITION COST

	<u>COST</u>	<u>STUDENTS</u>	<u>STUDENT FACTOR</u>	<u>COST</u>
B1	17,285,783	623	0.143	\$3,962
B2	1,569,846	39	0.071	\$2,874
B3	0	0	0.081	\$0
B				\$6,836

TEMPORARY BUILDING ACQUISITION COST

	<u>COST</u>	<u>STUDENTS</u>	<u>STUDENT FACTOR</u>	<u>COST</u>
C1	150,000	44	0.143	\$487
C2	150,000	50	0.071	\$214
C3	0	0	0.081	\$0
C				\$701

STATE MATCH CREDIT

	<u>COST INDEX</u>	<u>SPI SQ FT</u>	<u>MATCH %</u>	<u>STUDENT FACTOR</u>	<u>CREDIT</u>
D1	154.22	90	0.392	0.143	\$777
D2	154.22	117	0.392	0.071	\$505
D3	0	130	0.392	0.081	\$0
D					\$1,282

TAX PAYMENT CREDIT

AVERAGE ASSESSED VALUE	326,644	
INTEREST RATE FOR BONDS	0.61%	
TERM (MAXIMUM 10)	10	
TAX RATE	0.000826678	
		\$2,762.71 NET PRESENT VALUE OF TAX PAYMENTS
TC		\$2,763

FACILITY CREDIT

FEE	\$4,377
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50% FEE	\$2,188
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VIII. APPENDIX

NEW ELEMENTARY SCHOOL AND ADDITIONS
PENINSULA SCHOOL DISTRICT
PREPARED BY JEFF GREENE
MARCH 31, 2007

ELEMENTARY SCHOOL ADDITIONS

<u>AREA</u>	<u>58,437</u>	<u>STATE MATCH</u>	<u>0.392</u>
<u>CAPACITY</u>	<u>623</u>	<u>UNHOUSED</u>	<u>0</u>
<u>SF/STUDENT</u>	<u>93.8</u>	<u>SF/STUDENT</u>	<u>90</u>
<u>COST/SF</u>	<u>\$200.00</u>	<u>AREA COST ALLOWANCE</u>	<u>\$144.13</u>

	<u>TOTAL</u>	<u>STATE</u>	<u>LOCAL</u>
<u>CONSTRUCTION COST</u>	<u>\$11,687,480</u>	<u>\$0</u>	<u>\$11,687,480</u>
BUILDING	\$11,687,480		
SITE			
OFF-SITE			

NON-CONSTRUCTION PROJECT COSTS

PROFESSIONAL FEES	11.00%	8.00%	
SALES TAX	8.40%	7.00%	
CO CONTINGENCY	5.00%		
PERMITS	1.00%		
SPECIAL INSP.	1.00%	1.00%	
ART	0.50%		
NIC WORK	1.00%		
TEMPORARY FACILITIES	1.00%		
MOVING/STORAGE	1.00%		
FURNISHINGS	6.00%	2.00%	
MANAGEMENT	3.00%	1.00%	
MITIGATION FEES	2.00%		
PROJECT CONT.	7.00%		
TOTAL	47.90%	19.00%	
<u>SUBTOTAL</u>	<u>\$5,598,303</u>	<u>\$0</u>	<u>\$5,598,303</u>

LAND ACQUISITION

<u>TOTAL IN 2007 DOLLARS</u>	<u>\$17,285,783</u>	<u>\$0</u>	<u>\$17,285,783</u>
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MIDDLE SCHOOL ADDITION
PENINSULA SCHOOL DISTRICT
PREPARED BY JEFF GREENE
MARCH 31, 2007

MIDDLE SCHOOL

<u>AREA</u>	<u>5.054</u>	<u>STATE MATCH</u>	<u>0.392</u>
<u>CAPACITY</u>	<u>39</u>	<u>UNHOUSED</u>	<u>0</u>
<u>SF/STUDENT</u>	<u>129.6</u>	<u>SF/STUDENT</u>	<u>117</u>
<u>COST/SF</u>	<u>\$210.00</u>	<u>AREA COST ALLOWANCE</u>	<u>\$144.13</u>

	<u>TOTAL</u>	<u>STATE</u>	<u>LOCAL</u>
<u>CONSTRUCTION COST</u>	<u>\$1,061,424</u>	<u>\$0</u>	<u>\$1,061,424</u>
BUILDING	\$1,061,424		
SITE			
OFF-SITE			

NON-CONSTRUCTION PROJECT COSTS

PROFESSIONAL FEES	11.00%	8.00%	
SALES TAX	8.40%	7.00%	
CO CONTINGENCY	5.00%		
PERMITS	1.00%		
SPECIAL INSP.	1.00%	1.00%	
ART	0.50%		
NIC WORK	1.00%		
TEMPORARY FACILITIES	1.00%		
MOVING/STORAGE	1.00%		
FURNISHINGS	6.00%	2.00%	
MANAGEMENT	3.00%	1.00%	
MITIGATION FEES	2.00%		
PROJECT CONT.	7.00%		
TOTAL	47.90%	19.00%	
<u>SUBTOTAL</u>	<u>\$508,422</u>	<u>\$0</u>	<u>\$508,422</u>

LAND ACQUISITION

<u>TOTAL IN 2007 DOLLARS</u>	<u>\$1,569,846</u>	<u>\$0</u>	<u>\$1,569,846</u>
------------------------------	--------------------	------------	--------------------

3
4
5 **ORDINANCE NO. 2006-109s**
6

7
8 **An Ordinance of the Pierce County Council Amending Chapter 4A.30 of the**
9 **Pierce County Code to Adjust the Maximum Fee Obligation**
10 **for School Impact Fees.**
11

12 **Whereas**, school impact fees in Pierce County are calculated by each District
13 according to the formula in the Pierce County Code (PCC) 4A.30.030, then the fee is
14 "capped" by a "Maximum Fee Obligation," which increases annually according to the
15 Consumer Price Index. The 2006 fees paid in the unincorporated areas of qualifying
16 school districts are a maximum of \$2,675 per single family dwelling and \$1,410 per
17 multifamily dwelling unit; and
18

19 **Whereas**, each school district within Pierce County is responsible to plan how it
20 will provide and fund services to its projected student population. In order to be eligible
21 for school impact fees, a district must submit its Capital Facilities Plan and calculated
22 impact fee to Pierce County, pursuant to RCW 82.02.050 to 82.02.090 and Title 4A
23 PCC; and
24

25 **Whereas**, increasing the Maximum Fee Obligation means that the school impact
26 fees collected for new residential development will more closely match each school
27 district's calculated need for impact fee, which reflects the specific, per residence costs
28 for a district to serve new students from new residential development; and
29

30 **Whereas**, the Consumer Price Index for all urban consumers for the Seattle-
31 Tacoma-Bremerton area increased by 3.78 percent in the relevant period between
32 January 1, 2006 and August 2006, the most recently published index; and
33

34 **Whereas**, pursuant to Sections 4A.10.130 and 4A.30.010 C. PCC, the County
35 has reviewed the School Districts' Capital Facilities Plans, County Comprehensive Plan
36 Amendments, and Title 4A PCC; and
37

38 **Whereas**, the County Council has received recent requests from the Puyallup
39 School District asking that the Maximum Fee Obligation be removed and from the
40 Schools' Coalition asking that the Maximum Fee Obligation increase annually in accord



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ALL PIERCE CTY SCHOOL DIST ✓
ALL PIERCE CTY CITIES AND TOWNS ✓
BOOK ✓

12-22-06 STM
Date/initials

1 with the Census Construction Index and that the School District Capital Facility Plans,
2 as submitted, be adopted by reference; Now Therefore,

3
4 **BE IT ORDAINED by the Council of Pierce County:**

5
6 Section 1. Chapter 4A.30 of the Pierce County Code is amended as shown in
7 Exhibit A, which is attached hereto and incorporated herein by reference.

8
9 Section 2. At the next update of the Pierce County Comprehensive Plan, the
10 County shall consider amending PCC 19A.100.050 to make the Plan language
11 consistent with Title 4A.

12
13 Section 3. This ordinance shall be effective on January 1, 2007.

14
15 PASSED this 12th day of December, 2006.

16
17 ATTEST:

18 **PIERCE COUNTY COUNCIL**
19 Pierce County, Washington

20 Patricia R. Fero, for
21 **Denise D. Johnson**
22 Clerk of the Council

23 Shawn Bunney
24 **Shawn Bunney**
25 Council Chair

26 John W. Ladenburg
27 **John W. Ladenburg**
28 Pierce County Executive
29 Approved Vetoed _____, this
30 15 day of Dec,
31 2006.

32
33 Date of Publication of
34 Notice of Public Hearing: November 29 + December 6 2006

35
36 Effective Date of Ordinance: January 1, 2007
37
38

Chapter 4A.30

SCHOOL IMPACT FEES

Sections:

- 4A.30.010 School District Capital Facilities Plan.
- 4A.30.020 Impact Fee Calculations.
- 4A.30.030 School Impact Fee Schedule.

4A.30.010 School District Capital Facilities Plan.

- A. Prior to the collection of impact fees for a School District and on regular basis thereafter, a School District seeking imposition by the County of an impact fee shall submit according to the established Comprehensive Plan amendment process in Chapter 19C.10, a Capital Facilities Plan adopted by the District's Board of Directors.
- B. School Districts must update their Plans regularly so that the adopted Plans, submitted to the County, maintain at least a six-year forecast of needs and a six-year plan for funding, and provide at a minimum the information required by RCWs 36.70A.070(3), 82.02.050, 82.02.060, and this Title, including but not limited to:
 - a. An inventory of existing capital facilities, showing locations and capacities of the facilities.
 - b. District service standards.
 - c. Identification of additional facility improvements required to serve new development.
 - d. Identification of existing deficiencies and the means by which existing deficiencies will be eliminated within a reasonable time.
 - e. The proposed locations and capacities for expanded or new capital facilities.
 - f. At least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes.
 - g. Based on the preceding information, the Impact Fee Calculations for the District, for single-family and multi-family dwelling units, using the formula and definitions in this Title (Table 4A-1), with information required by Chapter 82.02 RCW.
- C. In conjunction with the process for review of the Capital Facilities Plan Element of the County Comprehensive Plan, the County shall review the School District's Capital Facilities Plans and Plan amendments, and any County implementing fee ordinances to ensure that the Plan element and fee schedules reflect current conditions and address at least the minimum requirements of Chapters 36.70A and 82.02 RCW.
- D. The County shall adopt the School District's adopted Capital Facilities Plan and Plan amendments as part of the Capital Facilities Plan element of the County Comprehensive Plan prior to the imposition of an impact fee.

4A.30.020 Impact Fee Calculations.

- A. The impact fee schedule is calculated based upon the formula set forth in Table 4A-1. The formula in Table 4A-1 is the County's determination of the appropriate



1 proportionate share of the costs of public school capital facilities needed to serve new
2 growth and development to be funded by school impact fees.

- 3 B. The impact fee schedule, as enacted, includes a Maximum Fee Obligation. The actual
4 fee obligation is the lesser of the Fee Calculation or the Maximum Fee Obligation.
- 5 C. Separate fees shall be calculated for single-family and multi-family types of dwelling
6 units, because of their different impact on school facilities. Separate student generation
7 rates (student factor) must be determined by the District for each type of dwelling unit.
8 For purposes of this Title, mobile homes shall be subject to the single-family dwelling
9 unit fee and duplexes and zero lot line homes shall be subject to the multi-family
10 dwelling units fee.
- 11 D. Effective January 1, 2002, the Maximum Fee Obligation shall be adjusted annually, as
12 indicated:
- 13 1. In 2002-2004, the Maximum Fee Obligations shall be adjusted according to the
14 Consumer Price Index for the Seattle/Tacoma/Bremerton Standard Metropolitan
15 Statistical Area, using the first half of 1997 as the base value.
 - 16 2. In 2005, the Maximum Fee Obligation shall be increased by 25 percent from the
17 2004 Maximum Fee Obligation. In 2006, the Maximum Fee Obligation shall be
18 increased by 25 percent from the 2005 Maximum Fee Obligation. In 2005 and 2006,
19 the Maximum Fee Obligation shall not be adjusted according to the Consumer Price
20 Index.
 - 21 3. Beginning January 2007, the Maximum Fee Obligation shall be adjusted annually
22 according to the Consumer Price Index for the Seattle/Tacoma/Bremerton Standard
23 Metropolitan Statistical area, using January 2006 as the base year. The most
24 recently published index shall be used to adjust the fee obligation for the following
25 year.
 - 26 4. Each year, the adjustment shall be brought forth by ordinance in conjunction with
27 adoption of the County Capital Facility Plan and any review of impact fees pursuant
28 to Section 4A.10.030 A.
- 29 E. The Fee Calculations shall be made on a district-wide basis to assure maximum
30 utilization of all school facilities in the District currently used for instructional purposes.
- 31 F. The formula in Table 4A-1 also provides for a credit for school sites or facilities actually
32 provided by a fee payer which are included in a School District Capital Facilities Plan
33 and that are required by the County as a condition of development approval.
- 34 G. The Maximum Fee Obligation in this Chapter continues until adjusted by ordinance.
35



1 4A.30.030 School Impact Fee Schedule.
2

SCHOOL DISTRICT	PER SINGLE FAMILY DWELLING UNIT			PER MULTI-FAMILY DWELLING UNIT		
	2005 Fee Calculation	Maximum Fee Obligation Effective:		2005 Fee Calculation	Maximum Fee Obligation Effective:	
		1/01/05	1/01/06		1/01/05	1/01/06
Bethel	\$4,229	2,140	2,675	\$1,115	1,130	1,410
Carbonado	\$2,666	2,140	2,675	\$689	1,130	1,410
Dieringer	\$4,932	2,140	2,675	\$1,801	1,130	1,410
Eatonville	\$2,814	2,140	2,675	\$1,689	1,130	1,410
Fife	\$2,676	2,140	2,675	\$1,091	1,130	1,410
Franklin Pierce	\$2,695	2,140	2,675	\$1,260	1,130	1,410
Orting	\$5,473	2,140	2,675	\$3,202	1,130	1,410
Peninsula	\$3,287	2,140	2,675	\$1,709	1,130	1,410
Puyallup	\$8,539	2,140	2,675	\$1,835	1,130	1,410
Steilacoom	\$5,717	2,140	2,675	\$3,623	1,130	1,410
Sumner	\$1,952	2,140	2,675	\$0	1,130	1,410
White River	\$3,674	2,140	2,675	\$941	1,130	1,410
Yelm	\$4,504	2,140	2,675	\$1,914	1,130	1,410

3



SCHOOL DISTRICT	PER SINGLE-FAMILY DWELLING UNIT		PER MULTI-FAMILY DWELLING UNIT	
	School District Fee Calculation for 2007	2007 Impact Fee (Maximum Fee Obligation Effective 1/1/07 is \$2,780)	School District Fee Calculation for 2007	2007 Impact Fee (Maximum Fee Obligation Effective 1/1/07 is \$1,465)
Bethel	\$8,019 6,495	\$ 2,780	Check 6,876	\$ 1,465
Carbonado	\$2,666	\$2,670	\$689	\$690
Dieringer	\$ 9,835	\$ 2,780	\$ 604	\$ 605
Eatonville	\$ 7,647	\$ 2,780	\$ 4,256	\$ 1,465
Fife	\$ 3,182	\$ 2,780	\$ 384	\$ 385
Franklin Pierce	\$ 2,695	\$ 2,695	\$ 1259	\$ 1260
Orting	\$ 11,739	\$ 2,780	\$ 7,443	\$ 1,465
Peninsula	\$ 3,837 Check 6,839	\$ 2,780	\$ 3,793 Check 3,794	\$ 1,465
Puyallup	\$ 8,215	\$ 2,780	\$1,168 1,668	\$1,170 1,465
Steilacoom	\$5,717	\$2,780	\$3,623	\$1,465
Sumner	\$ 5,361	\$ 2,780	\$ 695	\$ 695
White River	\$ 9,377	\$ 2,780	\$ 2,768	\$ 1,465
Yelm	\$ 8,875	\$ 2,780	\$ 1,217	\$ 1,220

2

3

4 Explanation for Changes, by District:

5

6 Bethel – Calculation took 70% of the “Total Unfunded Need” rather than 50%

7 Carbonado – District submitted updated Tables but not impact fee calculations

8 Peninsula -- Error in reading faxed calculations

9 Puyallup -- Error in reading faxed calculations

10 Steilacoom -- District submitted updated Tables but not impact fee calculations

11

12

13

TABLE 4A-1

14

15 *Given the following variables:*

16 A = Full cost fee for site acquisition costs = A1+A2+A3

17 A1 = Elementary School site cost per student x the student factor

18 A2 = Middle School site cost per student x the student factor

19 A3 = High School site cost per student x the student factor

20 B = Full cost fee for school construction = B1+B2+B3

21 B1 = Elementary School construction cost per student x the student factor

22 B2 = Middle School construction cost per student x the student factor

23 B3 = High school construction cost per student x the student factor

24 C = Full cost fee for temporary facilities construction = C1+C2+C3

25 C1 = Elementary School temporary facility cost per student x the student factor

26

27



1 C2 = Middle School temporary facility cost per student x the student factor
 2 C3 = High School temporary facility cost per student x the student factor
 3
 4 D = State Match Credit = D1+D2+D3
 5 D1 = Cost Index x SPI square footage per student for elementary school x state match % x
 6 student factor
 7 D2 = Cost Index x SPI square footage per student for middle school x state match % x student
 8 factor
 9 D3 = Cost Index x SPI square footage per student for high school x state match % x student
 10 factor

12 TC = Tax payment credit = the net present value of the Average Assessed Value for the
 13 Dwelling Unit type in the School District,
 14 $\frac{((1+I)^n - 1)}{I(1+I)^n}$ x the current School District capital property tax levy rate, I (1+I) n, where
 15
 16
 17 I = the current interest rate for outstanding bond issues
 18 n = the number of years left before the bond or capital levy is retired, up to a maximum of
 19 ten years.

21 FC = Facilities Credit = the per-dwelling-unit value of any site or facilities provided directly
 22 by the development.

24 FC = $\frac{\text{Value of fee payer's contribution}}{\text{number of dwelling units in the development}}$

27 *Then the Unfunded Need (UN):*

29 UN = A+B+C-D-TC-FC

31 *The Fee Obligation:*

33 Total Unfunded Need x 50% = Fee Calculation

35 The Fee Obligation is the lesser of the Fee Calculations or the Maximum Fee Obligation in this
 36 Chapter.

39 *WHERE:*

- 40 A. "Capacity" means the number of students a School District's facilities can
 41 accommodate district-wide at each grade span, based on the District's adopted level of
 42 service.
- 43 B. "Classrooms" means educational facilities of the District required to house students for
 44 its basic educational program. The classrooms are those facilities the District
 45 determines are necessary to serve its student population. Specialized facilities identified
 46 by the District, including but not limited to gymnasiums, cafeterias, libraries,
 47 administrative offices, special education classrooms not suitable for general use because
 48 of design or equipment needs, and child day care centers, shall not be counted as
 49 classrooms.
- 50 C. "Construction Cost Per Student" means the estimated cost of construction of a
 51 permanent school facility in the District for the grade span of school to be provided, as a

1 function of the District's design standard per grade span and taking into account the
2 requirements of students with special needs. A District shall establish construction costs
3 based upon the District's experience with comparable projects, adjusted for inflation, or
4 the cost of similar projects in other districts.

5 D. **"Cost Index"** means the area cost allowance for school construction determined under
6 WAC 180-27-060.

7 E. **"Facilities Credit"** means the value of any site, school facilities, or monetary
8 compensation the District has agreed to accept as an off-set against a school impact fee
9 from a fee payer regarding the development activity.

10 F. **"Grade Span"** means the categories into which a District groups its grades of students;
11 i.e., elementary, middle or junior high school, and high school.

12 G. **"Level of Service (for schools)"** means the standard adopted by each District that
13 identifies the program year, the class size by grade span, and taking into account the
14 requirements of students with special needs, the number of classrooms presently
15 available of facilities the District believes will best serve its student population, the
16 student population for new school facilities per grade span, and other factors as
17 identified by the School District. Unless a District adopts by board resolution a standard
18 of service that specifically deems all or any portion of its relocatable facilities to be
19 permanent facilities, a District's standard of service shall not include any classrooms or
20 other educational facilities housed in relocatable facilities or in transitional facilities.
21 Except as otherwise defined by the school board pursuant to a board resolution,
22 transitional facilities shall mean those facilities, including relocatable facilities or leased
23 space, that are used to cover the time required for the construction of permanent
24 facilities called for in the Capital Facilities Plan.

25 H. **"Permanent Facilities"** means facilities of the District with a fixed foundation that are
26 not relocatable facilities.

27 I. **"Relocatable or Temporary Facilities"** means any factory built structure,
28 transportable in one or more sections that is designed to be used as an education space
29 and is needed to prevent the over-building of school facilities, to meet the needs of
30 service areas within a District, or to cover the gap between the time that families move
31 into new residential developments and the date that construction is completed on
32 permanent school facilities.

33 J. **"Relocatable or Temporary Facilities Cost Per Student"** means the estimated cost of
34 purchasing and siting a relocatable facility in the District for the grade span of school to
35 be provided, as a function of the District's design standard per grade span and taking into
36 account the requirements of students with special needs.

37 K. **"Site Cost Per Student"** means the estimated cost of a site in the District for the grade
38 span of school to be provided as a function of the District's design standard per grade
39 span and taking into account the requirements of students with special needs. A District
40 shall determine site costs based on past experience or the acquisition costs for similar
41 sites in comparable School Districts.

42 L. **"SPI Square Footage Per Student"** means the space allocations per grade span
43 determined by WAC 180-27-035. State Board of Education.

44 M. **"State Matching Credit"** means the calculation set forth in Attachment A of the
45 District's Boeckh Index times SPI square footage per student per grade span times state
46 match percentage times applicable student factor.



- 1 N. **"State Match Percentage"** means the percentage of school construction costs for
2 which a District is eligible to receive state funding pursuant to RCW 28A.525.166 and
3 the rules of the
- 4 O. **"State Matching Credit"** means the calculation set forth in Attachment A of the
5 District's Boeckh Index times SPI square footage per student per grade span times state
6 match percentage times applicable student factor.
- 7 P. **"Student Factor"** means the number derived by a School District to describe how
8 many students of each grade span are expected to be generated by development activity.
9 Student factors shall be based on District records of average actual student generated
10 rates for new developments constructed over a period of not more than five years prior
11 to the date of the fee calculation; provided that, if such information is not available in
12 the District or if there are no developments in the District similar to that being proposed,
13 the District may use data from districts with similar demographics, or, if no other data
14 sources are reasonably available, county-wide averages.
- 15 Student factors shall be separately determined for single family dwelling units and
16 dwelling units within multi-family residences. For purposes of this Chapter, mobile
17 homes shall be considered single family residences.
- 18 Q. **"Tax Payment Credit or 'TC'"** means the calculation set forth in Attachment A of the
19 District's average real property tax determined value for single family dwelling units or
20 multi-family dwelling units times the District's capital property tax rate as adjusted by
21 the current interest rate for any bonds being retired by a capital tax and the number of
22 years each capital levy tax shall be imposed, up to ten years. The District's capital tax
23 rate consists of authorized tax levies to retire bonded indebtedness incurred for School
24 District capital purposes under Chapter 28A.530 RCW and school facility levies for
25 construction, remodeling, and modernization under RCW 84.52.053.
- 26





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

Subject: Installation and maintenance of Traffic Management System (TMS) Closed Circuit Television (CCTV) Camera Systems – WSDOT Master Agreement

Proposed Council Action: Authorize the Mayor on behalf of Council to execute this Interlocal Agreement between WSDOT and the City of Gig Harbor.

Dept. Origin: Community Development Dept.

Prepared by: Stephen Misiurak, P.E.
City Engineer

For Agenda of: July 9, 2007

Exhibits: Master Agreement GCA-5045

Initial & Date

Concurred by Mayor:

CLH 7/5/07

Approved by City Administrator:

ROK 7/3/07

Approved as to form by City Atty:

Am 7/3/07

Approved by Finance Director:

[Signature]

Approved by Department Head:

[Signature]

Expenditure Required	0	Amount Budgeted	0	Appropriation Required	See Fiscal Below
----------------------	---	-----------------	---	------------------------	------------------

INFORMATION / BACKGROUND

This Interlocal Agreement between Washington State Department of Transportation (WSDOT) and the City would provide City authorization for the State Department of Transportation to erect and maintain closed circuit television camera systems (CCTV) within the City corporate limits. These cameras would enable WSDOT and the public to monitor City traffic flows along major City roadways which directly feed traffic onto SR-16. In addition to the TMS master agreement, a request to construct the first CCTV camera along 36th Avenue is also provided. This agreement has been reviewed by the City Attorney.

FISCAL CONSIDERATION

All costs incurred with execution of this agreement will be the responsibility of WSDOT.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor on behalf of Council to execute this Interlocal Agreement between WSDOT and the City of Gig Harbor.

City of Gig Harbor
GCA - 5045
Pierce County Area Traffic Management System
MASTER AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2007 between the STATE OF WASHINGTON, Department of Transportation, hereinafter the "STATE," and the City of Gig Harbor, 3510 Grandview Street, Gig Harbor, Washington 98335, hereinafter the "CITY," individually referred to as "Party" and collectively as "Parties."

WHEREAS, the STATE is planning to develop a Traffic Management System (hereinafter "TMS") in the Pierce County area which will improve the timing of metered traffic lights for the on-ramps to SR 16, and

WHEREAS, the STATE's Traffic Management System will consist of multiple individual units of TMS components including low voltage Closed Circuit Television (CCTV) Camera Systems to be located within the CITY Corporate Limits (hereinafter "TMS UNITS"), and

WHEREAS, the CITY and traveling public will benefit from improved traffic flow on city streets because traffic condition information will be provided by the TMS on the internet, and

WHEREAS, the STATE will also benefit from the TMS by improved traffic flow on the on-ramps to SR 16 and to the same internet access of traffic condition information provided by the TMS.

NOW, THEREFORE, by virtue of RCW 47.28.140 and in consideration of the terms, conditions, covenants, and performances contained herein, or attached and incorporated and made a part hereof, IT IS MUTUALLY AGREED AS FOLLOWS:

1. PURPOSE

1.1 This AGREEMENT provides for STATE's installation, maintenance, operation, and upgrade of a TMS within the CITY's corporate limits and the eventual sharing of certain traffic information with the CITY.

2. GENERAL

2.1 The CITY agrees to allow the STATE to construct, install, maintain, operate, and upgrade the overall TMS which entails the installation of multiple individual TMS UNITS at various locations in and around the CITY.

2.2 The STATE will provide to the CITY a separate TMS UNIT Task Order for each individual TMS UNIT installation or removal. Each proposed TMS UNIT Task Order will be signed by both Parties and incorporated by reference into this AGREEMENT.

2.3 The STATE shall provide, at STATE expense, all materials, equipment, and labor, necessary to construct, operate, maintain and upgrade each TMS UNIT. The TMS equipment shall remain the personal property of the STATE.

6.2 Such mutually offsetting benefits will constitute the consideration between the Parties, EXCEPT and not including the payment of necessary electrical expenses which will be determined separately and described in each individual TMS UNIT TASK ORDER.

6.3 The CITY agrees to submit billing to the STATE within thirty (30) days after the end of each calendar year for electrical expenses pursuant to applicable TASK ORDERS and the STATE agrees to make payment due to the CITY within thirty (30) days from receipt of the billing from the CITY.

7. TERM OF AGREEMENT

7.1 Term. The term of this AGREEMENT shall be for up to one year, beginning on the date first entered above, and ending on December 31 of that year.

7.2 The AGREEMENT will automatically renew for an additional year unless the CITY provides the STATE with prior written notice of Non-renewal by the preceding November 1 of any such year. Failure of CITY to notify the STATE of such non-renewal on or before November 1 of any such year shall cause this AGREEMENT to automatically be renewed for the next ensuing calendar year.

8. TERMINATION

8.1 The STATE may terminate this AGREEMENT for any reason with written notice to the CITY at the end of sixty (60) calendar days following receipt of notice.

8.2 Termination of this AGREEMENT constitutes termination of all terms under this AGREEMENT and any subsequent TMS UNIT TASK ORDERS.

9. PROJECT MANAGEMENT

9.1 Any notice or demand or other communication required or permitted to be given under this AGREEMENT or applicable law shall be effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid certified mail, return receipt requested, to the parties at the addresses as follows:

STATE
WA State Department of Transportation
Olympic Region Traffic Office
Ray Crumbley, Assistant Traffic Design Engineer
5720 Capitol Blvd. SE
Tumwater, WA 98501-6703
(360) 704-3206

CITY
City of Gig Harbor
Steve Misiurak, City Engineer

3510 Grandview Street
Gig Harbor, WA 98335
(259) 851-8145

10. PROVISIONS

10.1 No separate legal entity is created by this AGREEMENT. No joint organization whatsoever is created. No common budget is to be established. Except as otherwise provided by this AGREEMENT, no personal or real property is to be jointly acquired or held. Each Party shall be responsible for its own finances and for its own personal and real property.

11. HOLD HARMLESS

11.1 Each Party to this AGREEMENT shall protect, defend, indemnify, and save harmless the other Party, its officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages (both to persons and/or property), arising out of, or in any way resulting from, each Party and their respective agents or employees acts or omissions arising out of or in connection with any acts or activities related to this AGREEMENT. No Party will be required to indemnify, defend, or save harmless the other Party if the claims, suits, or actions for injuries, death, or damages (both to persons and/or property) is caused by the sole negligence of the Party. Where such claims, suits, or actions result from concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the indemnifying Party and its agents or employees' negligence.

11.2 This indemnification shall survive any termination of this AGREEMENT.

12. DISPUTES

12.1 In the event that a dispute arises under this AGREEMENT that cannot be resolved to the satisfaction of both Parties the dispute shall be resolved as follows: The CITY and STATE shall each appoint a member to a disputes board. These two members shall select a third board member not affiliated with either Agency. The decision made by this board shall be final and binding on the Parties to this AGREEMENT. Costs related to the third board member shall be equally shared between the CITY and STATE.

13. VENUE

13.1 In the event that any dispute between the Parties cannot be resolved under the procedure in section 12 above, and either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this AGREEMENT, the Parties hereto agree that any such action or proceedings shall be brought in the superior court situated in Thurston County, Washington.

14. MODIFICATIONS

14.1 Any modification to the terms and conditions of this AGREEMENT shall be made by written amendment to this AGREEMENT signed by the duly authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this AGREEMENT as of the day and year first above written.

CITY OF GIG HARBOR

STATE OF WASHINGTON
DEPARTMENT OF TRANSPORTATION

By: _____

By: _____

Chuck Hunter, Mayor

Kevin J. Dayton, Region Administrator

Date: _____

Date: _____

APPROVED AS TO FORM

APPROVED AS TO FORM

By: _____

By:  _____

City Attorney

Assistant Attorney General

Date: _____

Date: 6-22-07

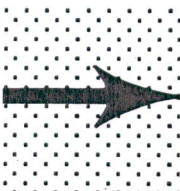


EXHIBIT A
AGREEMENT NO. GCA-5045
TMS UNIT ADDITION or DELETION
TASK ORDER NO. _____

This TMS UNIT TASK ORDER NO. ___ (hereinafter "TASK ORDER") is made and entered into this _____ day of _____, _____, between The State of Washington, Department of Transportation, hereinafter the "STATE," and the City of Gig Harbor, 3510 Grandview Street, Gig Harbor, Washington 98335, hereinafter the "CITY," individually referred to as "Party" and collectively as "Parties."

WHEREAS, AGREEMENT GCA-5045, entered into between the STATE and the CITY is incorporated and by this reference, made a part of this TASK ORDER as if fully set forth herein, and

WHEREAS, the Parties wish to add or delete one or more TMS UNITS to the Transportation Management System for the Pierce County area,

NOW, THEREFORE, by virtue of RCW 47.28.140 and in consideration of the terms, conditions, covenants, and performances contained herein, or attached and incorporated and made a part hereof, IT IS MUTUALLY AGREED AS FOLLOWS:

TMS UNIT ADDITION

This TASK ORDER amends the original AGREEMENT to add one or more TMS UNITS or components to an existing TMS UNIT, with its location within CITY right-of-way (property description), component description, detailed plan sheets, and Party responsible to pay and supply the electrical power, and method of payment as follows:

TMS UNIT DELETION

This TASK ORDER amends the original AGREEMENT, GCA-5045 to delete all or part of one or more TMS UNITS, with its location within CITY right-of-way (property description), component description, and detailed plan sheets as follows:

IN WITNESS WHEREOF, the Parties hereto have executed this TMS SYSTEM ADDITION OR DELETION as of the day and year first above written.

CITY OF GIG HARBOR

**STATE OF WASHINGTON
DEPARTMENT OF
TRANSPORTATION**

By: _____
City Mayor

By: _____
Asst. Region Administrator for Operations

Date: _____

Date: _____

AGREEMENT NO. GCA-5045
TMS UNIT ADDITION or DELETION
TASK ORDER NO. 1

This TMS UNIT TASK ORDER NO. 1 (hereinafter "TASK ORDER") is made and entered into this _____ day of _____, _____, between The State of Washington, Department of Transportation, hereinafter the "STATE," and the City of Gig Harbor, 3510 Grandview Street, Gig Harbor, Washington 98335, hereinafter the "CITY," individually referred to as "Party" and collectively as "Parties."

WHEREAS, AGREEMENT GCA-5045, entered into between the STATE and the CITY is incorporated and by this reference, made a part of this TASK ORDER as if fully set forth herein, and

WHEREAS, the Parties wish to add or delete one or more TMS UNITS to the Transportation Management System for the Pierce County area,

NOW, THEREFORE, by virtue of RCW 47.28.140 and in consideration of the terms, conditions, covenants, and performances contained herein, or attached and incorporated and made a part hereof, IT IS MUTUALLY AGREED AS FOLLOWS:

TMS UNIT ADDITION

Location:

Intersection of 36th Street and Point Fosdick Drive.

Components:

TMS UNIT, including CCTV Camera, CCTV Controller Cabinet, conduit, and appurtenances

Plan:

See attached GCA-5045 Exhibit A Task Order No. 1, Sheets 1 and 2.

Party responsible to pay and supply the electrical power supply:

The CITY is responsible to supply the electrical power and the STATE is responsible to pay the CITY for the cost of the electrical power supply.

Payment:

The STATE agrees to make a lump sum payment of \$130.00 per calendar year as full compensation for the electrical energy used by the STATE's TMS UNIT under this TASK ORDER NO. 1. The CITY reserves the

right to adjust the annual lump sum payment annually, based on the amount of power actually used by the STATE.

The annual lump sum payment shall be prorated based on the partial year of use, if applicable.

TMS UNIT DELETION

IN WITNESS WHEREOF, the Parties hereto have executed this TMS UNIT ADDITION OR DELETION as of the day and year first above written.

CITY OF GIG HARBOR

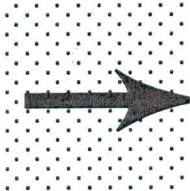
**STATE OF WASHINGTON
DEPARTMENT OF
TRANSPORTATION**

By: _____
City Mayor

By: _____
Asst. Region Administrator for Operations

Date: _____

Date: _____



right to adjust the annual lump sum payment annually, based on the amount of power actually used by the STATE.

The annual lump sum payment shall be prorated based on the partial year of use, if applicable.

TMS UNIT DELETION

IN WITNESS WHEREOF, the Parties hereto have executed this TMS UNIT ADDITION OR DELETION as of the day and year first above written.

CITY OF GIG HARBOR

**STATE OF WASHINGTON
DEPARTMENT OF
TRANSPORTATION**

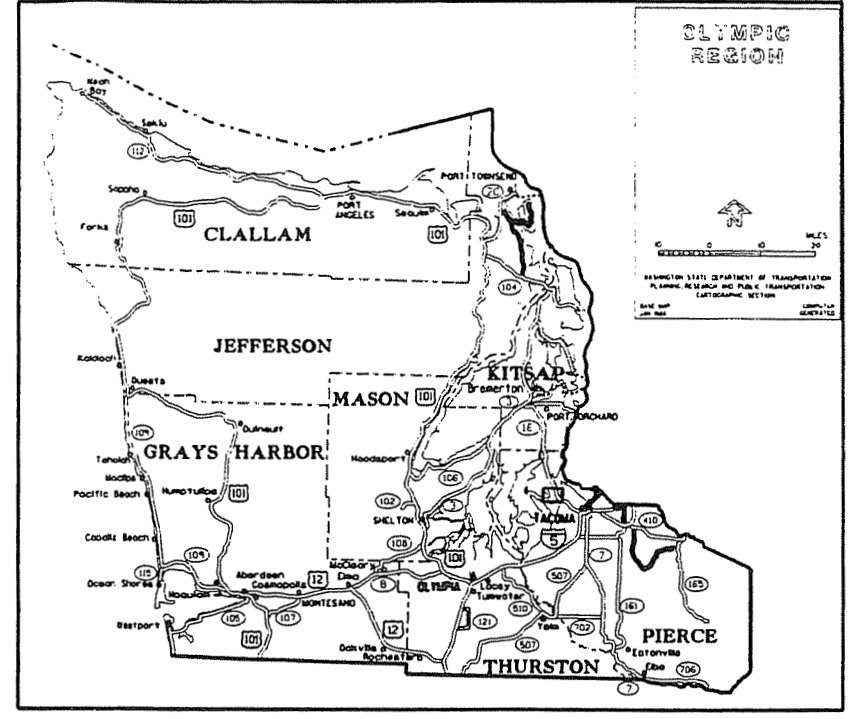
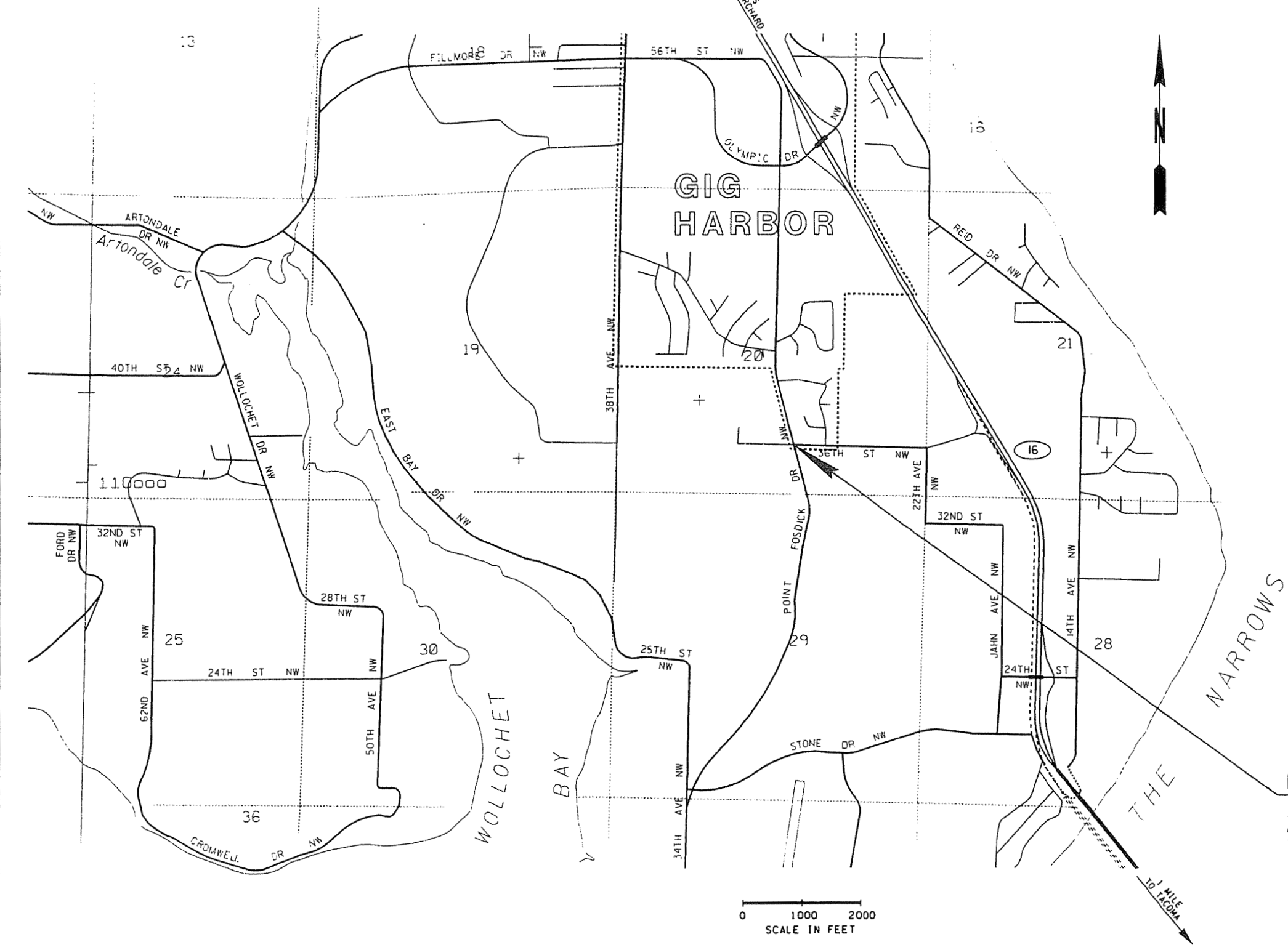
By: _____
City Mayor

By: _____
Asst. Region Administrator for Operations

Date: _____

Date: _____

T.21N. R.2E. W.M.



GCA-5045
Exhibit A
Task Order No. 1
Sheet 1 of 2

PROJECT LOCATION
36TH ST. & POINT FOSDICK DR.
SR 16 APPROX. MP 9.67



FILE NAME G:\Design\Projects\SR16\0E9953-21-2206 36th St NW\CADD\Roundabout Plan Sheet.dgn		REGION NO. STATE		FED. AID PROJ. NO.		PLOT 1	
TIME 7:53:58 AM		10	WASH			VIN1	
DATE 3/5/2007		JOB NUMBER				SHEET 1 OF 4 SHEETS	
PLOTTED BY LangfoC		CONTRACT NO.		LOCATION NO.		VICINITY MAP	
DESIGNED BY C. LANGFORD							
ENTERED BY C. LANGFORD							
CHECKED BY R. CRUMBLEY							
PROJ. ENGR. M. VILLNAVE							
REGIONAL ADM. R. HAIN	REVISION	DATE	BY	P.E. STAMP BOX	DATE		

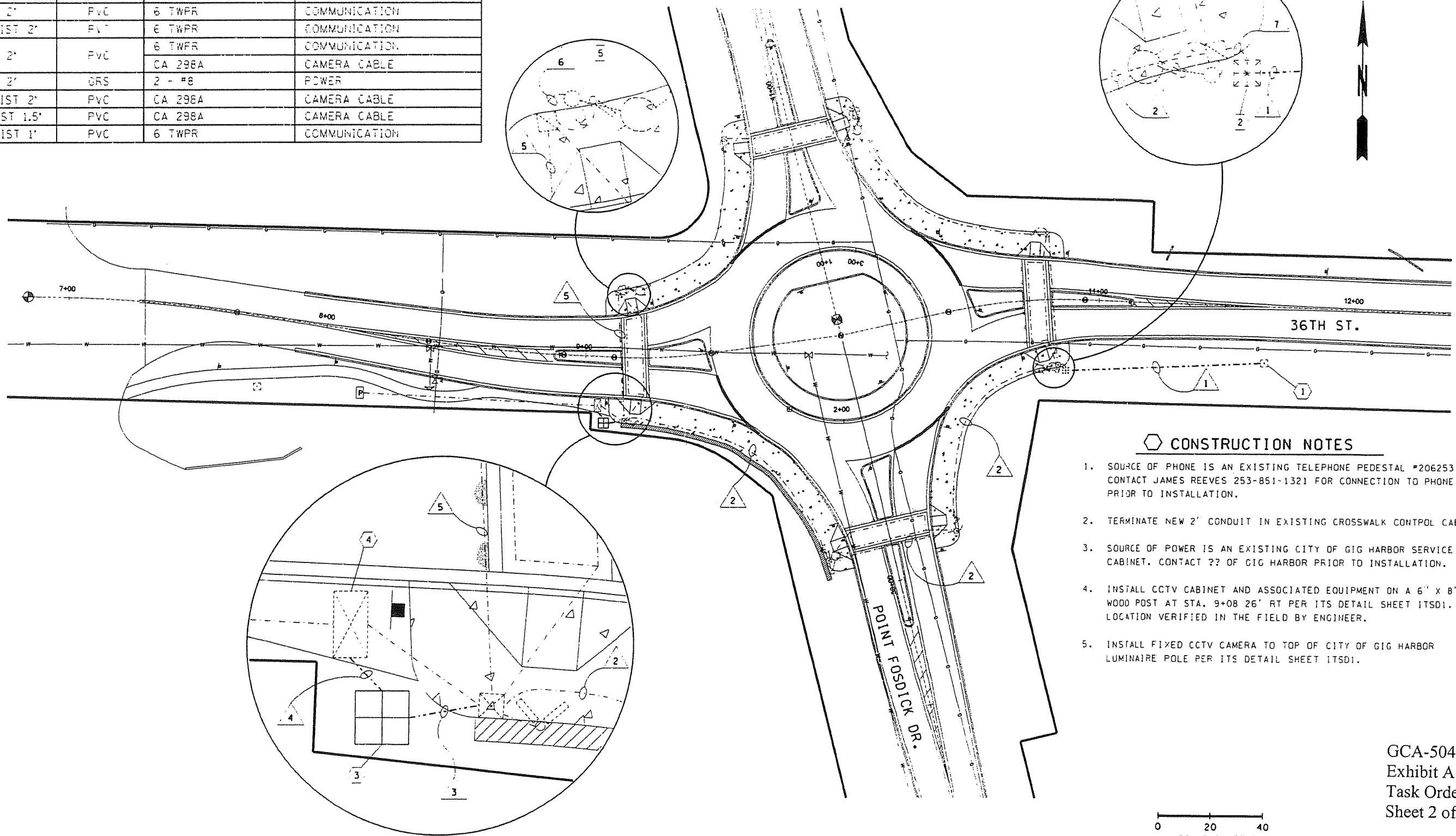


SR 16
36TH ST. & POINT FOSDICK DR.
FIXED CCTV

△ WIRE NOTES

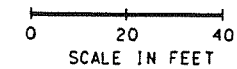
CONDUIT NO.	CONDUIT	TYPE	NEW CONDUCTOR	REMARKS
1	2"	PVC	6 TWPR	COMMUNICATION
2	EXIST 2"	PVC	6 TWPR	COMMUNICATION
3	2"	PVC	6 TWPR CA 298A	COMMUNICATION CAMERA CABLE
4	2"	GRS	2 - #8	POWER
5	EXIST 2"	PVC	CA 298A	CAMERA CABLE
6	EXIST 1.5"	PVC	CA 298A	CAMERA CABLE
7	EXIST 1"	PVC	6 TWPR	COMMUNICATION

T.21N. R.2E. W.M.



⬡ CONSTRUCTION NOTES

- SOURCE OF PHONE IS AN EXISTING TELEPHONE PEDESTAL #206253. CONTACT JAMES REEVES 253-851-1321 FOR CONNECTION TO PHONE, PRIOR TO INSTALLATION.
- TERMINATE NEW 2' CONDUIT IN EXISTING CROSSWALK CONTROL CABINET.
- SOURCE OF POWER IS AN EXISTING CITY OF GIG HARBOR SERVICE CABINET. CONTACT ?? OF GIG HARBOR PRIOR TO INSTALLATION.
- INSTALL CCTV CABINET AND ASSOCIATED EQUIPMENT ON A 6" X 8" WOOD POST AT STA. 9+08 26' RT PER ITS DETAIL SHEET ITSD1. LOCATION VERIFIED IN THE FIELD BY ENGINEER.
- INSTALL FIXED CCTV CAMERA TO TOP OF CITY OF GIG HARBOR LUMINAIRE POLE PER ITS DETAIL SHEET ITSD1.



GCA-5045
Exhibit A
Task Order No. 1
Sheet 2 of 2

FILE NAME	G:\Design\Projects\SR16\OE9953 -21-2206 36th St NW\CADD\Roundabout Plan Sheet.dgn		
TIME	6:50:44 AM		
DATE	3/5/2007		
PLOTTED BY	LangfoC		
DESIGNED BY	C. LANGFORD		
ENTERED BY	C. LANGFORD		
CHECKED BY	K. WAKJIRA		
PROJ. ENGR.	M. VILLNAVE		
REGIONAL ADM.	K. DAYTON		
REVISION	DATE	BY	
REGION NO.	STATE	FED.AID PROJ.NO.	
10	WASH		
JOB NUMBER		LOCATION NO.	
CONTRACT NO.			



SR 16
36TH ST. & POINT FOSDICK DR.
FIXED CCTV

ITS PLAN

PLOT 12
ITS1
SHEET 2 OF 4 SHEETS



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

Subject: Staff report on affordable housing

Dept. Origin: Community Development

Proposed Council Action: Review – Direction

Prepared by: Tom Dolan *Tom*
Planning Director

For Agenda of: July 9, 2007

Exhibits: Draft Countywide policies on affordable housing - G. H. HOUSING Comp PLAN ELEMENT
Initial & Date

Concurred by Mayor: CLH 7/5
Approved by City Administrator: RJK 7/3
Approved as to form by City Atty: N/A LAM 7/3/07
Approved by Finance Director: N/A
Approved by Department Head: DDV 7/3

Expenditure		Amount		Appropriation	
Required	0	Budgeted	0	Required	0

INFORMATION / BACKGROUND

Pierce County is in the process of developing countywide policies for affordable housing. In summary, the purpose of these policies is to increase the supply of affordable housing within the unincorporated areas of Pierce County and the 23 cities within the county. The draft consultant report is attached. In summary, the report is recommending that local jurisdictions adopt plans, policies, ordinances and programs that help to facilitate the development of affordable housing. The consultant's report has been reviewed by the Pierce County Regional Council and Pierce County's Growth Management Coordinating Committee. The report has not been finalized. Councilman Young attended the Pierce County Regional Council meeting at which the report was discussed.

At the City Council's retreat in February, several council members discussed the need for providing affordable housing in Gig Harbor. The Housing Element of the Comprehensive Plan addresses the issue of affordable housing (see attached). To comply with the recommendations in the draft report currently under review by the County, several of the existing policies in the Comprehensive Plan would need to be amended. In addition, the Zoning Ordinance would need to be amended to implement the policy recommendations.

The purpose of this report is to make you aware of the efforts underway in the County to address affordable housing on a countywide basis and to seek your input into the final report that will be issued. If the Council would like staff to begin to look at implementing the affordable housing policies of the Comprehensive Plan by developing amendments to the

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

None

RECOMMENDATION / MOTION

For review and direction.

Final Consultant Report – Affordable Housing

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

METHODOLOGY FOR DEVELOPING COUNTYWIDE PLANNING POLICIES

The Countywide Planning Policies are intended to provide the guiding goals, objectives, policies and strategies for the comprehensive plans. The level of detail in the Countywide Planning Policies must be sufficient to provide specific guidance, yet not so detailed as to constrain appropriate local choices in future comprehensive planning by Pierce County and the municipalities.

In addition to relying on our experience with developing a wide variety of strategies and plans for the provision of affordable housing, PMC's task was to build on existing planning policies and recent local efforts to increase the supply of critically needed workforce and affordable housing in Pierce County and its twenty-three cities. In particular, the Housing Affordability Final Report and Recommendations from the Pierce County Housing Affordability Task Force (March 2007) provided an excellent basis for providing recommended changes to the Countywide Planning Policies. While the Task Force report was largely a compendium of many examples of successful affordable housing projects located throughout the country, the report did provide several good ideas that can be incorporated in the CPP's for Pierce County. PMC also is recommending a monitoring and reporting plan for implementing the fair share allocation methodology. PMC was directed by the GMCC to provide policies that address the following categories:

- Provide policies that establish programs for monitoring and reporting on meeting each jurisdiction's fair share housing allocation targets.
- Provide policies that provide housing opportunities for the local workforce/moderate-income households (80-115 percent of the area median household income) in the community.
- Provide policies that provide housing opportunities for the low- and very-low income households (below 80 percent of the area median household income).
- Cities with boundaries that over-lap two Counties will have special considerations for meeting their fair share allocation jurisdiction-wide.
- Provide policies that address possible ramifications for jurisdictions that do not show progress in meeting their fair share allocation.

Based on the direction provided above, PMC submitted draft CPP's to the GMCC for review and comments. A summary of the comments received from each jurisdiction are located in Appendix A. The GMCC also had the opportunity to discuss the draft CPP's at the June 7, 2007 GMCC meeting. GMCC members engaged in a rigorous discussion regarding revisions to the draft CPP's and in the end provided a few key changes that they would like to see reflected in PMC's final CPP recommendations. PMC incorporated the following GMCC requested changes:

- Remove the word "shall" from all new policies and change the word to "should."
- The GMCC recommended changing the idea of an Annual Housing Monitoring Program to an Annual Housing Forum to discuss ideas and constraints jurisdictions are having regarding the productions of affordable housing.
- Revise the "Housing Annual Report" to state "Annual Housing Progress Report." A copy of the recommended Annual Housing Progress Report is listed in Appendix B. The Housing Annual Progress Report will be submitted to the GMCC at the proposed GMCC Annual Housing Forum.

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

- The GMCC recommended removing the potential consequences for jurisdictions not showing progress in meeting the fair share allocations. The GMCC Annual Housing Forum will give jurisdictions the opportunity to discuss their successes as well as constraints they are experiencing.

Local jurisdictions are not required to produce housing to fulfill the allocations. Rather, the jurisdiction's role is to provide inducements to encourage developers to build housing affordable to low- and moderate-income households. In cases where jurisdictions have adopted regulatory incentives but have seen little or no results, the jurisdictions should work with the development community to determine alternative strategies.

The follow policies will provide guidance to the jurisdictions of Pierce County to enable the development of housing affordable to low- and moderate- income households. The recommended CPP's provide guidance to implement a variety of mechanisms that will allow jurisdictions to encourage the development of affordable housing by offering incentives to housing developers. In addition, the policies outline the changes that each jurisdiction can consider within its own regulatory framework to facilitate the development of affordable housing.

Rising housing costs leave few options for low- and moderate- income households to live near their places of work. This causes a lower quality of life for a number of reasons. Many people endure long daily commutes to work, further stressing the fixed budgets of lower-income households. More time commuting to and from work leaves less time for family life and personal time. A lack of public transit in many parts of the county requires most commuters to drive a car, which is large expense alone. A longer commute means more income is spent on gasoline and car maintenance and as petroleum prices continue to rise; these costs will most likely increase. Longer commutes also mean more traffic problems and increased air pollution. Without these policies and the changes they advocate, the housing situation for much of the workforce, senior citizens and lower-income families will worsen.

EXISTING COUNTYWIDE PLANNING POLICIES AND RECOMMENDED ADDITIONS

1. The County, and each municipality in the County, shall determine the extent of the need (i.e., the demand) for new housing for all economic segments of the population that is projected for the community and each jurisdiction over the planning period.

~~1.1 the projections shall be made in dwelling units, by type, provided, that the projection may be a range and that the types of dwelling units be in broad categories, such as single-family detached, single-family attached, duplex, triplex, fourplex, apartments and special housing types;~~

2. The governing body of each jurisdiction should adopt visions, plans, policies, ordinances and programs that reflect a serious commitment to meeting the jurisdiction's obligation to provide the opportunities for the private and non-profit housing builders to construct the fair share of the affordable and workforce housing needed in each jurisdiction.
3. ~~1.2:~~ The growth projections shall be reflective of census or other reliable data indicating the economic segments of the population for whom housing needs to be provided, specifically households with incomes in the low- and very low- income ranges, and shall incorporate the jurisdiction's fair share of the County's housing needs;

~~3.1 1.3~~ The projections shall be reflective of the Countywide fair share housing allocation and shall be established pursuant to federal or state law and supplemented by provisions established in intergovernmental agreements between County

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

~~jurisdiction~~ as required by the state of Washington Growth Management Act (GMA);

- 4 ~~The County and each municipality in the County should meet their projected demand for housing as reflected by the fair share housing allocation target for low- and very low-income households by adopting planning, land use and housing policies as well as zoning ordinance revisions that will accommodate the type and density of affordable housing deemed appropriate for that jurisdiction. While there is no one, or small set of solution(s), that will solve the substantial needs and obligation for affordable housing in each jurisdiction, the County and cities should adopt a range of strategies that will result in the production of new affordable housing appropriate to, and in conformance with each jurisdiction's unique demographic needs, vision, comprehensive plans, development and infrastructure capacity, location and proximity to job centers, local workforce, and access to transportation corridors that should include some or all of following:~~

~~4.1 2.4 Preservation of the existing housing stock through repair, maintenance, rehabilitation and redevelopment in order to extend the useful life of existing housing units and to provide for affordable housing for re-sale and rental opportunities for moderate- and low-income households. While preservation of the existing housing stock does not address the growing affordable housing demand associated with new population growth, it does provide affordable housing opportunities for homeownership and rentals, which reduces some pressure on the construction sector. Thus, jurisdictions should be aggressive in seeking and securing state and federal subsidy funds, such as CDBG, HOME and other sources to implement vigorous housing preservation programs;~~

~~4.2 2.2 Identification of vacant and underutilized infill parcels appropriately zoned for residential development with assurances that neighborhood compatibility and fit will be maintained through appropriate and flexible zoning and related techniques, such as the following examples:~~

~~4.2.1 2.2.1 Sliding-scale buffering and screening requirements based on adjacent use considerations;~~

~~4.2.2 2.2.2 Performance standards;~~

~~4.2.3 2.2.3 Height and bulk limitations;~~

~~4.2.4 2.2.4 Provisions of open space;~~

~~4.2.5 2.2.5 Front, side and rear yard requirements;~~

~~4.2.6 2.2.6 Protection of natural resources and environmentally-sensitive lands; and~~

~~4.2.7 2.2.7 Architectural controls and design standards~~

~~4.3 2.3 Identification of other vacant lands suitable for residential development and permitting sufficient land through zoning to meet one or more or all of the following examples of types and densities of housing;~~

~~4.3.1 2.3.1 multi-family housing~~

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

4.3.2 ~~2.3.2~~ mixed use development

4.3.3 ~~2.3.3~~ cluster development

4.3.4 ~~2.3.4~~ planned unit development

4.3.5 ~~2.3.5~~ non-traditional housing

4.4 ~~2.4~~ In determining the suitability of the location and identification of sites for affordable housing, the jurisdictions shall consider the availability and proximity of transit facilities, governmental facilities and services and other commercial services necessary to complement the housing.

4.5 The County and each municipality in the County should provide assistance to for-profit and non-profit housing developers creating single-family or multi-family affordable housing. Eligible housing development projects should have at least 20 percent of the units targeted to be made affordable to very low- and low-income households. Incentives could be tiered to provide greater assistance to these projects serving the lower income populations. Developer incentives may include:

- Mapping and marketing material regarding vacant and underutilized in-fill parcels should be provided, where feasible, to for-profit and non-profit affordable housing builders. Incentives should be offered to address the affordability gap and to assist with the financing costs of development associated with in-fill vacant and underutilized parcels.
- Density bonuses can be offered to residential development projects of ten units or more of a minimum of an additional 20 percent more dwelling units above that allowed by the site zoning where the additional units are made affordable to moderate-income households, or 30 percent more units targeted to low-income households, or 35 percent more dwelling units for units targeted to very-low income households.
- Fee deferrals and/or waivers of development impact, application processing and/or building permit fees where feasible and that contribute to the financial feasibility of development projects that contain at least 20 percent of the residential units that are proposed to be made affordable to moderate and low-income households.
- Application of development standards needed to achieve local planning and community design standards in a manner that contributes to the financial viability to assure affordability of housing for moderate- and low-income households.
- Expedited priority processing of projects that propose at least 20 percent of the residential units to be provided affordable to moderate- and low-income households for planning, development and permitting approvals.
- Assistance with making applications and other forms of support in securing public funds to help with financing the affordability gap and reducing the cost of developing affordable housing.

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

- 5 ~~3~~ The County and each municipality in the County shall assess their success in meeting the housing demands and ~~shall monitor the achievement of the housing policies in producing housing in the targeted income groups and, if necessary to achieve meeting their fair share housing allocations, revise and modify their respective jurisdiction's planning policies not less than once every five years, upon the issuance of new growth projections.~~
 - 5.1 The Pierce County Regional Council (PCRC) will charge the Growth Management Coordinating Committee (GMCC) or a similar county-wide organization with the responsibility of monitoring the progress in meeting housing demand for all economic segments of the population, and updating local planning policies as needed to achieve the fair share housing goals.
 - 5.2 The County and each municipality in the county should individually document their progress in meeting the housing needs and policies described in its Comprehensive Plan.
 - 5.2.1 The County and each municipality in the County should meet their projected demand for housing by developing and implementing strategies which it determines to be most appropriate to the local housing market and community conditions.
 - 5.2.2 Each jurisdiction will annually report to the GMCC or other entity designated by the PCRC their progress in developing and preserving affordable housing. Appendix B includes the Annual Housing Progress Report form that will need to be completed by each jurisdiction annually. Each jurisdiction will, upon completion of the Annual Housing Progress Report present the report to its governing body and seek authorization from that body to direct the Chairperson of the body to sign the report prior to submittal.
 - 5.2.3 This countywide organization responsible for monitoring the provision of housing will evaluate the achievements of county-wide goals for housing for all economic segments of the population and will recommend additional county-wide and local actions if it is determined that the housing needs of any economic segments or special needs populations are not being adequately met.
- 6 ~~4~~ The County, and each municipality in the County, shall maximize available local state and federal funding opportunities and private resources in the development of affordable housing.
 - 6.1 Consider the potential for both voter approved measures (bond or levy), and non-voter approved sources of revenue to support the development of housing affordable to low- and very low- income households.
 - 6.2 The County should pursue state legislative changes to give Pierce County the authority to provide property tax relief for developers of affordable housing.
 - 6.3 The County, and each municipality will work together to explore opportunities to develop a regional housing trust fund. Trust fund money will be used to assist with the development of workforce housing (housing for households with incomes at 80-

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

115 percent of the area median income), down-payment assistance for first time homebuyers thereby leveraging mortgage financing on favorable terms. The funding used to establish this trust fund can come from local real estate transfer tax, penalties on late payments of real estate taxes, and fees on other real estate-related transactions.

6.4 Each jurisdiction should consider implementing a two-tiered inclusionary program. The first tier would provide developers with substantial incentives (i.e. density bonuses, fee waivers, and expedited permits in return for creation of affordable housing units in a development. The second tier would (initially) require creation of affordable housing units (or payment of a fee) under two circumstances: 1) when an upzone is approved, and 2) for large master planned communities. A requested upzone provides an opportunity for significant private economic benefit.

7 ~~5~~. The County, and each municipality in the County, shall explore and identify opportunities for non-profit and for-profit developers to build affordable housing.

7.1 Pierce County jurisdictions should consider three options to land dedication: 1) dedicating the revenues from tax title sales and city and town-owned properties to affordable housing; 2) explore the potential to sell surplus lands at less than market rate to developers of affordable housing; or 3) when larger-scale surplus lands are sold require that affordable housing (or payment-in-lieu-of) be included in development plans for the land.

7.2 The County, and each municipality should work together to develop a county-wide Community Land Trust. The Land Trust can be managed by a private non-profit entity, or by the County. This provides the region with an opportunity to partner with nonprofit affordable housing developers to build housing. County surplus land could be used by a land trust for affordable housing. This program allows the Land Trust to own the land and the home-buyer to own the house and lease the land for a specific period of time.

8 ~~6~~. The County, and each municipality in the County, should explore and identify opportunities to reutilize and redevelop existing parcels where rehabilitation of the buildings is not cost-effective, provided the same is consistent with the countywide policy on historic, archaeological and cultural preservation.

9 ~~7~~. ~~New fully-contained~~ All communities shall comply with the requirements set forth in the Growth Management Act and shall contain a mix in the range of dwelling units to provide their “fair share” of the Countywide housing need for all segments of the population that are projected for the County over the planning period.

9.1 Each Pierce County jurisdiction has been assigned a fair share allocation for projected household growth. These targets represent the number of households below 80 percent of the area median income each jurisdiction should plan for during the 2006-2022 planning period.

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

<u>Jurisdiction</u>	<u>2022 Fair Share Allocation</u>
<u>Unincorporated Pierce County</u>	<u>10,300</u>
<u>Tacoma</u>	<u>8,871</u>
<u>Lakewood</u>	<u>2,083</u>
<u>Edgewood</u>	<u>976</u>
<u>Bonney Lake</u>	<u>904</u>
<u>University Place</u>	<u>858</u>
<u>Gig Harbor</u>	<u>769</u>
<u>Puyallup</u>	<u>761</u>
<u>DuPont</u>	<u>616</u>
<u>Orting</u>	<u>572</u>
<u>Sumner</u>	<u>530</u>
<u>Auburn</u>	<u>454</u>
<u>Milton</u>	<u>334</u>
<u>Fife</u>	<u>320</u>
<u>Ruston</u>	<u>206</u>
<u>Fircrest</u>	<u>195</u>
<u>Steilacoom</u>	<u>184</u>
<u>Buckley</u>	<u>175</u>
<u>Eatonville</u>	<u>79</u>
<u>South Prairie</u>	<u>79</u>
<u>Carbonado</u>	<u>31</u>
<u>Wilkeson</u>	<u>17</u>
<u>Roy</u>	<u>10</u>
<u>Total</u>	<u>29,325</u>

9.2 Each Pierce County jurisdiction should show progress in meeting their fair share allocation by:

- 9.2.1 Providing developer incentives to assist with the development of affordable housing (examples of incentives are listed in Policy 2.5).
- 9.2.2 Providing opportunities for the development of both low-income and very low-income households in order to address the needs of the local low-wage workforce, seniors and disabled persons on fixed incomes, and other special needs groups in the community.
- 9.2.3 Report progress in meeting their fair share allocation as part of the Annual Housing Progress Report that will be shared with the

COUNTYWIDE PLANNING POLICY RECOMMENDATIONS

countywide organization that is designated. Appendix B includes the Annual Housing Progress Report form that will need to be completed by each jurisdiction.

9.2.4 As part of the Annual Housing Progress Report, jurisdictions will report reasons for non-achievements.

9.2.5 Provide a citywide monitoring process for meeting the fair share allocations for jurisdictions that are split across county lines.

10 The GMCC or a similar county-wide organization will hold an annual housing forum to discuss affordable housing ideas and constraints jurisdictions are having to meeting their fare share allocations. The purpose of the forum will be for the jurisdictions to work cooperatively together to assist each in achieving affordable housing goals, and identify and recommend incentives and steps that the municipalities and the County could take to advance their respective efforts to provide housing opportunities for all segments of each jurisdiction

Gig Harbor Comp Plan

Chapter 5 HOUSING ELEMENT

Introduction

Housing is a major component in the makeup of the physical community and is one of the most revealing indicators of the social community. Houses represent people and suggest that people have common interests in a place. Historically, the focus of a community was its religious and/or economic interests which were often reflected in the type and arrangement of the community's housing. In the small village, for example, it was not uncommon to find houses clustered around the community church or structures of local industry. Even today, the design, size, and location of houses are telling indicators of the values and economic profile of the citizenry and also reflect the historical development of the community.

Gig Harbor's development was primarily associated with its fishing and boat building industries which prompted housing developments for local workers near the waterfront. The resulting arrangement of housing and industry created a small town character which is still prevalent in the city's harbor area.

That character quickly changes near the outer edges of the city where increased growth pressures have resulted in a more metropolitan development pattern including commercial centers near freeway interchanges supported by sprawling pods of isolated housing developments. This is a reflection of the changes which have taken place since Gig Harbor's early development and its current tendency to serve as a bedroom community to the surrounding metropolitan area.

Such changes have not been entirely welcome by long term residents of the area. Many residents, as well as surrounding neighborhood associations, have struggled to retain a rural identity despite population increases at the regional level. Gig Harbor's population is small compared to Tacoma, its closest neighbor, but regional growth pressures have forced the City of Gig Harbor to consider ways to retain its small town character while meeting the housing demands of an increasingly diverse population.

The City has identified a number of components which will be incorporated into its housing policies including the following:

- (a) Identifying the existing housing stock
- (b) Determining housing preferences and demand
- (c) Identifying housing types acceptable to the community
- (d) Compliance with GMA County-wide fair share housing policies
- (e) Implementing strategies to meet housing goals

These are more fully addressed in the following analysis, projections and policies.

EXISTING HOUSING STOCK

At first glance Gig Harbor appears to be predominantly composed of single family homes. From the standpoint of area, this assumption is correct. There are currently 775 acres of R-1 (single family) zoned parcels in the city compared to 85 acres of multi-family zoned R-2 & R-3 property. However, the actual unit count between multi-family and single family dwellings is more evenly distributed.

In 2000, 2,882 residential units comprised Gig Harbor's housing stock. (Source: 2000 U.S. Census) This total included 1,665 single family homes and 1,174 multi-family dwellings. The proportion of single family has increased from about 48 percent in 1993 prior to adoption of the first Growth Management comprehensive plan to about 59 percent in 2000. While the rate of development of new multi-family units has declined relative to single family, it still represents a significant portion of the total housing stock. However, despite the prevalence of multi-family housing, the single family character of the community has been maintained. It should be recognized, however, that most multi-family units are located near the City's fringe - an area not typically associated with the City's historic character. Moreover, where multi-family housing has encroached into the harbor basin, it has been the target of criticism due to imposing scales and designs.

GOAL 5.1: MAINTAIN AND PROTECT THE SCALE AND CHARACTER OF EXISTING NEIGHBORHOODS

5.1.1. Encourage infill

Encourage infill of existing residential neighborhoods with housing types, designs, and sizes similar to prominent and/or historical structures.

5.1.2. Develop design guidelines

Develop guidelines which define how larger multi-family structures may be designed to reflect the massing and scale of smaller existing structures.

GOAL 5.2: ENCOURAGE HIGH DENSITY HOUSING WHICH MAINTAINS GIG HARBOR'S HISTORIC VISUAL CHARACTERISTIC AS A SINGLE FAMILY COMMUNITY

5.2.1. Identify areas where small lot sizes are appropriate

- a) Develop maximum lot sizes for single family homes, e.g., 5,000 - 7,000 square feet.
- b) Allow zero lot line development on smaller lots to retain optimal use of private yard areas.

5.2.2. Minimize appearance of multi-family structures

Avoid high and visually prominent concentrations of multi-family structures on major thoroughfares and boulevards.

- a) Require increased setbacks from street edge with landscaped green space oriented to both the public and residents of the multi-family units. The walled "compound" look as seen from the street should be avoided.
- b) Define stepped height standards which require lower building heights nearer the street edge, and stepping up away from the street.
- c) Identify areas of high-density housing throughout the City to avoid over-concentration in one area.
- d) Retain multi-family structures near the fringe of established single-family neighborhoods or in strategic locations where larger structures will not abruptly alter the single family character.
- e) To the extent possible, incorporate single family design into multi-family housing through the following design techniques:
 - i. Unit clustering and separation
 - ii. Variation in unit design
 - iii. Modulation of facade and roof lines.
 - iv. Avoidance of "book-matched" or symmetrical designs on duplexes and larger units.

5.2.3. Reward acceptance of density with corresponding benefits

High-density areas should be associated with increased areas of open space and other amenities to the public and home owners.

EXISTING HOUSING CONDITIONS

The City is fortunate in that there are no significant areas of blight or decay. On the contrary, there are strong signs of revitalization, particularly in the basin area. A number of older homes along Harborview Drive have been renovated and enlarged and it is expected that these efforts will result in similar activities in the balance of the basin area. Interest in revitalizing these homes can be attributed to the increased value of view properties and to the obvious preference many people have for the area's small town character.

GOAL 5.3: ENCOURAGE MAINTENANCE AND/OR ADAPTIVE REUSE OF EXISTING STRUCTURES FOR RESIDENTIAL USE

5.3.1. Provide renovation incentives

Allow retention of existing heights and setbacks of historic structures which are renovated for residential use (e.g, do not apply standard "50% clause" requiring demolition of structure if more than 50% of structure is effected in renovation).

5.3.2. Provide financial incentives

Identify fees that might be waived for repair or renovation work as an incentive.

5.3.3. Sponsor clean-up campaigns

Provide regularly scheduled clean-up help and trash collection in neighborhoods.

As blight is almost non-existent in Gig Harbor, there is little reason for an extensive survey of housing conditions at this time. A more pressing need is to identify the types of housing units in Gig Harbor, how these are allocated among the population, and how these reflect the current and future demand of housing.

ALLOCATION OF HOUSING

It is assumed that all persons residing within the City of Gig Harbor are housed. However, the allocation of housing by economic status is not immediately apparent. Homes in Gig Harbor typically demand a high price due to a strong market demand but may currently be occupied by long term residents of limited economic means. For example, many of Gig Harbor's senior citizens may be living in houses with market values far greater than either their current mortgages or original purchase prices would indicate. The 1990 census indicates that the median value of an owner-occupied home in Gig Harbor was \$142,000 while the median value of a home in 2000 was \$215,400 (values taken from the 1990 and 2000 Census for Gig Harbor city). During the decade, this median value increased from 4.3 to almost 5 times the median household income in the City. The fact that property values have increased at a greater rate than income is an issue for the community.

As the City's population ages and as market trends remain strong, it is expected that the current allocation of housing according to economic status will change considerably. Gig Harbor is already showing signs of gentrification in the basin area, and even homes outside the view basin are demanding higher prices than many current residents could afford were they to purchase them on today's market. Maintaining the existing supply of affordable housing will therefore be difficult if current market trends continue.

GOAL 5.4: MAINTAIN A "NO NET LOSS" POLICY TOWARD AFFORDABLE HOUSING UNITS

5.4.1. Discourage demolitions

Discourage demolition of existing smaller houses which have a reasonable potential for being salvaged.

- a) Consider fee waivers for building permits to renovate or repair existing houses.
- b) Consider high demolition permit fees with the proceeds applying toward other affordable housing programs in the Gig Harbor area.
- c) Support "existing use" tax assessment as opposed to taxation based upon speculative highest and best use.

5.4.2. Mitigate effects of gentrification

Compensate market "sell up" of units (i.e., gentrification) with a corresponding supply of land available for affordable replacement units.

- a) Solicit the help of local real estate community to identify the number of units which sell for more than 30% of their previous purchase price or value.
- b) Assure that there is sufficient land area zoned for affordable-type development to compensate for loss of affordable units and for account for projected need.

HOUSING OCCUPANCY & TENURE

For planning purposes, a 7% vacancy rate has been determined to reflect a healthy housing market - one which maintains enough vacancies to allow residents to choose housing suitable to their needs without creating a market "glut". According to 2000 Census data, the vacancy rate in the City has been about 6.6%. The corresponding 93.4% occupancy rate reflects a healthy housing market and suggests that some residents may not be living in housing suitable to their personal needs. The cost burdened household figures in Tables and 3 & 4, for example, indicate a need for more affordable housing which is difficult to achieve in the single-family market.

HOUSING AFFORDABILITY

Income Characteristics

The ability to find suitable housing is determined by both the availability of housing and the income level of the householder. The following table indicates the income characteristics of Gig Harbor residents:

Table 1 - Gig Harbor Income Characteristics

Household income	Percent of households
<\$10k	5.2%
\$10k - 19.9k	14.2%
\$20k - 34.9k	21.6%
\$35k - 49.9k	14.1%
\$50k - \$75.9	18.5%
\$75+	26.5%
Gig Harbor Median Income (1999): \$43,456	

Source: 2000 U S Census

Cost Burdened Households

For planning purposes, a household is considered cost burdened when its income is less than 95% of the median income level, and its housing cost is more than 30% of its income. The following matrices indicate that at least 11.4% of homeowner households and 34.8% of renter households were cost burdened in 1999.

Table 2 – Cost Burdened Households

Gig Harbor Cost Burdened Households						
% Income Spent on Housing	Income ranges					
	<\$10k	\$10-19.9k	\$20-34.9k	\$35-49.9k	\$50-75.9k	\$75k+
Owner Occupied Households (Total: 1,242)						
<20%	0	9	103	58	147	403
20-24%	0	0	8	0	39	84
25-29%	0	0	11	17	33	32
30-34%	0	8	21	0	48	0
35%+	27	43	43	34	43	15

% Income Spent on Housing	Income ranges					
	<\$10k	\$10-19.9k	\$20-34.9k	\$35-49.9k	\$50-75.9k	\$75k+
Renter Occupied Households (Total: 1,267)						
<20%	27	0	22	87	103	118
20-24%	0	15	40	76	7	6
24-29%	26	6	99	35	7	0
30-34%	0	36	100	23	0	0
35%	31	176	98	17	25	9
Not counted*	35	0	8	7	21	7

Source: 2000 U.S. Census

* Units for which no cash rent is paid and units occupied by households that reported no income or a net loss in 1999.

As Tables 1 and 2 indicate, the Gig Harbor community is composed of a broad range of household income and there is an unmet need for affordable housing for current residents. The challenge is to ensure existing affordable housing as well as ensuring additional opportunities for the lower end of the economic spectrum.

GOAL 5.5: PRESERVE GIG HARBOR AS A PLACE TO LIVE FOR PEOPLE OF ALL OCCUPATIONS, INCOMES AND ABILITIES

5.5.1. Accommodate group housing

Develop standards for senior citizen and group housing arrangements as permitted uses in designated zones.

- a) Consider defining maximum family size of unrelated individuals sharing a housing unit according to the ability of the structure to accommodate more persons:
 - i. Are there sufficient numbers of bedrooms to avoid overcrowding.
 - ii. Is there adequate parking to meet the needs of licensed drivers within the family.
- b) Redefine density standards to allow for higher numbers of single room occupancy units (SRO's) and increased numbers of beds in senior or group housing complexes.

5.5.2. Encourage accessory units

Provide incentives to single family homeowners to build accessory units on their property, e.g, reduction or waiver of city fees

PROJECTING THE DEMAND

Population Growth Target

Since the City adopted its Growth Management Comprehensive Plan in 1994, the City has grown by almost 80 percent, adding over 2,900 residents. Pierce County has allocated to the City an additional 4,120 residents by 2022 for a total population of 10,800, as part of the County's overall population forecast from the Washington State Office of Financial Management. This is the population target for which the City is expected to plan.

MEETING THE HOUSING DEMAND

Required number of units

To determine whether the City's residential capacity is sufficient to accommodate the growth target, the population increase must be translated into households. According to the 2000 Census, the City averaged 2.16 persons per household. Therefore, the 2022 population of 10,800 equates to 5,000 households.

Existing residential capacity

As of 2004, the year of the most recent capacity analysis, Gig Harbor contained about 3,093 housing units. Therefore, an additional 1,907 units will be needed to accommodate the forecast growth. Table 3 shows the City's remaining residential capacity by zoning district.

Table 3 – Existing zoned capacity (2003)

Zoning district	Single family units	Multi-family units	Unit totals by zone
R-1	743		743
R-2		122	122
R-3		16	16
MUD		167	167
RB-1	23		23
RB-2		143	143
WR		8	8
WM		3	3
WC		5	5
PCD-RLD	783		783
PCD-RMD		531	531
Subtotals:	1,549	995	2544
Units displaced through redevelopment:			-197
Total capacity:			2,347

Source: City of Gig Harbor

The zoned capacities reflected in Table 3 include vacant lands and underdeveloped parcels. In calculating capacity for underdeveloped lands, there is a presumption that existing units will be displaced. These units are deducted from the capacity to arrive at the total number of units that could be accommodated under the existing development standards. The capacity shown in the table does not reflect all potentially developable or redevelopable land in the City. The analysis includes an assumption that a percentage of both vacant and underdeveloped land will not be available for development prior to 2022.

According to the analysis above, available capacity is sufficient to accommodate the forecast growth. The existing capacity provides an excess cushion of 23 percent above the projected need. This cushion is required both to account for temporary vacancy of housing units and to allow the real estate market to freely function without artificially increasing pressure on housing costs.

Identifying the Affordable Housing Gap

It is evident from Tables 1 & 2 that many single family homes are unaffordable to a significant portion of Gig Harbor's current households. In 2000, the median value of a house in Gig Harbor was \$215,400. It is estimated that a household at the City's 1999 median income could afford a mortgage of approximately \$140, 000 - \$150,000 (depending on interest rates) and not be cost burdened (i.e., not pay more than 30% of gross income toward housing). The monthly payment for a \$145,000 mortgage at a 5.75% interest rate would be about \$1080.00 including taxes and insurance. A household would require an annual income of about \$63,000 to afford a mortgage of a 2000 median value home. It is evident that this either excludes a large portion of the community from homeownership or cost-burdens these households.

It is also apparent from Table 2 that the City's rental housing stock does not fully provide for all economic segments. However, at the lower end of the income spectrum, market-rate housing may not be an option. Government and non-profit programs may need to provide for the neediest households. The City can also encourage provision of affordable housing through incentives and regulatory strategies. Regulatory strategies may include control of development costs and allowing flexibility to implement creative solutions like reuse of structures, accessory units, manufactured housing, and mixed-use projects.

COUNTY-WIDE FAIR SHARE ALLOCATIONS

The future need for affordable housing in Gig Harbor is based upon the City's 1993 socio-economic mix and the 1990 Census. This shortage may be even more profound under county-wide planning policies which require that each municipality provide for its fair share of the County's affordable housing needs. This policy is based upon the State Growth Management Act stipulation that all county-wide plans shall ". . . consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution". Accordingly, Pierce County has developed a fair share formula for determining the City's existing and projected need of affordable housing units.

It has been estimated that the projected need for the City's fair share of affordable housing for the year 2010, adjusted for jobs, will be 772 units with 1990 adjusted need being 540 units. Pierce County has not updated the fair-share formula according to the 2000 Census.

The future need for affordable housing will largely be met through multi-family housing. 39 percent of the City's zoned residential capacity may be developed as multi-family units ranging from duplex to larger-scale structures.

GOAL 5.6: SUPPORT COUNTY-WIDE FAIR SHARE HOUSING ALLOCATIONS

5.6.1. Require fair share housing in new subdivisions or housing developments

Require new subdivisions or developments to provide a "fair-share" allocation of affordable housing within the subdivision or residential developments.

- a) Develop a per-lot formula which identifies the number of required affordable units within a subdivision or housing project.
- b) Assure that impact fees are assessed to encourage affordable housing rather than hinder it.

5.6.2. Allow flexible zoning standards

Consider flexible zoning standards which encourage innovative development of affordable housing units including the following:

- (a) Housing units above or connected to commercial shops.

- (b) Allowances for Single Room Occupancy (SRO) housing.
- (c) Studio apartments
- (d) Accessory apartments
- (e) Parks for full sized and "efficiency" sized manufactured housing units.

5.6.3. Encourage conversions

Encourage the redevelopment of abandoned or blighted structures which could be converted to quality low-income or affordable housing.

ADDRESSING HOUSING COSTS

Housing affordability is affected by a number of variables, many of which affect costs relating to the actual purchase of a house. These include land costs, material costs, labor, permit fees, the size of the structure, the design of the structure, infrastructure costs, and market influences. Housing affordability is further affected by after-purchase costs such as utilities, maintenance, taxes, homeowner's association fees (when applicable), insurance and proximity to employment. Many of these costs are directly related to regulatory policies and housing management and can be influenced by regulatory reform and government support for new and innovative management techniques.

GOAL 5.7: MINIMIZE DIRECT COSTS OF NEW HOUSING CONSTRUCTION

5.7.1. Minimize costs associated with land

Reduce housing costs associated with land through policy reform.

- a) Identify areas where small lots may be allowed or required to accommodate smaller single family houses, patio houses, or townhouses.
- b) Encourage condominium development as a means of providing ownership opportunities.
- c) Provide incentives for increased densities on residential lots or consider density based upon performance standards as opposed to maximum unit allowances.
- d) Provide for the siting of manufactured housing based upon performance standards which address minimum/maximum development parcel size, buffering, landscaping and open space.
- e) Establish a "no net loss" policy toward land occupied by affordable housing units.
- f) Identify and retain parcels with the fewest environmental and site constraints for high density and/or affordable housing development.
- g) Allow (or require) utilization of space over commercial structures to be used for residential units.

5.7.2. Minimize high material costs

Identify ways to minimize the costs and volume of materials as suggested in the following examples:

- (a) Allow and encourage designs which use the least amount of the more expensive materials (e.g, square houses have less outside wall area than rectangular house of the same square footage, hence, less brick or siding is required; vertical house designs are more cost effective than horizontal designs because they have smaller foundation and roof areas; narrow spans of joists and rafters are more cost effective than wide spans because smaller structural members may be used).
- (b) Allow use of substitute materials which provide the same visual quality as natural materials.

5.7.3. Support labor cost-saving opportunities

Support regulations or programs which provide owner/builder opportunities.

- a) Provide advise and information to those desiring to build their own homes.
- b) Encourage financial institutions to provide financing for owner/builders.
- c) Give priority to permit applications of owner builders needing the full building season to complete their project.
- d) Encourage housing co-ops and group efforts (e.g., Farm Home owner/builder programs)
- e) Take advantage of cost savings associated with controlled building techniques, e.g, manufactured or modular housing.

GOAL 5.8: ELIMINATE INCENTIVES TO BUILD LARGER HOMES THAN ARE NEEDED FOR TYPICAL SIZED HOUSEHOLDS IN GIG HARBOR

The size and value of a house is directly correlated to the size and value of the land. Typically, loan approvals are based upon a cost ratio between the value of the land and the value of the structure. Hence, the higher the land value, the higher the cost of the house must be.

5.8.1. Minimize per-unit land values

Attempt to minimize value of parcels designated for affordable housing to allow for smaller sized affordable units.

- a) Minimize per-unit parcel size by allowing increased density.
- b) Identify areas for affordable housing where the market is least likely to influence land values (e.g., non-view property)

5.8.2. Encourage retention of existing smaller houses

Consider incentives which encourage owners of smaller houses to retain them for affordable housing units.

- (a) Tax incentives
- (b) Density incentives on lots with existing affordable units.

GOAL 5.9: MINIMIZE INFRASTRUCTURE COSTS ASSOCIATED WITH HOUSING DEVELOPMENT

The City has adopted standards which specify minimum infrastructure improvement requirements for new developments. It is the City's policy to assure that service levels achieved as a result of adopted standards are not diminished. However, the City also recognizes that comparable levels of service may be achieved through creative site designs and amenity packages which may be more cost effective than conformance to general site development standards.

5.9.1. Consider alternatives

Clearly specify levels of service and benefits to be achieved through adopted standards and give due consideration to alternative proposals designed to achieve the same end.

5.9.2. Promote cost effective designs

The greatest savings of infrastructure costs can be achieved through compact development or expansions of developments with infrastructure already in place. These should be encouraged.

GOAL 5.10: MINIMIZE COSTS ASSOCIATED WITH PERMIT PROCESSING AND APPROVALS BY STREAMLINING TURN AROUND TIME FOR NEW APPLICATIONS FOR AFFORDABLE HOUSING

5.10.1. Provide clear standards for development

Develop and maintain clear development standards regarding site design and building design.

5.10.2. Reduce environmental review time

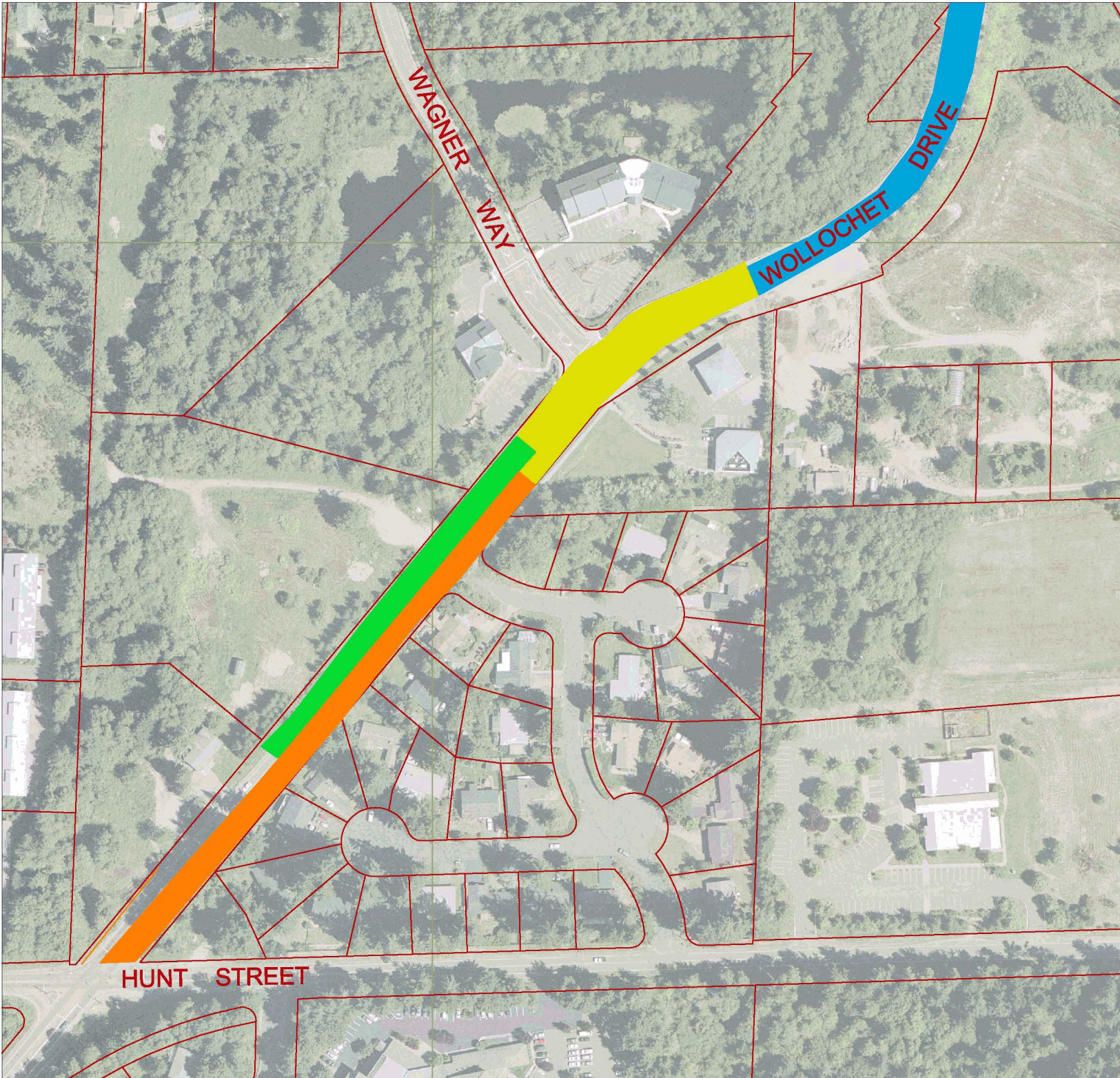
To the extent possible, perform an area-wide analysis of land characteristics and environmental impacts based upon a predetermined use and density.





GOAL 5.11: PROVIDE ASSISTANCE IN MINIMIZING INDIRECT HOUSING COSTS

Many costs associated with housing are born after the actual sale of a home and may therefore be considered indirect costs (e.g., utilities, taxes, and maintenance). These contribute to the burden of housing costs and should not be overlooked as a consideration of housing affordability.

5.11.1. Minimize sewer rates for affordable housing

Provide city-rate sewer service to affordable housing units outside the city but within the city's urban growth area.



-  PROPOSED ASPHALT CONC PAVEMENT (CITY OF GIG HARBOR 2008)
-  ACCEPTABLE ASPHALT CONC PAVEMENT (WSDOT 2006)
-  ACCEPTABLE ASPHALT CONC PAVEMENT (MALLARDS LANDING 2000)
-  PROPOSED ASPHALT CONC PAVEMENT (MALLARDS LANDING 2008)



GIG HARBOR
 "THE MARITIME CITY"
 ENGINEERING DIVISION



Park Enhancement Grant Program

2007 APPLICATION

Applicant Contact Information	
Project Name:	City Park Field Turf, Drainage & Irrigation Project Date: 6-21-07
Organization:	City of Gig Harbor
Contact Person:	Dave Brereton (parks director) / Lita Dawn Stanton (grants manager)
Mailing Address:	3510 Grandview Street
Email Address:	stantonl@cityofgigharbor.net Total PenMet Amount: \$ 41,000
Day Phone:	853-7609 Eve Phone: Total City Amount: \$ 57,450
Cell Phone:	222-2786 Total Project Cost: \$ 98,450

Project Description	Total Project Cost
Briefly Describe Project and Distinct Elements of Project	
<p>The goal of this project is to renovate the ball field and install a new underground drainage and irrigation system. This will include work to level the field, remove the potholes and ruts for safer play, and reseed the entire field for even turf coverage.</p> <p>City Park at Crescent Creek is a popular public open space with both active and passive recreation for people of all ages. This 4.8-acre site at the head of the bay includes a .8-acre buffer area that conserves Crescent Creek. The tennis court is used regularly (in-season /4+ months) and the basketball court draws adults and children (weather permitting) year-round. In addition to walking paths, bleachers, benches and open grassy space for soccer, the Park offers the only “free” play public fields within a 5-mile radius. Located on the upper level of the park, the baseball field is used extensively for organized team play as well as pick-up games and informal recreational play.</p> <p>While the variety of activities is quite good, there are several deficiencies for this 17 year-old portion of the Park that call for immediate attention. Poor drainage and soil conditions require on-going maintenance that have created outfield potholes, ruts and possible dangerous field conditions that limit its potential for year-round activities. Area organizations have tried to use the outfield for regular soccer play but poor drainage made use of the field around inclement weather impossible.</p>	
Project Total	\$ 98,450

Year	Project	Grant Program History (List past grant program applications and/or grants received)	Amount Requested	Amount Received
---	None		---	---

Please respond to the following questions and attach your responses to this application form (if necessary).

Project Name: City Park Field Turf, Drainage & Irrigation Project

Project Cost: \$ 98,450

1. Project(s) Information

a. What will this project accomplish?

Create a level field, improve drainage for year-round use, remove potholes and ruts, create consistent turf coverage with easier maintenance, expand field use for area sports organizations and families, and ensure safer play.

b. What is the location and ownership of the site?

3103 Vernhardson, Owned by the City of Gig Harbor

c. Who will be responsible for the project management and any sub-elements of the project?

Dave Brereton, Parks Director

d. What are the project requirements for:

Engineering? **Engineering Plans will be prepared in-house by the City of Gig Harbor**

Permitting? **There are no permits required for this project.**

e. What will you require from PenMet Parks to start and complete the project?

Reimbursement funding during the fiscal year of the PenMet Enhancement Program.

f. Does the project meet ADA requirements?

Yes.

g. Will there be any public access or use restrictions?

There are no public access or use restrictions.

h. How will community volunteers participate and how were they involved in the selection of this project?

As field use increases, complaints regarding the conditions and restricted use due to potholes and poor drainage continue. This information was forwarded to the Park Commission Chair for consideration and budgetary recommendations.

Under the direction of the Parks Director, manual labor will be needed to level, rake and remove debris. These tasks will be organized and managed during a one day event sponsored by the Parks Commission similar to "Parks Appreciation Day" in May 2007. The event drew a variety of community volunteers from city staff, local churches and neighborhoods.

All area sports organizations (GH Soccer, Little League and PAA) were contacted and are in support of this project. The Gig Harbor Little League with over 600 players offered its services once a plan is confirmed and tasks are identified. PAA also volunteered their labor (see attached letter of support)

- i. List other organizations involved in the project.

Gig Harbor Little League and Peninsula Athletic Association are willing to dedicate volunteer resources to the project once tasks are identified.

2. Ongoing Maintenance

- a. What are the on-going maintenance requirements of this project?

The City of Gig Harbor will manage and coordinate year-round maintenance of the Park.

- **Seasonal mowing during the months of March through October**
- **Fertilizing as necessary**
- **Irrigation from June thru October (or more frequently as necessary)**

- b. What will be your on-going contribution to this maintenance?

(See above)

3. Other Issues

- a. Are there any other conditional funds involved in this project such as state or federal grant funds?

None.

- b. Provide a location map, site map, and any other pertinent drawings for the project. **(Attached)**

- c. Provide documentation of property owner approval. **(Attached)**

PLEASE NOTE: Although PenMet does not include the incorporated areas of the City of Gig Harbor, Gig Harbor's City Park serves PenMet's population.

There are over 8,000 children attending Peninsula Schools and most of them participate in some type of organized sports. The area's 3 main youth sports organizations represent over 4,000 players made up of Harbor Soccer Club with 92 teams and over 1,000 players, Gig Harbor Little League with 53 teams and 640 players, and PAA with 162 teams and over 2,400 players. These organizations must "pay to play" and fees range from \$2-\$6/hr at area school fields. Rates for turf-play run \$45/hr and \$60/hr for lighted play. Statistics provided by the Harbor Soccer Club suggest that the number of baseball/soccer players will increase 7-10% each year.

City Park is the only field in the area that DOES NOT require "pay-for-play".

City Park is a first-come, first-serve facility. Gig Harbor Little League scheduled 60 to 70 practices over a 10-week period with 10 to 13 players each time. They play between 50 to 100 games each year at City Park. (Information provided by the Gig Harbor Little League Club.) There are also a number of private schools in the area that use the upper fields for their year-end field day and for other special events.

It's expected that the area's increasing population and new toll which begins July of 2008, will dramatically impact the entire area and the need for services will strain an already low inventory of play fields by keeping more players from crossing the bridge for team play.

4. Workplan

List in chronological order the major, but specific, steps or key activities you will take to complete your project. Next to the activity, identify who will be responsible, and list the date (month/year) you estimate it will be completed.

Activity	Responsible Person/Group	Completion Date
Remove existing backstop	City of Gig Harbor	9-1-08
Remove existing irrigation	City of Gig Harbor	9-1-08
Install silt fence	City of Gig Harbor	9-1-08
Site stripping	City of Gig Harbor	9-7-08
Finish sub-grade	City of Gig Harbor	9-9-08
Install drainage system	City of Gig Harbor	9-15-08
Install irrigation	City of Gig Harbor	9-22-08
Install clean sand under infield mix	(donated labor)	10-1-08
Apply infield topsoil mix	(donated labor)	10-1-08
Apply ball field turf topsoil	(donated labor)	10-1-08
Prepare for seed	(donated labor)	10-15-08
Adjust irrigation	City of Gig Harbor	10-15-08
Install backstop	City of Gig Harbor	10-15-08
Install fencing	City of Gig Harbor	11-1-08

5. Project Budget

① Description of Item	② Quantity	③ Source for Cost (Vendor)	Community Match		⑥ Total Cost (④+⑤)
			④ Your "In-Kind" Labor or Donations*	⑤ Your Cash	
Site					
Remove backstop	1	City of Gig Harbor		\$500	\$ 1,400
Remove existing system				\$900	
Earthwork					
Site stripping	55,000 sf	City of Gig Harbor		\$ 4,000	\$ 8,000
Onsite finish grading	55,000 sf			\$ 4,000	
Outside Utilities					
Service Hook-up/Meter	1	Existing			--
Main line valves/fittings					
Catch basin					
Power trenching					
PVC conduit					
Electrical					
Irrigation					
Point of connection				\$5 lf @ \$2000	
Main service lines	400 ft @ \$3	United Supply		\$ 1,200	\$ 3,500
Couplers, valves, fittings	lump sum	United Supply		\$ 300	
Field seeding	lump sum			\$ 1,000	\$ 1,000
Soils				(labor & materials)	
Ball field topsoil	40,000 sf	Randles Gravel		80¢ @ \$32,000	\$63,250
Infield topsoil	9,000 sf	Randles Gravel		85¢ @ \$ 7,650	
Clean sand	9,000 sf	Randles Gravel		40¢ @ \$ 3,600	
Underdrainage coverage	40,000 sf	Randles Gravel		50¢ @ \$20,000	
Drainage					
Trenching	300 lf	City of Gig Harbor		\$5 labor @ \$1,500	\$ 2,750
Curtain Drains	50 yds	Randles Gravel		\$ 1,250	
Backstop	1	Cascade Rec		\$12,000	\$12,000
Fence					
Fencing materials	150 lf @ \$4	Viking Fencing		\$ 600	\$ 1,500
Installation	\$6 / labor			\$ 900	
Picnic Table	2	Cascade Rec		\$ 3,800	\$ 3,800
Bike Rack	1	Cascade Rec		\$ 250	\$ 250
Trash Rectacle	2	Cascade Rec		\$ 1,000	\$ 1,000
TOTALS:			(see pg 4)	\$ 98,450	\$ 98,450

* Column 4 cannot exceed 50% of the total grant request

6. Match Pledged/Secured Form (please photocopy if additional space is needed).

The individuals, businesses, or organizations listed below commit to donate the following items to the Community Matching Grant Project.

Type of work	Person or Group	Waiver Signed	Date	# of Hours (\$18.04/hr)	\$ Value
Peninsula Athletic Club - work to be identified (tbi)	group				
Gig Harbor Little League (tbi)	group				
Gig Harbor Soccer (tbi)	group				
Gig Harbor Parks Commission (tbi)	5-members				
<p>PLEASE NOTE: Area organizations have verbally committed to donate labor to the project once tasks are identified and a timeline established.</p> <p>For that reason, labor expenses are not reflected in the overall cost of this project. (see Work Plan and "donated labor" list)</p>					

Total value of match secured this page \$ **Not included in Project Total**

The signatory declares that s/he is the representative of the applicant organization and will assure that any funds received as a result of this application are used only for the purposes set forth herein; that a majority of the members of the organization support this project.

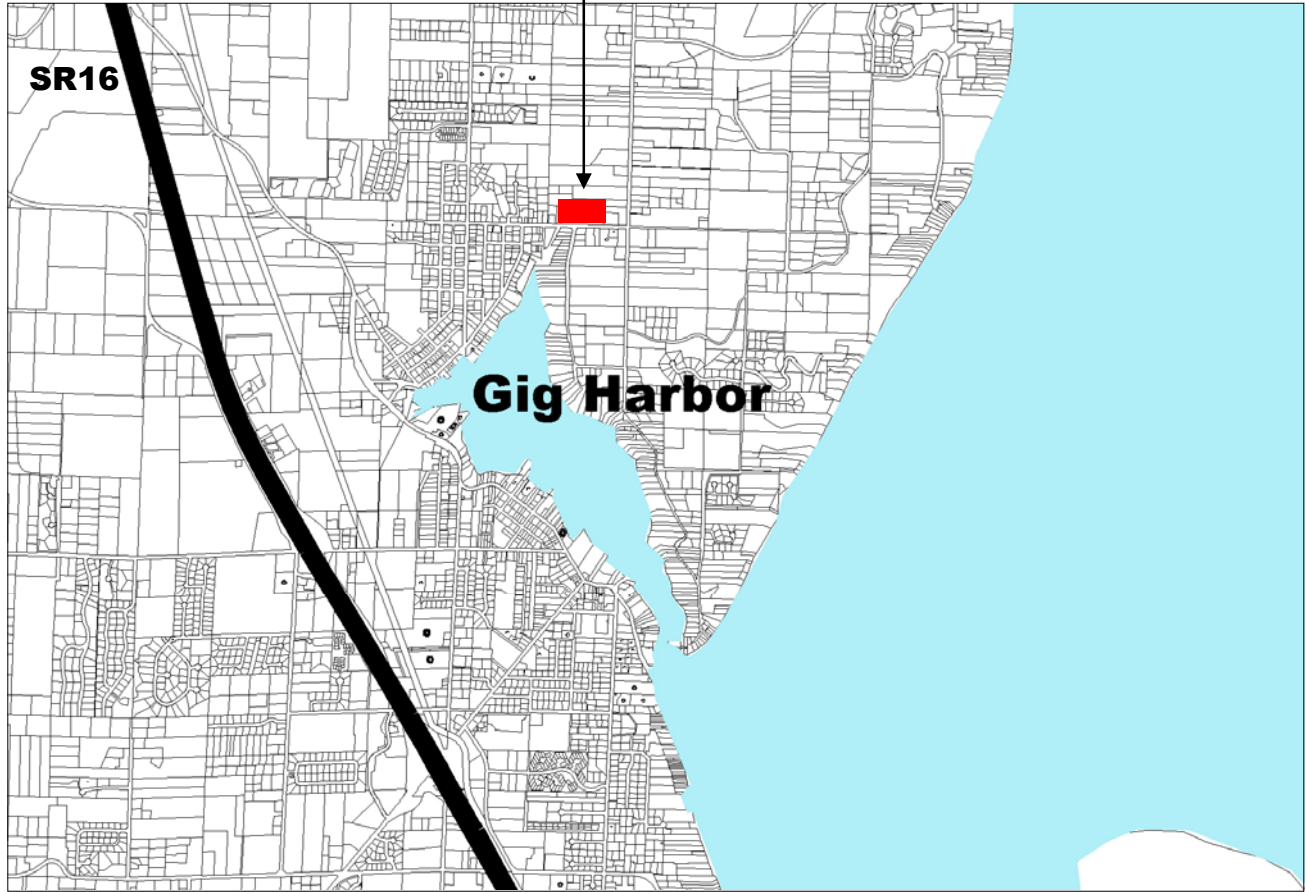


6-21-07

Signature of Project Coordinator

Date

Gig Harbor City Park at Crescent Creek



Gig Harbor City Park at Crescent Creek





June 21, 2007

PenMet Parks
Gig Harbor, Washington

Organization Name: City of Gig Harbor

Project Name: City Park Field Turf, Drainage & Irrigation Project

As an authorized representative for the City of Gig Harbor, I hereby certify that the City of Gig Harbor approves of the work plan identified in the attached Park Enhancement Grant Program. I further acknowledge that our organization is responsible for supporting all non-cash commitments and donations should they not materialize.

6-21-07

Rob Karlinsey, City Administrator

Date



From: PAAYouth [mailto:paayouth@harbornet.com]

Sent: Thursday, June 28, 2007 2:08 PM

To: Stanton, Lita

Subject: City Park Irrigation and Drainage Project

Many years ago, PAA received permission to use the City Park field for our Modified Soccer Program. This was very exciting to us to have access to another field, because the Peninsula School District fields were so crowded. It was great during the months of August and September, but when the rains came in October, the field deteriorated very quickly.

In our program, it is very important that we do not damage fields unnecessarily, so we moved our games off of the field ASAP and have not been back since. If the drainage and turf strength could be improved, we would love to be able to come back and use the field for Soccer and even for baseball.

We would also be glad to provide volunteers and other available resources to allow for this to happen.

Sandra Kern
Peninsula Youth Organization
858-5420

2007 Youth Athletic Facilities Program Letter of Intent Form

Contact Person - Please avoid entering personal phone numbers and e-mail addresses as this information may be publicly available through our online grants management program **PRISM**. See our **Privacy Policy**.

*indicates a required field

* First Name:

* Last Name:

Job Title:

* Agency/Organization:

Business Address:

City:

Zip:

* Business phone:

Fax:

Mobile:

* Business E-mail:

Project Proposal Information (A separate letter of intent is needed for each project.)

A project name should be *concise* but help to explain the location and basic intent of your project. We suggest that you create the name in two or three parts. For example, "Hometown Range 25 Yard Range, Phase 1" or "GoodHike Forest Trail #123 Bridge Replacement".

* Project Name: (40 characters or less)

Enter a city/town only if the project is located within that city or town. Also, enter the name of the county where the project is located. If multiple counties, leave this space blank.

City:

* County:

Project Type:

- Acquisition (purchase land)
- Development (construct new facilities or renovate existing facilities)
- Combined (purchase land and construct facilities)

* Brief Description (50 words or less):

The goal of this project is to renovate existing baseball/soccer fields and install a new underground drainage and irrigation system. This will include work to level the field, remove the potholes and ruts for safer play, and reseed the entire field for even turf coverage.

* Choose a Program Category - (Click on a category to get more information.)

YAF New
 YAF Improving

Amount from IAC:	\$ 49,225.00
Amount from Sponsor:	\$ 49,225.00
* Project Total:	\$ 98,450.00

* indicates required field

Before clicking "Submit," please go back and check your entries on this form.



GIG HARBOR CITY COUNCIL WORKSESSION
Monday, July 9, 2007
Gig Harbor City Council Chambers

CALL TO ORDER:

NEW BUSINESS:

Mainstreet Program

Intro:	Paul Kadzik
Slide Presentation (15 min):	Steven Lynn, Co-Owner Water to Wine
Questions & Answers:	Sheri Stuart Washington Main Street Program, Department of Community, Trade and Economic Development

ADJOURN: