

Gig Harbor City Council Meeting

**December 10, 2007
6:00 p.m.**



**AGENDA FOR
GIG HARBOR CITY COUNCIL MEETING
December 10, 2007 - 6:00 p.m.**

CALL TO ORDER:

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of November 26, 2007
2. Receive and File: a) BB16 Workstudy Session Nov. 19, 2007; b) Building and Fire Safety Department Monthly Report.
3. Committee Reports: a) Legislative Affairs Committee Minutes 10/8/07
4. Dept. of Natural Resources Grant Agreement – Eddon Boat Bulkhead Removal.
5. 56th and Olympic Improvement Project – Change Order No. 2.
6. Cultural Resources Assessment Onshore Outfall Replacement – Consultant Services Contract.
7. Wastewater Treatment Plant Centrifuge Procurement.
8. Uptown Gig Harbor Right-of-Way Easement Agreements.
9. Resolution - Surplus Equipment.
10. Aeration Basin Walkway – Contract Authorization.
11. Westside Park Cultural Resources Assessment – Consultant Services Contract.
12. Escrow Agreement for Retainage – 45th St. Ct. Pedestrian Improvements.
13. Liquor License Application for Added Privilege – Tides Tavern.
14. Approval of Payment of Bills for Dec. 10, 2007:
Checks #56071 through #56197 in the amount of \$1,473,476.02.
15. Approval of Payment of Payroll for November:
Checks #4921 through #4948 and direct deposits in the amount of \$313,807.46.

OLD BUSINESS:

1. Lease of Tidelands with Peter Stanley.
2. Public Hearing and Second Reading of Ordinance – 2007 Comprehensive Plan Amendments.
3. Second Reading of Three Ordinances – Rate Increase for Water, Sewer, and Stormwater.

NEW BUSINESS:

1. Resolution - Declaring Surplus City Real Property.
2. Public Hearing - Burnham / Borgen / Highway 16 Preferred Alternatives.
3. Master Fee Resolution.
4. 2008 Lobbyist Contracts – Gordon Thomas Honeywell.

STAFF REPORT:

PUBLIC COMMENT:

MAYOR'S REPORT / COUNCIL COMMENTS:

1. Recognition Ceremony – Councilmember Robert Dick.

2. Zoo/Trek Authority (ZTA) Nomination Request.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Affordable Housing Open House – Wed. Dec. 12th 2:00 p.m. in Community Rms A & B.
2. Pierce County Department of Emergency Management – Proposed Mitigation Plan – Thu. Dec. 13th 7:00 p.m. at the Gig Harbor Fire Training Center.
3. Finance & Safety Committee: December 17th at 4:00 p.m.
4. Intergovernmental Affairs Committee: December 17th at 5:00 p.m.
5. GH North Traffic Options Committee – Wednesday, Dec. 19th , at 9:00 a.m. in Community Rms A & B.

ADJOURN:

GIG HARBOR CITY COUNCIL MEETING OF NOVEMBER 26, 2007

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

CALL TO ORDER: 6:00 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of November 13, 2007.
2. Right-of-Way Easement Agreement – Harbor Crossing Offsite Access Road – Lot Four.
3. Right-of-Way Easement Agreement – Towne Plaza.
4. Storm Water Facilities Maintenance and Restrictive Covenant Agreement – Lydian Place.
5. Sanitary Sewer and Stormwater Facilities Easement and Maintenance Agreements – Towne Plaza.
6. Escrow Agreement for Retainage – Olympic/56th Roadway Improvements.
7. Liquor License Renewals: The Harbor Kitchen; Terracciano's; Half Time Sports.
8. Approval of Payment of Bills for Nov. 26, 2007:

MOTION: Move to adopt the Consent Agenda as Presented.
Franich / Ekberg – unanimously approved.

OLD BUSINESS:

1. Final Public Hearing and Second Reading of Ordinance – 2008 Proposed Budget. David Rodenbach, Finance Director, described the changes that have been made to the proposed budget since its last reading. He explained that the \$25,000 transfer from Hotel / Motel Tax to the General Fund for the Historical Society first year contribution had not been included in these changes and invited Lauren Lund, Marketing Director, to explain.

Ms. Lund explained that without sufficient noticing time to hold a meeting of the Lodging Tax Advisory Board to discuss this budget amendment she asked them for input via e-mail; five voiced support, four did not. She added that there is money budgeted for advertising to help promote the opening of the new Historical Society. Mr. Rodenbach said that this transfer could be done after the LTAC meets in January if Council desires.

Mayor Hunter opened the public hearing at 6:06 p.m. and closed it as no one came forward to speak.

MOTION: Move to adopt Ordinance No. 1111 adopting the budget for 2008.
Young / Conan –

Councilmember Franich said that he hoped other Councilmembers had an opportunity to review his proposed amendments to the budget.

MOTION: Move to amend the budget to fund \$25,000 of the \$80,000 for the Historical Society with Hotel / Motel tax fund dollars.
Franich / Ekberg –

Councilmember Dick clarified that the Hotel / Motel Tax has limited purposed for which it can be expended and change in use of the funds requires a 45 day notice and comment period to the LTAC before final action can be taken. That is why this amendment must wait. Carol Morris, City Attorney, agreed with this summary and cited RCW 67.28.1817 as the appropriate statute.

Councilmember Young said that the next LTAC meeting is scheduled for January 10th and an amendment can be made to the budget after they hold their meeting and get back to Council with comments. He added that the committee is very supportive of the History Museum, but there is confusion about the amendment.

Councilmember Franich clarified that when the city discussed funding the Historical Society a year ago, it was agreed that \$25,000 of the total contribution would come from the Hotel / Motel Tax budget. He said that he has no problem with the timing, but want to make sure it is addressed. He withdrew his motion and Councilmember Ekberg withdrew his second.

Councilmember Franich then commented that there is a tremendous General Fund in this budget. He said that more money should have been found for projects that are being bonded. He made another motion to amend the budget.

MOTION: Move to amend the budget to eliminate the Judson Street Improvements and our portion of the Cushman Trail money with bond money.
Franich / -

The motion failed for a lack of a second. Councilmember Franich continued to explain that he has a hard time spending 1.6 million on salaries and benefits and creating new positions.

MOTION: Move to amend the budget to eliminate the reference to creating an Assistant City Administrator position through attrition.
Franich / Ekberg –

Councilmember Dick asked if there are dollars associated with this position and if so, where they would go in the budget. Councilmember Franich clarified that even if there are no funds allocated this is the first step to the creation of this position. He reiterated what he said at the last meeting that the City Administrator seems to have a great deal of manpower at his disposal without this additional position.

Mayor Hunter stressed that this year there will be 26 or more million dollars in capital facilities projects. The city is doing more in a shorter amount of time, and the increase in reporting, record keeping, and ongoing day to day requirements of managing this large a budget requires increased help.

RESTATED MOTION: Move to amend the budget to eliminate the reference to creating an Assistant City Administrator position.

Franich / Ekberg – roll call vote.

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

The Mayor is unable to vote to break a tie when it involves a budget item and so the motion failed. It was determined that this could be brought back for reconsideration at the next meeting.

MAIN MOTION: Move to adopt Ordinance No. 1111 adopting the budget for 2008.

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

2. Second Reading of Ordinance – Provision of Water & Sewer Outside City Limits. Carol Morris presented the background information for this ordinance allowing the provision of water and sewer to areas in the UGA only upon annexation. She mentioned that Council received a letter from Mr. Dorsey of North Pacific Design, and she had forwarded a copy of the Growth Management Board Case the upheld a similar ordinance.

Mark Dorsey – North Pacific Design, 2727 Hollycroft. Mr. Dorsey urged Council to take a closer look at the issues and pitfalls of the proposed ordinance. He presented a follow-up letter from the Law Office of Jane Kohler urging Council not adopt the ordinance until all the questions are answered. He voiced concern that the ordinance does not address non-contiguous properties, nor resolve the discretionary annexation provision.

John Alexander, Master Builders Association. Mr. Alexander said that they think its best if the city requires a no-protest type of ordinance.

Councilmember Franich voiced several concerns with the ordinance; language from the RCW's that reads "...and when such services are financially supportable at rural densities and do not permit urban development;" the issue of a property owner not contiguous to the city limits wanting to connect to the sewer and forcing other property owners into an annexation; and that this ordinance would not limit sewer extension outside the Urban Growth Area to municipal corporations or quasi-municipal corporations.

Councilmembers and staff clarified that extending sewer any length would require the property owners along the route to pay for the extension before it could go forward. The

city is not responsible to pay for an extension and retains total control. The annexation process was described, clarifying that a property owner non-contiguous to city limits would not be able to use this process without the inclusion of other properties.

Carol Morris addressed the concern with extending sewer outside the UGA to only municipal corporations or quasi-municipal corporations. She explained that anyone who meets the qualifications under GMA is allowed to request water or sewer service; there is no basis to distinguish between these organizations and the general public and so this ordinance eliminates this distinction.

Councilmember Young voiced sympathy with the concerns expressed, but stressed that because of the recent court decision, the city has no control over development in the UGA without this ordinance. Councilmember Ekberg agreed, adding that he hopes that it will be a short term solution until we can work with Pierce County to have our zoning overlaid in the UGA.

MOTION: Move to adopt Ordinance No. 1112.
Ekberg / Conan – five vote in Favor. Councilmember Franich voted no.

3. Second Reading of Ordinance – Alternative to Sewer Concurrency Processing. Carol Morris presented the background for this ordinance providing an alternative method for processing applications during the period of no sewer capacity. She referred to a letter from Randy Boss requesting an amendment that allows expired reserve capacity to go back into the pool and be available on a first come basis for new applicants. Ms. Morris said that this procedure is currently being employed and is outlined in the city's existing concurrency ordinance.

Randy Boss. Mr. Boss voiced concern that during the interim period while applicants are waiting for the improvements to the Wastewater Treatment Plan, if CRCs return to the pool the applicants on the list cannot access these, and someone new could apply for concurrency. He suggested adding "until required capacity can be satisfied," to the second line on page six of the ordinance to clarify the intent and solve a potential problem.

Ms. Morris responded that the concurrency processing occurs in Chapter 19.10 of the code and is on a first-come, first-serve basis. It would not allow a newcomer to get capacity if others are already waiting in line. She didn't recommend making the suggested amendment because the language in the ordinance sets a date for when applications are processed that is Council controlled. If the suggested language is inserted, the processing date becomes a debatable issue and could possibly be appealed.

John Alexander – Master Building Association. Mr. Alexander recommended that Council allow an extension of the sunset date in the ordinance if the Treatment Plant completion is delayed.

Ms. Morris responded that Council could amend the ordinance to extend the date, but recommended that the length of the extension should not be too long because this ordinance give developers vested rights.

MOTION: Move to adopt Ordinance 1113.
Ekberg / Young – unanimously approved.

4. Second Reading of Ordinance – Comprehensive Plan Amendment Application Requirements. Carol Morris presented this ordinance that removes the requirement for a zoning map application as an element of a complete application for a comprehensive plan amendment.

Councilmember Franich asked the drawbacks to changing the zoning map to match the comp plan map at the same time as a comp plan amendment. Ms. Morris explained that it is two separate processes and subject to different laws.

MOTION: Move to adopt Ordinance 1114.
Young / Conan – unanimously approved.

5. Second Reading of Ordinance – Smoking Ban in City Parks. Rob Karlinsey presented the background information on these four ordinances. The first would ban smoking in all city parks; the second would ban smoking in all city parks exempting parking lots; the third would ban smoking in all city park play areas; and the fourth would ban smoking in the city skate park.

MOTION: Move to adopt Ordinance 1115 banning smoking in all city parks.
Dick / Ekberg –

Clerk Towslee explained that she collected a ranking of the four ordinances and smoking ban in all parks had the top ranking.

Councilmember Franich said that this is an infringement on public rights and there are no health reasons that justify this ordinance. This ordinance is subjective and arbitrary.

Councilmember Kadzik voiced concern that this would affect visitors at the city dock on their own boats.

RESTATED MOTION: Move to adopt Ordinance 1115 banning smoking in all city parks.
Dick / Ekberg – five voted in favor. Councilmember Franich voted no.

NEW BUSINESS:

1. Ed Hoppen Memorial – International Thunderbird Boat Association. Laureen Lund, Marketing Director explained that the association had talked with both the Parks

Commission and the Arts Commission; both gave input and offered favorable support for the art project. She said that the ITBA is seeking Council concurrency before moving forward with fundraising efforts. She explained that the piece would be funded entirely through private funds and they will come back to Council with a final design for approval. She mentioned that a representative of the group, John McMillan is present to answer any questions.

Councilmember Franich asked about size and location. Mr. McMillan responded to a question of size. He explained that the conceptual picture is not drawn to scale. He agreed that six feet tall is large. Mayor Hunter added that it is far enough back so that people won't be able to touch it.

Councilmember Ekberg said that it is a great idea and location and the issues of durability and liability can be worked out. He said he would favor a 4-5 foot scale.

Council gave approval to move forward with the project.

2. Public Hearing and First Reading of Ordinance – 2007 Comprehensive Plan Amendments. Jennifer Kester, Senior Planner, presented the background on three Comprehensive Plan Amendments. The first would add both policies and a map related to Neighborhood Design Areas to the Community Design Element. The second amends the Transportation Element to adopt LOS standards for state-owned facilities, correct internal transportation funding inconsistencies and add polices to be consistent with Destination 2030, Vision 2020 and Pierce County Countywide Planning Policies. The third amendment is to the Capital Facilities Element to update, revise and add to the city's list of Stormwater, water system, wastewater, parks and open space projects.

Mayor Hunter opened the public hearing at 7:13 p.m. There were no comments and the hearing closed.

Councilmember Young commented on the Neighborhood Design Areas regarding the transition of design requirements between adjacent neighborhoods and how some areas are divided by arterial roads. He voiced concern that this could result in different elements on each side of the same road.

Councilmember Conan responded that the intent isn't to have that distinct of a difference between neighborhoods and to incorporate transition areas.

Ms. Kester further addressed this concern said that during the first quarter of 2008, the Planning Commission would like to discuss how to apply these neighborhood design areas when there are transitions. She stressed that the majority of the city's requirements will still apply. Ms. Kester said that the proposed first step would be to take a look at the design standards as they relate to each neighborhood. Ultimately, there would be a process to develop sub-area plans to include transportation infrastructure, utilities, parks, parking, zoning, design standards specific to each area. At

this time boundaries can be adjusted. Some sub area planning would take longer than others depending on the complexity of the issues.

Councilmember Franich said he was concerned with the goal to promote vehicle connections between neighboring residential developments and the conflict that might arise.

MOTION: Move to strike section 3.11.2 from the Community Design Element of the Comp Plan.
Franich /

The motion failed for lack of a second.

Councilmember Conan said that there have been and continue to be improvements in pedestrian access on the Westside and he doesn't want the existing language to affect future development. Ms. Kester suggested changing that to "have been limited" rather than "are limited." She was asked to do so.

Councilmember Young said he is concerned in preserving existing trees on single-family residential lots due to windstorm damage. It was discussed that the paragraph reads "retained where feasible" and these issues would be taken into consideration. Ms. Kester responded that the Planning Commission understands that keeping trees on smaller lots would be difficult, but in the R-1 zone, there are no maximum lot size requirements. In the city there are sites with significant trees and so they discussed a policy to preserve significant heritage trees.

3. First Reading of Ordinance – Northharbor Business Campus Zoning Map Amendment. The circumstances of both this agenda item and the next are the same, and so were done at once.

Ms. Kester explained that in October 2003 the property owner asked the city to rezone these properties from RB-2 to Employment District. The Hearing Examiner approved the rezones for both sites, but at the second reading of the ordinance to amend the zoning map, the applicant asked Council to delay action until they worked on an interpretation of what allowed use in the ED Zone. Council tabled the ordinance until staff could come back with a recommendation. An administrative interpretation on ancillary uses was completed, then appealed by the property owner in December. The Hearing Examiner postponed the appeal at the city's and the applicant's request to allow completion of the Land Use Matrix which would clarify the ancillary uses. The matrix was adopted in June of 2006 and now staff is requesting that Council adopt this ordinance to update the zoning map. She said that this ordinance can be adopted at its first reading.

Michael Perrow – PO Box 1266. Mr. Perrow said when the original request to rezone was done, they wanted to keep the Mixed Use District Overlay that would allow retail. He requested more time as they have a meeting with Rob Karlinsey to further discuss the issue.

Councilmember Dick said Council needs to adopt this ordinance to amend the zoning map and upholding the Hearing Examiner's decision and deal with other changes as they come about.

MOTION: Move to adopt Ordinance 1116.
Dick / Young – unanimously approved.

4. First Reading of Ordinance – Burnham Drive Commercial Park Zoning Map Amendment. This was discussed previously.

MOTION: Move to adopt Ordinance 1117.
Dick / Conan – unanimously approved.

5. First Reading of Three Ordinances – Rate Increase for Water, Sewer, and Stormwater. David Rodenbach presented the background to these three ordinances to increase utility rates. He explained that this is the third in a series of rate increases for water and sewer based on a rate study done in 2003. The proposed rate increase for water and sewer is 10%. The 25% increase to storm water rates is not based on a rate study, but is needed to meet the increasing NPDES Phase II requirements for the Wastewater Treatment Plant.

6. Public Meeting - Notice of Intention – 96th Street Annexation. Matthew Keough, Associate Planner, gave an overview of the annexation process before presenting an extensive background on this proposal to annex 216 acres located along and to the east of State Route 16. He said that tonight, Council is asked to decide: 1) whether to accept, reject or geographically modify the proposed area of annexation; 2) whether to require the simultaneous adoption of the zoning for the proposed area; and 3) whether to require the assumption of all or any portion of indebtedness by the area to be annexed.

Mr. Keough addressed Council's questions regarding zoning, latecomers' agreements and pre-annexation development agreements. Carol Morris further explained that due to the large number of property owners, a pre-annexation agreement process would be difficult and would take more time to negotiate. She said that the conditions of annexation could be changed after the public hearing if issues arise.

Mayor Hunter opened the public hearing at 8:02 p.m. No one came forward to speak and he closed the hearing.

Ms. Morris recommended changes to the second condition for further clarification.

MOTION: Move to accept the notice of intent to commence annexation and further authorize the circulation of a petition for annexation of the subject property to the following conditions:

1. The City shall require that the property owners assume all of the existing indebtedness of the area being annexed.

2. The City will, pursuant to RCW 35.61.360, approve the withdrawal of this area by PenMet Parks from its boundaries by resolution.
3. A wetland analysis report must be submitted together with the annexation petition pursuant to Gig Harbor Municipal Code Section 18.08.090; and
4. The City will require the simultaneous adoption of Employment District (ED) and Medium-Density Residential (R-2) zoning for the proposed annexation area, in substantial compliance with the Comprehensive Plan as adopted by City of Gig Harbor, Ordinance no. 981.

Young / Dick – unanimously approved.

Councilmember Young left the Council meeting at this time.

7. Resolution – Adopting the Comprehensive Emergency Management Plan. Dick Bower, Building Official / Fire Marshal explained that this resolution adopts the Comprehensive Emergency Management Plan presented to Council at the last meeting. He explained that the Emergency Center Matrix has been removed from the plan as it is a guidance document that changes frequently.

Councilmember Franich asked where to look for more information on the results of a nuclear event and what citizens should do. Mr. Bower recommended FEMA, the State Emergency Management Division, and Pierce County Department of Emergency Management. More technical information is protected under homeland security.

Councilmember Dick thanked Mr. Bower for all the work done on this plan and suggested an increase in public education. Mr. Bower responded that public outreach is part of the plan being coordinated with Pierce County.

MOTION: Move to adopt Resolution No. 731 adopting the Comprehensive Emergency Management Plan.

Dick / Conan - unanimously approved.

8. Resolution – Art Procurement. Carol Morris presented this resolution to adopt a policy for acquisition of public art.

Councilmember Kadzik suggested clarifying language on the artistic excellence.

MOTION: Move to adopt Resolution No. 732 as amended.

Kadzik / Ekberg - unanimously approved.

STAFF REPORT:

1. Marketing. Laureen Lund, Marketing Director, shared three videos that her department has produced to help market Gig Harbor. She then offered to answer questions about the year-end report.

2. GHPD Monthly Stats. Chief Davis passed out examples of equipment used in identity theft seized from a rental car gave an update on recent department activities.

3. Non-conforming multi-family dwellings. Carol Morris passed out a draft ordinance that Council requested at the last meeting. She asked that it be reviewed and get back to her with comments.

PUBLIC COMMENT: None.

MAYOR’S REPORT / COUNCIL COMMENTS:

Mayor Hunter reported that he wants to advertise for a committee to work on the Master Plan for Skansie / Jerisich Park area per the recommendation from the Parks Commissions and Skansie Park Committee. He said that he will advertise and bring Council a list of volunteers for review.

Councilmember Ekberg praised both staff and the volunteers from Friends of Pierce County and Crescent Creek Watershed Group that worked to complete the viewing platform at Crescent Creek.

ANNOUNCEMENT OF OTHER MEETINGS:

1. BB16 Open House for Gig Harbor North Businesses & General Public Welcome – Nov. 27th and Dec. 6th at 6:00 p.m. in Community Rooms A & B.
2. Planning & Building Committee – Mon., Dec. 3rd at 5:00 p.m. in Planning/Building Conference Room.
3. GH North Traffic Options Committee – Wednesday, December 19th, at 9:00 a.m. in Community Rooms A & B.
4. Finance Committee – Mon. Dec 17th at 4:00 p.m.
5. Special City Council Meeting – Mon. Dec. 17th at 6:00 p.m. – Eddon Boat Sediment Cleanup Bid Award.

ADJOURN:

MOTION: Move to adjourn at 8:35 p.m.
Franich / Payne – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1- 34
Disk #2 Tracks 1- 23

Charles L. Hunter, Mayor

Molly Towslee, City Clerk

**COUNCIL WORK STUDY SESSION
BURNHAM / BORGEN / HIGHWAY 16 INTERCHANGE
LONG-TERM SOLUTIONS
November 19, 2007 6:00 p.m.
Community Rooms A & B**

Present: Mayor Hunter, Councilmembers Ekberg, Young, Franich, Conan, Dick, and Kadzik. Councilmember Payne was absent.

Staff Present: Rob Karlinsey, Emily Appleton, and Molly Towslee

Mayor Hunter called the session to order at 6:03 p.m. and asked David Skinner, HDR Engineering Inc. to present.

Mr. Skinner explained that he and Gus Garcia would like to give an overview of the Phase II Analysis of option and give everyone an opportunity to ask questions. He said that on December 10th, Council will be asked to make a recommendation on which option to carry forward in the environmental process. He said that after tonight's presentation Council should have a better understanding of the decisions that need to be made and the issues surrounding each option.

Rob Karlinsey explained that staff is going to ask the Council for direction to conduct a Supplemental Environmental Impact Statement with a preferred alternative identified. This supplement is to the one done by the Hospital in 2005 and would take the majority of 2008 to accomplish. He said that HDR Engineering has been hired to perform a 20-year Transportation Plan on a parallel track with the SEIS, and the BB16 Project can be identified as one on the impact fee list. This enables developers to move forward. When a preferred alternative is identified, developers can come to the city and propose SEPA Pro-Rata mitigation measures even before impact fees are established. This could allow a solution to the current log-jam of projects.

Emily Appleton added that the city would request any projects being permitted through Pierce County in the UGA to also propose mitigation. She further explained that in order to do this, we would have to take a stab at identifying the dollar amount and the growth trips because Pro-Rata determines their share. An easy way to do this is in the number of trips through there divided by the total capacity being created. Those numbers need to be identified.

David Skinner further explained that under SEPA Mitigation, you do not have to be exact; you just have to be fair. This is based on a logical number of trips a project will add in association with the trips being created with the proposed solution. It is similar to traffic impact fees which are a negotiated amount through SEPA. He said that if you collect too much, you may have to give the money back. If you don't collect enough, it is a loss.

Mr. Skinner was asked to explain the benefit of speeding up a process that might result in inaccurate numbers. He responded that it would allow development to occur.

Councilmembers discussed whether the 20-30% construction cost increase and other growth factors should be taken into consideration. If you get the projects built rather than just taking the money, it could make sense. Mr. Skinner said that some of the proposals are better at allowing phasing of construction which allows you to collect the money and spend it as growth occurs.

Mr. Karlinsey was asked to clarify if he is asking Council go forward with a number to give to the development community on December 10th. He explained that after the 10th we can begin to entertain proposals from developers. He stressed that we must be very conservative and err on the side of the city in the analysis of trips and cost. He then explained that the city is not obligated to accept any proposal.

Mayor Hunter stressed that if Council chooses not to encourage more development, there are still near-term problems with capacity that will require a strategy.

Councilmember Ekberg responded that it isn't an issue of doing nothing; it's just "what's the rush?" If a solution can be implemented in a certain number of years, then in the interim money won't be wasted. He said that without further detail he doesn't understand why they should entertain mitigation that may result in a loss.

Councilmember Young stressed that if mitigation is in the form of actual improvements rather than cash, it would improve the situation, as costs increase with time.

Mr. Skinner was asked to proceed with an overview of the process. He explained that the Level I process considered sixteen alternatives for the interchange to accommodate future growth. He said that out of those, came three alternatives carried into the Level II Analysis. He then described these three alternatives and how they are designed to work at that site. The first alternative is for a "single-point urban interchange." The second alternative is for "flyover ramps." The third alternative is for a "split diamond."

Mr. Skinner continued to explain that in the Level I Analysis, the schematic of the single-point urban interchange (SPUI) scored well in areas such as right-of-way costs, environmental impacts, operations and utilized the existing ramps. When they performed the Level II engineering analysis, it became clear that it doesn't work operationally. This led to a fourth alternative; a modified SPUI.

Mr. Skinner further explained that the Level II engineering analysis on each option identified advantages and disadvantages to each alternative which will come to Council in a more detailed report before December 10th. He then proceeded to give an overview of these points and answer Council's questions on each alternative. He stressed that the SPUI and modified tight-diamond options will require a minimum of two to three years to construct and the impact to traffic will be substantial and the wetlands will affect every portion of construction.

Councilmembers discussed the impact of traffic on the cost estimates for each project. Mr. Skinner explained that the baseline cost estimate for each project is the same and a 30-35% increase to keep the interchange open somewhat during construction has been factored in, but if you go to extreme construction methods that would allow traffic to continue to cross the freeway, those costs increase approximately 10%.

Mr. Skinner pointed out that the existing distance between the on-ramp from Borgen Interchange onto Highway 16 to the off-ramp at SR-302 doesn't meet the Federal and State Department of Transportation requirements. It would be allowed to remain, but it would require a process for a deviation. Mayor Hunter said that this is a safety issue and the state should help with the cost to cure the situation. Mr. Skinner responded that the city is the one who is making modifications and so the state will argue it is our responsibility.

Mr. Skinner then moved on to discuss the "fly-over" option. He said that after the Level II Analysis, they realized that this doesn't pull enough trips out of the roundabout to make it survive the 20-year growth requirements and so will most likely not be carried forward into a Supplemental Environmental Impact Statement. He explained that the estimated cost is based on historical data and due to the high elevation.

Mr. Karlinsey asked for clarification on the comment that this alternative most likely wouldn't be carried forward to the Supplemental Environmental Impact Statement. Mr. Skinner explained that the first component in an EIS is to present alternatives with all the involved agencies. If an alternative doesn't meet the purpose or the need, it would be documented, but not analyzed.

Mr. Skinner then presented the "split-diamond" alternative. He said that this option has several advantages one being it can be constructed in phases. This would allow the city to collect money to build the other improvements.

Councilmembers discussed how this alternative could relieve interim traffic issues and going about obtaining the necessary right-of-ways.

Mr. Skinner explained that one of the things that the study took into consideration is alternatives for interim improvements that would use the eleven million dollars and would add value to the long-term improvements. The Department of Transportation's biggest concern is keeping traffic from backing up on Highway 16. Adding the length to the off-ramp will take care of this safety issue now, and then that same lane becomes part of the on-ramp for the Burnham Interchange.

Councilmember Dick asked if there would be an option for a future highway crossing at this point. Mr. Skinner said it would be substantial, but it is feasible.

Mr. Skinner continued to stress that based on the traffic analysis so far, this split-diamond alternative allows all distribution of traffic at all the intersections to work for the

next 20 years. The other alternatives will require the addition of approximately twelve essential off-site improvements.

Mayor Hunter offered suggestions for alternative solutions. He said you could construct the off-ramp and roundabout at Burnham first, and then improve Burnham to Borgen as a three-lane arterial. He said that he is opposed to closing the existing on and off ramps at Borgen Boulevard. By widening the off-ramp to the roundabout it would help to store traffic. You could then build a slip lane from Canterwood Drive to allow traffic to get onto Highway 16 in conjunction with a "braided" off-ramp for highway traffic to exit to SR-302 or to Canterwood Drive. Mayor Hunter stressed the urgency in interim solutions and the possible delays with property acquisition along Burnham Drive and the connecting road alternative.

Mr. Skinner stressed that leaving any form of an on-ramp to Highway 16 at this roundabout creates problems. Mayor Hunter voiced concern that closing the on-ramp to Borgen Boulevard would create economic impacts and possible closure of businesses. He then said that another concern is what is going to happen in the next 20 years with HOV lanes on Highway 16.

Mr. Skinner was asked to run these suggestions through the traffic model and bring back the data. He responded by stressing that the roundabout will not function if you don't get one-half the traffic diverted. Councilmembers discussed the functionality of roundabouts.

Mr. Karlinsey commented that the SR-302 three-year study is currently underway. Any interim fixes for on-ramps may not work with their preferred alternatives. He suggested a ten-year solution to construct the off-ramp to the Burnham roundabout and the slip lane from Canterwood to the on-ramp, and then in ten years, construct the rest of the split-diamond alternative. Mr. Skinner responded that the Federal Highway Administration would object to this proposal because motorist who accidentally exits at Burnham would be confused as how to get back onto Highway 16. One preferred criteria of the interchange justification report that has to be submitted is uniform ramp symmetry. Councilmembers further discussed how this could be handled through signage.

Councilmember Ekberg made a suggestion to build the off ramp at Burnham and closing the off-ramp to the Borgen Roundabout. Mr. Skinner explained that the vehicles exiting Burnham Drive at the Borgen Roundabout don't have enough distance between gaps. Traffic metering was suggested. Gus Garcia said that there will be a loss of economy if you only construct an off-ramp at Burnham without the on-ramp as well.

Mr. Skinner began to go over the value analysis and performance of each alternative relative to cost. Councilmember Ekberg said that most Councilmembers have met on this previously and so Mr. Skinner offered to stay after the workstudy session for those who wanted more information or to ask questions.

Councilmembers then began discussing the acquisition of necessary right-of-way property for freeway access at Burnham. It was stressed that a new interchange would increase the value of the properties in this location due to increased visibility. Councilmember Franich brought up problems with obtaining the Sportsman's Club property. It was suggested the OPG is working on that.

Councilmember Dick asked if the existing Borgen Roundabouts will work if the off-ramp from Highway 16 is constructed at Burnham. Mr. Skinner responded that it would for a certain number of years, but he couldn't say how long. He offered to run the numbers through the model. He then offered a comment that this solution won't satisfy the Department of Transportation concerns because although it's a good idea there is no funding, you don't own the right-of-way, and it won't happen for several years. If you extended the on-ramp onto the Borgen Roundabout now, it is all on DOT's right-of-way and there are few environmental concerns. The second step would be to then build the off-ramp at Burnham to see how much time it buys.

There seemed to be consensus that this would be the best way to proceed.

Mr. Skinner responded to questions about property acquisition by saying that if property owners are agreeable, it would take approximately one year. There was continued discussion on the acquisition process. Mr. Karlinsey said that if you have done the research in the FEIS and adopted this in your Comp Plan, it's relatively easy to get possession and use through condemnation. Councilmember Dick agreed, especially when the property owner will gain value from the project.

Mayor Hunter suggested that there are four steps to interim fixes: 1) to extend the existing on-ramp to the Borgen Roundabout; 2) to obtain right-of-way for the Burnham Off-Ramp; 3) to construct a slip lane to Canterwood Boulevard; and 4) improvements to the western Borgen Roundabout. He asked for clarification on how long these interim fixes will last, how much it will cost and how much of the eleven million interim mitigation dollars can be used for construction that won't have to be torn out. He asked that this package be run through the model to see if this would buy ten years. He stressed that we need to make the best decision and move on.

Councilmember Ekberg commented that the public wants a one-time solution and to not be building for the next 20 years. Councilmember Young said that this alternative seems to have the best option with the least amount of disruption.

Councilmember Franich said that until we get a better cost-benefit analysis we don't know what we are looking at. Mayor Hunter agreed that more information will be helpful to make a decision.

Gus Garcia said that Council needs to come to a consensus on an alternative before you can begin the discussion of phasing the work and alternative options. He said that the benefit of the split-diamond alternative is the phasing. The other options are not phasable.

Mr. Skinner explained that through the Level II Analysis, his direction has been to get Council to make a decision between the three alternatives. All the discussion has been directed towards the split-diamond alternative. This direction will allow phasing and modifications that the others do not. This alternative can be taken through the Supplement Environmental Impact Statement process and then he will have the 20-year models, and the ability to answer the other questions.

Councilmember Dick agreed that this is the version that needs to be explored and the only one that allows staging alternatives. This also gives some hope for the future.

Mr. Karlinsey said that the nice thing about phasing is developer participation. He explained that there is a two-year time limit on the five million dollar CERB grant and so staff needs to figure out what this can be spent on. He said that several things are on hold until some decisions can be made. He stressed that it behooves the city to decide what can be done in the next couple of years.

Councilmember Franich asked if the hospital had reviewed the alternatives and if they prefer one over the other. Mr. Karlinsey responded that they have reviewed the plans but haven't given an official answer. They know of the plan to bring this to Council on December 10th.

Councilmember Dick asked if staff has a recommendation on how to spend the CERB Grant. Mr. Karlinsey said that staff has more work to do before making a recommendation. Councilmember Young stressed that the money has to be used for improvements within the scope of the grant.

Councilmember Ekberg said that even if the money is used for slip lanes from Canterwood that aren't part of the long-term solution, they would be in place and functioning for several years and there would be benefit. Mr. Karlinsey added that improvements to the Westside Roundabout would also be in place for ten years.

Mayor Hunter suggested that the city should have the hospital build the Canterwood slip lane in conjunction with their improvements to Canterwood Drive. Councilmembers discussed further the existing agreement with the hospital.

Mr. Skinner finalized with comments about the alternatives discussed. He said that if you close the off-ramp and leave the on-ramp to the Borgen Roundabout, the hospital and those who live west of Highway 16 are still going to have a problem.

Councilmembers said that the comments from the public meeting had an equal amount of comments in favor and against all three alternatives. Mayor Hunter commented that the phasing option will allow those most affected to ease into the improvements, much as happened with the new Narrows Bridge.

Councilmembers decided that a second workstudy session on December 3rd wasn't necessary. Mr. Skinner said that he would have a complete report with cost estimates to Council prior to the December 10th meeting.

There were no further comments and the work study session adjourned at 8:05 p.m.

Respectfully submitted,
Molly Towslee, City Clerk

Memo

To: Mayor Hunter and City Council Members
From: Dick J. Bower, CBO – Building/Fire Safety Director
CC: Rob Karlinsey
Date: 12/5/2007
Re: Building and Fire Safety Report for the month of November 2007

The following report is being provided in an effort to keep you informed of the myriad activities of the building and fire safety department over the past month. If you have any questions please give me a call, e-mail or visit and I'll get you the answers.

Departmental Activities:

- During the period building and fire safety staff took part in the following activities:
- Completed interviews and hired new receptionist Melinda Bouillon.
 - Met with Kurt Latimore to continue work on organization planning contract work.
 - Attended P.C. Masterbuilders monthly forum.
 - Participated in WABO executive board meeting.
 - Met with Uptown developers at their office to address coordination and inspection issues.
 - Participated in a meeting to discuss code enforcement and process issues.
 - Attended final budget preparation meetings.
 - Conducted a Building Code Advisory Board meeting.
 - Participated in regional emergency management coordination meeting.
 - Attended State Building Code Council meeting.
 - Met with Quadrant Homes on coordination of permit applications for Harbor Estates plat.
 - Participated in P.C. Local Emergency Planning Committee meeting.
 - Attended fire sprinkler legislation meeting hosted by Rep. Simpson.
 - Attended BB16 public safety briefing.
 - Met with Gig Harbor Boat Yard applicants on ongoing fire access issues at their business.
 - Toured the St. Anthony's Hospital project with Department of Health (DOH) and PCFD 5 representatives.
 - Provided a tour/demonstration of Building/Fire Safety Department operations to management of DOH Construction Review Services to assist their reorganization.
 - Met with designers on Galaxy Theater on permit and closeout requirements.
 - Attended Pen. School Dist. strategic planning meeting.
 - Coordinated hospital fire system reviews with State Fire Marshal's office.
 - Provided comments to Planning on 5 projects.
 - Provided comments to Engineering on 4 projects.
 - Attended site meeting for GH Historical Museum project.
 - Attended site meeting with contractor on Olympic Mixed Use project.

New Permit Applications

New Commercial - 3

New Residential - 2
Remodel / Tenant Improvement - 2
Other (Includes plumbing, mechanical, fire system, fuel gas, etc.) - 47
Total - 54

Total valuation - \$ 975,967.00

Fee revenues - \$ 36,908.00

Large Projects Reviewed and Awaiting Revisions:

Madison Shores Marina
Hospital fire alarm plans
Northwoods Medical Office Building
Mallards landing bldgs 2A,B,C; 3, 7A,B,C,D,E,F

Major Plan Reviews Completed:

Bask Building 2

Permits Issued:

Commercial - 1
Residential - 2
Remodel/TI - 8
Other - 54
Total Issued - 65

Total Valuation - \$2,782,044.00

Fee Revenues - \$ 60,130.50

Inspections:

The following inspections were performed:

Periodic inspections - 295
Final Inspections - 41
Certificate of Occupancy - 7
Total - 343

Certificates of Occupancy Issued:

- Costco Wholesale and fuel station
- Multicare Ambulatory Surgery Center
- Coldwater Creek, Chicos, and Panera Bread at Uptown

Enforcement:

The following enforcement actions were taken:

Investigations - 1
Stop work orders issued -
Citations issued -
Civil NOV's issued -
Total - 1

Fire Inspection Referral /Refusal Follow-ups: 1

Business License Inspections: 1

Training:

This month, staff members attended the following training seminars:

3 members attended computer training classes on MS Office applications.
1 member attended Sharepoint training used under the MyBuildingPermit.Com program.
Staff provided in-service training to new reception and inspection personnel.



**Meeting Minutes
Intergovernmental Affairs Committee
October 8, 2007**

In attendance:

- Councilmember Payne
- Councilmember Conan
- City Administrator Karlinsey

The meeting convened at 4:30 p.m.

The committee discussed 2008 legislative session requests and federal earmark requests. Councilmembers Payne and Conan discussed the need to get the word out to stakeholders and potential supporters for the federal earmark requests as well as the state funding request for the wastewater treatment plant & outfall expansion project.

Karlinsey agreed to:

- Draft a white paper that summarizes the wastewater system funding request
- Discuss the state funding request with local state legislators
- Continue to get the word out on the federal funding requests

The meeting adjourned at 5:30 p.m.



Business of the City Council
City of Gig Harbor, WA

CA 4

Subject: Department of Natural Resources
Grant Agreement - Eddon Boat Bulkhead
Removal.

Proposed Council Action: Authorize the
Mayor on behalf of the City Council to execute
this Interagency Agreement between the State
of Washington Department of Natural
Resources and the City of Gig Harbor.

Dept. Origin: Engineering Division

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

For Agenda of: December 10, 2007

Exhibits: Department of Natural
Resources Interagency
Agreement

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:
CLH 12/6/07
RDK 12/6/07
CAM 12/6/07
DR 12/6/07
Dane 12/6/07

Table with 4 columns: Expenditure Required, Amount Budgeted, Appropriation Required, and values: \$25,880, 0, 0.

INFORMATION / BACKGROUND

This agreement provides Grant monies in the amount of \$100,000 from Washington State Department of Natural Resources towards the removal of creosote-treated wood that is located at the Eddon Boatyard Site.

FISCAL CONSIDERATION

The estimated cost of the bulkhead removal is \$125,880. The differential \$25,880 will be funded from the seller's remediation account.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Authorize the Mayor on behalf of the City Council to execute this Interagency Agreement between the State of Washington Department of Natural Resources and the City of Gig Harbor.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
DOUG SUTHERLAND, Commissioner of Public Lands**

**INTERAGENCY AGREEMENT
WITH THE CITY OF GIG HARBOR**

Agreement No. IAA 08-151

This Agreement is between the City of Gig Harbor, referred to as the CITY and the Washington State Department of Natural Resources, South Puget Sound Region, referred to as the DNR.

The DNR and the CITY enter into this Agreement under authority of Chapter 39.34RCW of Washington State, Interlocal Cooperation Act.

The purpose of this Agreement is to provide an agreement between the CITY and DNR to fund and promote the removal of creosote-treated wood that is located at the Eddon Boatyard located on the west shoreline in Gig Harbor, Washington

IT IS MUTUALLY AGREED THAT:

1.01 Statement of Work. The CITY shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to performing work set forth in the Attachment A.

2.01 Period of Performance. The period of performance of this Agreement shall begin on November 1, 2007, and end on June 1, 2009, unless terminated sooner as provided herein.

3.01 Payment. Pay for the work provided is established under RCW 39.34.130. The parties estimate that the total cost of accomplishing the work will not exceed one hundred twenty five thousand eight hundred eighty dollars (\$125,880). Pay for services shall be based on the rates and terms described in Attachment B - Budget.

DNR is limited to \$100,000 only to the project. The remainder of the \$125,880 in the Budget will come from other sources.

4.01 Billing Procedures. The CITY shall submit invoices to DNR monthly. Payment to the CITY for approved and completed work will be made by warrant or account transfer within 30 days of receiving the invoice. When the contract expires, any claim for payment not already made shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier.

5.01 Records Maintenance. The parties to this Agreement shall each maintain books, records, documents and other evidence, which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so

authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, and any persons duly authorized by the parties shall have full access to and the right to examine any of these materials during this period.

Records and other documents in any medium furnished by one party to this agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose this material to any third parties without first notifying the furnishing party and giving it a reasonable opportunity to respond. Each party will use reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

6.01 Rights to Data. Unless otherwise agreed, data originating from this Agreement shall be “works for hire” as defined by the U.S. Copyright Act of 1976 and shall be owned by the CITY and DNR. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to use, copyright, patent, register and the ability to transfer these rights.

7.01 Independent Capacity. The employees or agents of each party who are engaged in performing this agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

8.01 Amendments. This Agreement may be amended by mutual agreement of the parties. Amendments shall be in writing and signed by personnel authorized to bind each of the parties.

9.01 Termination. Either party may terminate this Agreement by giving the other party 30 days prior written notice. If this Agreement is terminated, the terminating party shall be liable to pay only for those services provided or costs incurred prior to the termination date according to the terms of this Agreement.

10.01 Termination for Cause. If for any cause either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of the terms and conditions, the aggrieved party will give the other party written notice of the failure or violation. The aggrieved party will give the other party 15 working days to correct the violation or failure. If the failure or violation is not corrected within 15 days, the aggrieved party may immediately terminate this Agreement by notifying the other party in writing.

11.01 Disputes. If a dispute arises, a dispute board shall resolve the dispute like this: Each party to this agreement shall appoint a member to the dispute board. These board members shall jointly appoint an additional member to the dispute board. The dispute board shall evaluate the facts, contract terms, applicable statutes and rules, then determine a resolution. The dispute board’s determination shall be final and binding on the parties. As an alternative to the dispute board, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330. In this case, the Governor’s process will control the dispute resolution.

12.01 Governance. This contract is entered into the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this agreement shall be construed to conform to those laws.

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

- (1) Applicable State and federal statutes and rules;
- (2) Statement of Work; and
- (3) Any other provisions of the agreement, including materials incorporated by reference.

13.01 Assignment. The work to be provided under this Agreement and any claim arising from this agreement can not be assigned or delegated in whole or in part by either party, without the express prior written consent of the other party. Neither party shall unreasonably withhold consent.

14.01. Waiver. A party that fails to exercise its rights under this agreement is not precluded from subsequently exercising its rights. A party's rights may only be waived through a written amendment to his agreement.

15.01 General Insurance Requirements. The DNR and the CITY are protected by their respective insurance liability programs. DNR and the CITY have entered into an agreement to provide the services herein. This agreement will terminate on the date listed in the period of performance.

Each party to this agreement will be assigned, and assume responsibility for any damages to third parties that are attributable to the negligent acts or omissions of the individual party. The DNR and the CITY agree, to the extent permitted by law, to defend, protect, save and hold harmless the other party, its officers, agents, and employees from any and all claims, costs, damages, and expenses suffered due to each party's negligent acts or omissions or those of its agents or employees in the performance of this agreement.

16.01 Severability. The provisions of this agreement are severable. If any provision of this Agreement or any provision of any document incorporated by reference should be held invalid, the other provisions of this Agreement that are effective without the invalid provision remain valid if the agreement formed by the remaining clauses conforms to the requirements of applicable law and the fundamental purpose of this agreement.

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

18.01 Contract Management. The Project Coordinator for each of the parties shall be the contact person for this agreement. All communications and billings will be sent to the project coordinator.

19.01 Project Coordinators.

- (1) The Project Coordinator for CITY is Steve Misiurak.
Telephone Number 253-851-6170.

- (2) The Project Manager for the DNR is Monica Durkin.
Telephone Number 206-799-2949.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF GIG HARBOR

Dated: _____, 20__

By: _____
Charles Hunter

Title: Mayor

Address: 3510 Grandview Street
Gig Harbor, WA 98335

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: _____, 20__

By: _____
DERRICK TOBA

Title: Assistant Region Manager

Address: 950 Farman Avenue
Enumclaw, WA 98022

Interagency Agreement
Approved as to form
By the Assistant Attorney General
State of Washington

Attachment A

STATEMENT OF WORK

The CITY is performing cleaning up activities at the Eddon Boatyard Site on the western side of Gig Harbor. The cleanup includes demolition of the existing creosoted bulkhead, pier and marine rails, removal of the gangway and floating dock, and cleanup of sediments that exceed SMS standards by dredging, backfilling, and capping.

The creosote-treated bulkhead is 1,600 square-feet long and includes 26 creosote-treated piling. The removal of the bulkhead will increase upper intertidal acreage and facilitate the creation of a pocket estuary. Eighty seven creosote-treated piling will be removed from the pier and marine rails.

The CITY will provide all the resources for completing all related design work, contract management and oversight, permitting, bidding of the construction, and contracting the work to remove, transport, and dispose of the structures described in this agreement.

The CITY is responsible for securing all the necessary permits and project reviews including archaeological and historical review, as required by Executive Order 05-05.

The DNR Project Manager shall receive a copy of all permits related to this agreement as well as the historical review documentation.

Following the completion of the project the CITY will provide a report to the DNR Project Manager. The report will include the following information:

1. Total number of pilings removed.
2. Total tonnage of pilings removed.
3. Total square footage of overwater structure removed
4. Construction start date and end date.
5. Total project cost.

/ / / / / / /
END STATEMENT OF WORK

Attachment B

BUDGET

Invoice Identification and Information

DNR has agreed to pay for the cost of the following project functions related to creosote-treated wood, mobilization, demobilization, removal, and disposal, but not to exceed one hundred thousand dollars (\$100,000). These functions estimated costs are shown in line item 3, 4, 5, 7, and 8. The current estimated cost for these line items is eighty one thousand four hundred dollars (\$81,400).

Reimbursement will be paid when the following are observed by the CITY:

1. The terms of the Interagency Agreement Number 08-151 are complied with.
2. The invoice breaks down the specific costs of the project including: mobilization, demobilization, removal cost, disposal cost.
3. The invoice submitted to DNR by the CITY must reference Interagency Agreement Number IAA 08-151.

Estimated Costs

Creosoted Piling Removal and Disposal Eddon Boatyard Property

Item	Unit	Unit Costs	# Units	Cost	Note
Demolition/Disposal					
1 Utility Check/Permitting	EA	\$8,500	1	\$8,500	Integrated in Sediment Cleanup Permitting
2 Construction Documents	EA	\$5,000	1	\$5,000	Concurrent with Sediment Cleanup
3 Mobilization/Demobilization	EA	\$4,000	1	\$4,000	Concurrent with Sediment Cleanup
4 Treated Pier Deck & Framing Removal and Disposal	EA	\$15,000	1	\$15,000	KPFF 2007
5 Pier Creosoted Piles Removal and Disposal	EA	\$400	24	\$9,600	KPFF 2007
6 Marine Railway Rail Removal and Disposal	EA	\$5,000	2	\$10,000	KPFF 2007
7 Marine Railway Creosoted Pile Removal and Disposal	EA	\$400	62	\$24,800	KPFF 2007
8 Creosoted Bulkhead Removal and Disposal	Ft ²	\$14	2000	\$28,000	Anchor Memorandum dated February 14, 2007
Subtotal				\$104,900	
Contingency Cost @ 20 percent	EA			\$20,980.0	
Total Estimated Costs for Demolition, Removal and Disposal				\$125,880	

/ / /
END BUDGET

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
DOUG SUTHERLAND, Commissioner of Public Lands**

**INTERAGENCY AGREEMENT
WITH THE CITY OF GIG HARBOR**

Agreement No. IAA 08-151

This Agreement is between the City of Gig Harbor, referred to as the CITY and the Washington State Department of Natural Resources, South Puget Sound Region, referred to as the DNR.

The DNR and the CITY enter into this Agreement under authority of Chapter 39.34RCW of Washington State, Interlocal Cooperation Act.

The purpose of this Agreement is to provide an agreement between the CITY and DNR to fund and promote the removal of creosote-treated wood that is located at the Eddon Boatyard located on the west shoreline in Gig Harbor, Washington

IT IS MUTUALLY AGREED THAT:

1.01 Statement of Work. The CITY shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to performing work set forth in the Attachment A.

2.01 Period of Performance. The period of performance of this Agreement shall begin on November 1, 2007, and end on June 1, 2009, unless terminated sooner as provided herein.

3.01 Payment. Pay for the work provided is established under RCW 39.34.130. The parties estimate that the total cost of accomplishing the work will not exceed one hundred twenty five thousand eight hundred eighty dollars (\$125,880). Pay for services shall be based on the rates and terms described in Attachment B - Budget.

DNR is limited to \$100,000 only to the project. The remainder of the \$125,880 in the Budget will come from other sources.

4.01 Billing Procedures. The CITY shall submit invoices to DNR monthly. Payment to the CITY for approved and completed work will be made by warrant or account transfer within 30 days of receiving the invoice. When the contract expires, any claim for payment not already made shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier.

5.01 Records Maintenance. The parties to this Agreement shall each maintain books, records, documents and other evidence, which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so

authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, and any persons duly authorized by the parties shall have full access to and the right to examine any of these materials during this period.

Records and other documents in any medium furnished by one party to this agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose this material to any third parties without first notifying the furnishing party and giving it a reasonable opportunity to respond. Each party will use reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

6.01 Rights to Data. Unless otherwise agreed, data originating from this Agreement shall be “works for hire” as defined by the U.S. Copyright Act of 1976 and shall be owned by the CITY and DNR. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to use, copyright, patent, register and the ability to transfer these rights.

7.01 Independent Capacity. The employees or agents of each party who are engaged in performing this agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

8.01 Amendments. This Agreement may be amended by mutual agreement of the parties. Amendments shall be in writing and signed by personnel authorized to bind each of the parties.

9.01 Termination. Either party may terminate this Agreement by giving the other party 30 days prior written notice. If this Agreement is terminated, the terminating party shall be liable to pay only for those services provided or costs incurred prior to the termination date according to the terms of this Agreement.

10.01 Termination for Cause. If for any cause either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of the terms and conditions, the aggrieved party will give the other party written notice of the failure or violation. The aggrieved party will give the other party 15 working days to correct the violation or failure. If the failure or violation is not corrected within 15 days, the aggrieved party may immediately terminate this Agreement by notifying the other party in writing.

11.01 Disputes. If a dispute arises, a dispute board shall resolve the dispute like this: Each party to this agreement shall appoint a member to the dispute board. These board members shall jointly appoint an additional member to the dispute board. The dispute board shall evaluate the facts, contract terms, applicable statutes and rules, then determine a resolution. The dispute board’s determination shall be final and binding on the parties. As an alternative to the dispute board, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330. In this case, the Governor’s process will control the dispute resolution.

12.01 Governance. This contract is entered into the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this agreement shall be construed to conform to those laws.

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

- (1) Applicable State and federal statutes and rules;
- (2) Statement of Work; and
- (3) Any other provisions of the agreement, including materials incorporated by reference.

13.01 Assignment. The work to be provided under this Agreement and any claim arising from this agreement can not be assigned or delegated in whole or in part by either party, without the express prior written consent of the other party. Neither party shall unreasonably withhold consent.

14.01. Waiver. A party that fails to exercise its rights under this agreement is not precluded from subsequently exercising its rights. A party's rights may only be waived through a written amendment to his agreement.

15.01 General Insurance Requirements. The DNR and the CITY are protected by their respective insurance liability programs. DNR and the CITY have entered into an agreement to provide the services herein. This agreement will terminate on the date listed in the period of performance.

Each party to this agreement will be assigned, and assume responsibility for any damages to third parties that are attributable to the negligent acts or omissions of the individual party. The DNR and the CITY agree, to the extent permitted by law, to defend, protect, save and hold harmless the other party, its officers, agents, and employees from any and all claims, costs, damages, and expenses suffered due to each party's negligent acts or omissions or those of its agents or employees in the performance of this agreement.

16.01 Severability. The provisions of this agreement are severable. If any provision of this Agreement or any provision of any document incorporated by reference should be held invalid, the other provisions of this Agreement that are effective without the invalid provision remain valid if the agreement formed by the remaining clauses conforms to the requirements of applicable law and the fundamental purpose of this agreement.

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

18.01 Contract Management. The Project Coordinator for each of the parties shall be the contact person for this agreement. All communications and billings will be sent to the project coordinator.

19.01 Project Coordinators.

- (1) The Project Coordinator for CITY is Steve Misiurak.
Telephone Number 253-851-6170.
- (2) The Project Manager for the DNR is Monica Durkin.
Telephone Number 206-799-2949.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF GIG HARBOR

Dated: _____, 20__

By: _____

Charles Hunter

Title: Mayor

Address: 3510 Grandview Street
Gig Harbor, WA 98335

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: _____, 20__

By: _____

DERRICK TOBA

Title: Assistant Region Manager

Address: 950 Farman Avenue
Enumclaw, WA 98022

Interagency Agreement
Approved as to form
By the Assistant Attorney General
State of Washington

Attachment A

STATEMENT OF WORK

The CITY is performing cleaning up activities at the Eddon Boatyard Site on the western side of Gig Harbor. The cleanup includes demolition of the existing creosoted bulkhead, pier and marine rails, removal of the gangway and floating dock, and cleanup of sediments that exceed SMS standards by dredging, backfilling, and capping.

The creosote-treated bulkhead is 1,600 square-feet long and includes 26 creosote-treated piling. The removal of the bulkhead will increase upper intertidal acreage and facilitate the creation of a pocket estuary. Eighty seven creosote-treated piling will be removed from the pier and marine rails.

The CITY will provide all the resources for completing all related design work, contract management and oversight, permitting, bidding of the construction, and contracting the work to remove, transport, and dispose of the structures described in this agreement.

The CITY is responsible for securing all the necessary permits and project reviews including archaeological and historical review, as required by Executive Order 05-05.

The DNR Project Manager shall receive a copy of all permits related to this agreement as well as the historical review documentation.

Following the completion of the project the CITY will provide a report to the DNR Project Manager. The report will include the following information:

1. Total number of pilings removed.
2. Total tonnage of pilings removed.
3. Total square footage of overwater structure removed
4. Construction start date and end date.
5. Total project cost.

/ / / / / /

END STATEMENT OF WORK

Attachment B

BUDGET

Invoice Identification and Information

DNR has agreed to pay for the cost of the following project functions related to creosote-treated wood, mobilization, demobilization, removal, and disposal, but not to exceed one hundred thousand dollars (\$100,000). These functions estimated costs are shown in line item 3, 4, 5, 7, and 8. The current estimated cost for these line items is eighty one thousand four hundred dollars (\$81,400).

Reimbursement will be paid when the following are observed by the CITY:

1. The terms of the Interagency Agreement Number 08-151 are complied with.
2. The invoice breaks down the specific costs of the project including: mobilization, demobilization, removal cost, disposal cost.
3. The invoice submitted to DNR by the CITY must reference Interagency Agreement Number IAA 08-151.

Estimated Costs

Creosoted Piling Removal and Disposal Eddon Boatyard Property

Item	Unit	Unit Costs	# Units	Cost	Note
Demolition/Disposal					
1 Utility Check/Permitting	EA	\$8,500	1	\$8,500	Integrated in Sediment Cleanup Permitting
2 Construction Documents	EA	\$5,000	1	\$5,000	Concurrent with Sediment Cleanup
3 Mobilization/Demobilization	EA	\$4,000	1	\$4,000	Concurrent with Sediment Cleanup
4 Treated Pier Deck & Framing Removal and Disposal	EA	\$15,000	1	\$15,000	KPFF 2007
5 Pier Creosoted Piles Removal and Disposal	EA	\$400	24	\$9,600	KPFF 2007
6 Marine Railway Rail Removal and Disposal	EA	\$5,000	2	\$10,000	KPFF 2007
7 Marine Railway Creosoted Pile Removal and Disposal	EA	\$400	62	\$24,800	KPFF 2007
8 Creosoted Bulkhead Removal and Disposal	Ft ²	\$14	2000	\$28,000	Anchor Memorandum dated February 14, 2007
Subtotal				\$104,900	
Contingency Cost @ 20 percent	EA			\$20,980.0	
Total Estimated Costs for Demolition, Removal and Disposal				\$125,880	

/ / /
END BUDGET



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

CAS

Subject: 56th and Olympic Improvement Project – Contract Change Order No. 2

Proposed Council Action: Authorize the Mayor on Behalf of the City Council to Execute Contract Change Order No. 2 (CCO#2)

Dept. Origin: Engineering Division

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

For Agenda of: December 10, 2007

Exhibits: Contract Change Order No. 2
HDR memo regarding CCO#2

	Initial & Date
Concurred by Mayor:	<i>CLH</i> 12/6/07
Approved by City Administrator:	<i>PK</i> 12/6/07
Approved as to form by City Atty:	<i>LM</i> 12/5/07
Approved by Finance Director:	<i>CR</i> 12/6/07
Approved by Department Head:	<i>DM</i> 12/5/07

Expenditure	Amount	Appropriation
Required \$ 98,966.51	Budgeted \$250,000	Required 0

INFORMATION / BACKGROUND

On August 13, 2007, Council authorized award of the Olympic Drive/56th Street Improvements project to Ceccanti, Inc. in the amount of \$4,613,314.80. Sanitary sewer improvements are included in the contract amount with the sewer portion budgeted to be paid from the Sewer Capital Construction (\$250,000). The original Ceccanti, Inc. contract included \$113,114.10 for sewer improvements which included construction of an 8-inch dry sewer line. Upon execution of Contract Change Order No. 2 (CCO#2), the revised contract amount for sewer improvements will be \$212,080.61, which is within the budgeted amount.

(Note: Contract Change Order No. 1 was a no cost change order that made revisions to the submittal requirements for the contractor supplied construction schedule. This was executed by the City's project manager.)

While installing the deep sewer line along 56th Street, unsuitable trench material was encountered. In order to provide for the structural integrity of the sewer pipe and roadway, installation of quarry spalls and trench backfill in the sewer line trench were necessary. If the quarry spalls foundation option had not been successful, the installation of the sewer line would have had to cease and construction would have been postponed until a trench dewatering well system could be engineered and installed. This type of well dewatering system would have been extremely costly and detrimental to the construction schedule. This work was not included in the original contract documents so a unit price was negotiated with the contractor for the items "Trench Backfill for Sanitary Sewer" and "Quarry Spalls for Sewer Trench". The funds for installation of these two items will be added to the Ceccanti Inc. contract with the execution of CCO#2 in the amount of \$98,966.51 (includes 8.4% sales tax).

Please refer to the attached November 28, 2007 memo addressed to the City from the City's construction management consultant, HDR, Inc. for further details regarding CCO#2. The attached photographs depict the unsuitable trench conditions encountered.

FISCAL CONSIDERATION

There are sufficient funds budgeted in the Sewer Capital Construction account to pay for CCO#2. Upon execution of CCO#2, the total contract amount will be revised from \$4,613,314.80 to \$4,712,281.31, including state sales tax.

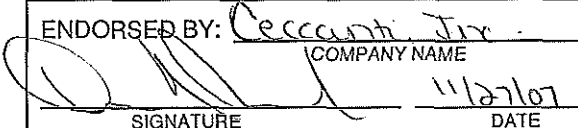
BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute Contract Change Order No. 2 to the Ceccanti, Inc. contract in the amount of \$98,966.51.

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

Sheet <u>1</u> of <u>2</u>	CHANGE ORDER	Change Order Number <u>2</u>
Date <u>11/27/07</u>	CONTRACT NO.: <u>GSP - 0133</u> 56 th Street/Olympic Drive Roadway Improvement Project	
<input type="checkbox"/> ORDERED BY ENGINEER/CITY UNDER TERMS OF SECTION 1-04.4 OF THE STANDARD SPECIFICATIONS. <input type="checkbox"/> CHANGE PROPOSED BY CONTRACTOR. <input checked="" type="checkbox"/> OTHER: CHANGE MUTUALLY AGREED BETWEEN THE CITY AND THE CONTRACTOR.	TO: Ceccanti, Inc. 4116 Brookdale Rd. E Tacoma, WA 98446	
ENDORSED BY: <u>Ceccanti, Inc.</u> <small>COMPANY NAME</small>  <small>SIGNATURE</small> <u>11/27/07</u> <small>DATE</small> TITLE: <u>Corporate Secretary</u>	Consent Given by Surety (When required): BY: _____ <small>ATTORNEY IN-FACT</small> <small>DATE</small>	

DESCRIPTION OF WORK

THE CONTRACTOR / VENDOR SHALL PERFORM THE FOLLOWING UPON RECEIPT OF AN APPROVED COPY OF THIS CHANGE ORDER:

A) Contractor shall install "Trench Backfill for Sanitary Sewer" if native material is unsuitable for trench backfill. Contractor shall coordinate with the onsite City representative (HDR) and receive approval prior to installation of the material. "Trench Backfill for Sanitary Sewer" shall be 2" screened gravel borrow. The agreed to price for "Trench Backfill for Sanitary Sewer" is \$14.38/ton.
 Total Cost = 4733.35 tons x \$14.38/ton = \$68,065.57 + 8.4% Sales Tax = **\$73,783.08**
 This work will be paid under Bid Item #126 – Trench Backfill for Sanitary Sewer

B) Contractor shall install "Quarry Spalls for Sewer Trench" when the material located under the typical excavation limits for the sanitary sewer pipe is unsuitable. Contractor shall excavate approximately 2' below the typical excavation limits and place quarry spalls to obtain the elevation of the typical excavation limits. Quarry rock shall be a minimum of 4"x8" in size. Contractor shall coordinate with the onsite City representative (HDR) and receive approval prior to installation of the Quarry Spalls. The agreed to price for "Quarry Spalls" is \$62.84/ton.
 Total Cost = 369.70 tons x \$62.84/ton = \$23,231.95 + 8.4% Sales Tax = **\$25,183.43**
 This work will be paid under Bid Item #127 – Quarry Spalls

ALL WORK, MATERIALS, AND MEASUREMENTS SHALL OTHERWISE BE IN ACCORDANCE WITH THE PROVISIONS OF THE CONTRACT AS APPLICABLE.

ORIGINAL CONTRACT AMOUNT \$ <u>4,613,314.80</u>	CURRENT CONTRACT AMOUNT \$ <u>4,613,314.80</u>	NET CHANGE THIS ORDER \$ <u>98,966.51</u>	CONTRACT TOTAL AFTER CHANGE \$ <u>4,712,281.31</u>
<input checked="" type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: <u><i>Steve Arminio</i></u> <u>12/5/07</u> CITY ENGINEER DATE		<input type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: _____ CITY ADMINISTRATOR DATE	
<input type="checkbox"/> APPROVED: _____ MAYOR		DATE: _____	

Note: Amounts include applicable Washington State Sales Tax. Final payment amount will vary from contract amount, and will be as set forth in the Final Progress Estimate and Reconciliation of Quantities.

To: Stephen Misiurak, P.E. City Engineer	
From: Gus Brandon Garcia Project Manager	Project: 56 th Street and Olympic Dr Road Improvement Project
CC: Emily Appleton, P.E. Senior Engineer	
Date: November 28, 2007	Job No: CSP-0133

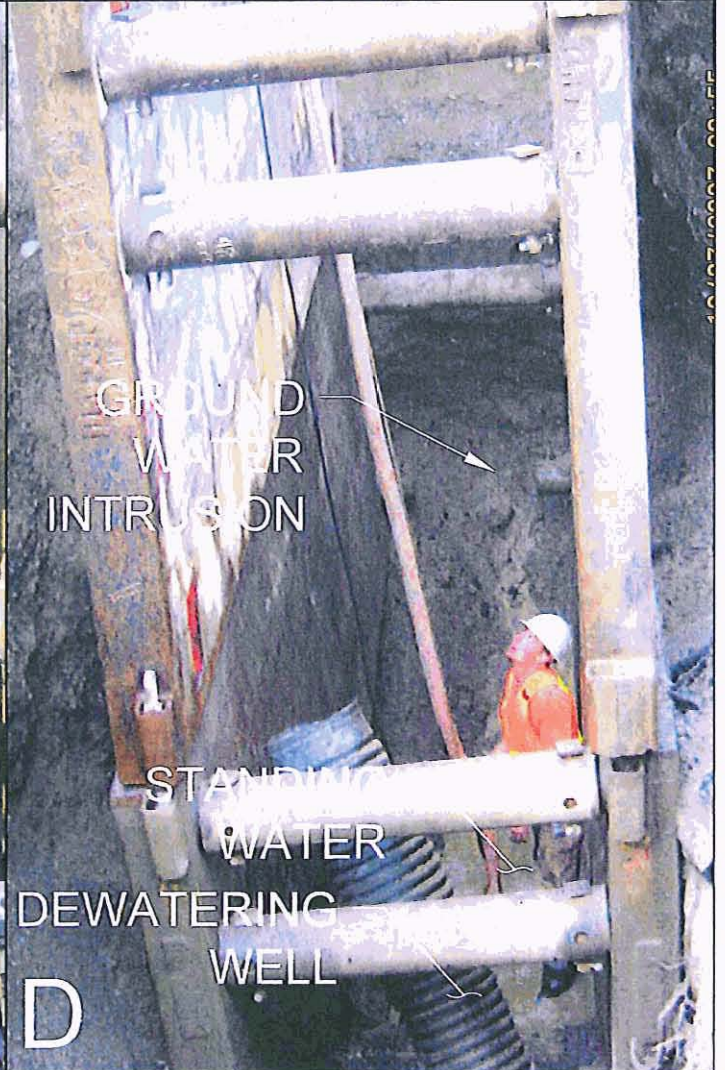
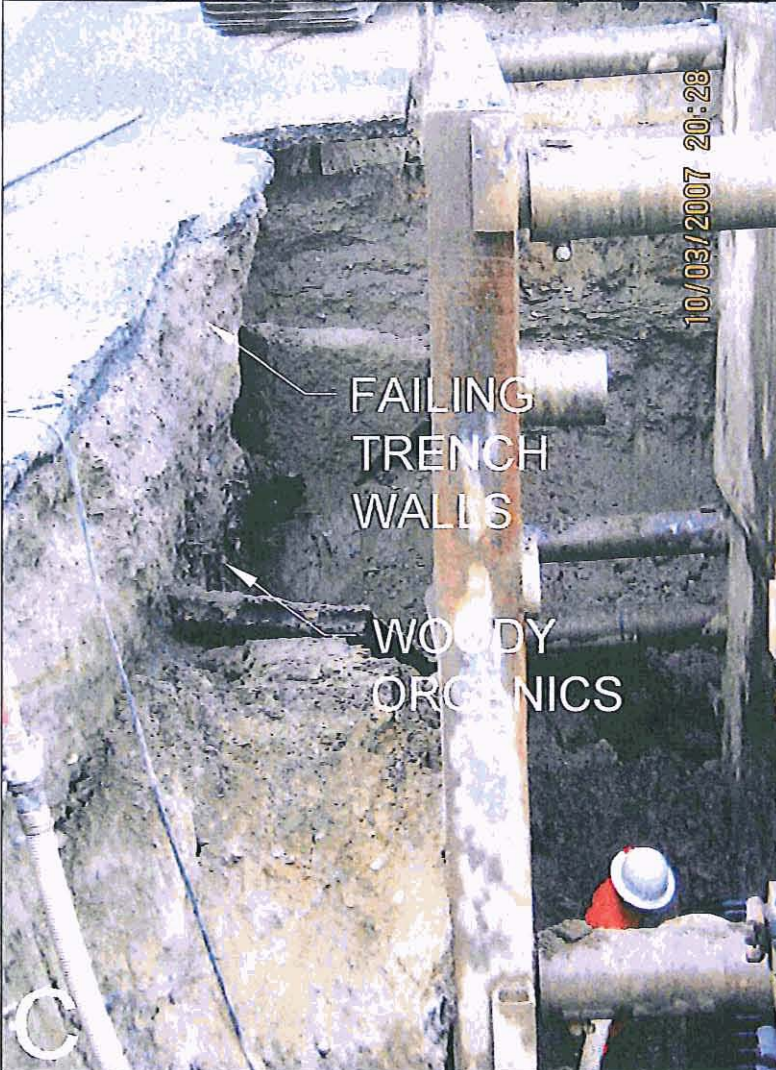
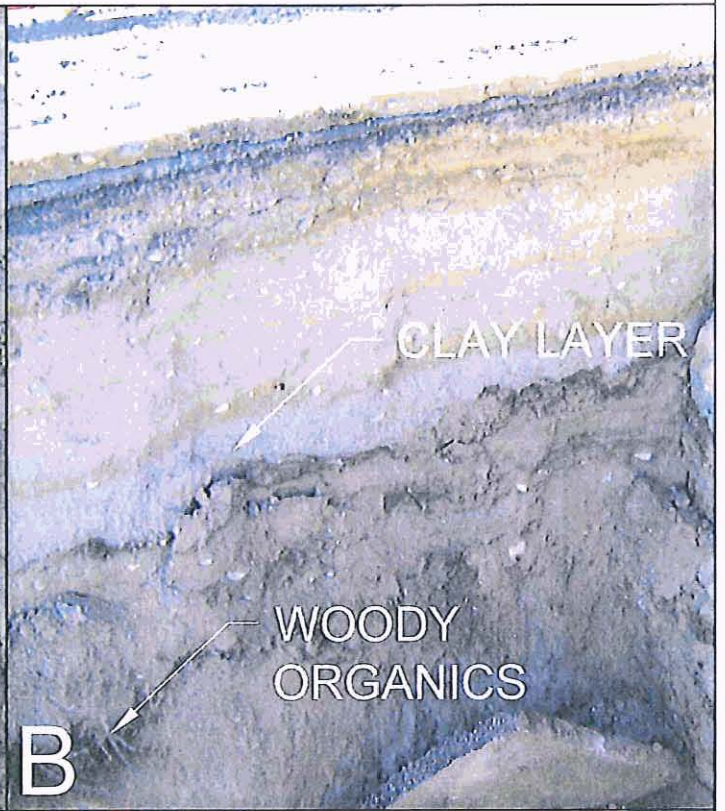
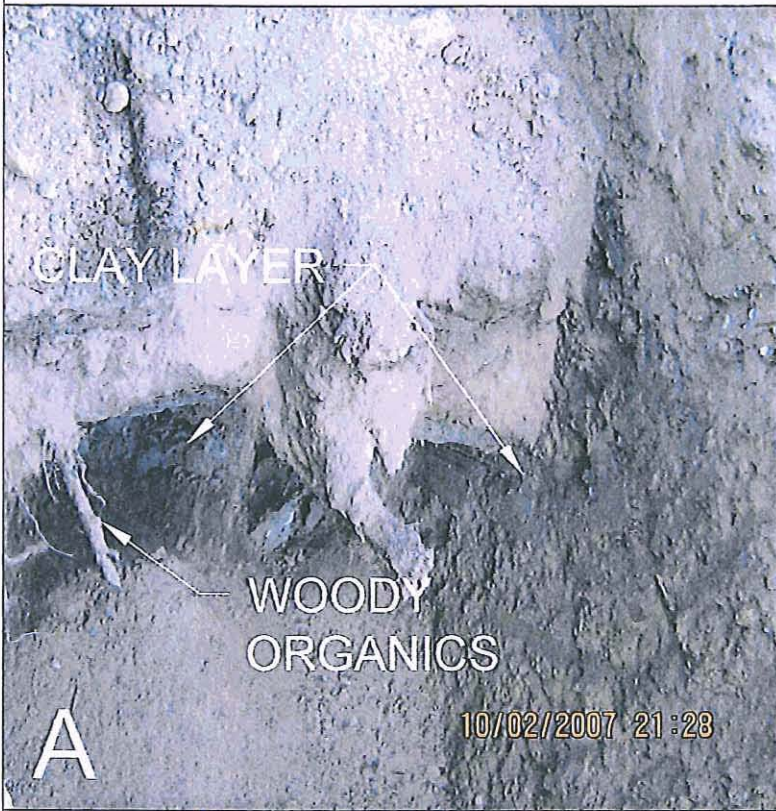
RE: Change Order 2 (Trench Backfill for Sanitary Sewer/Quarry Spalls for Sewer Trench)

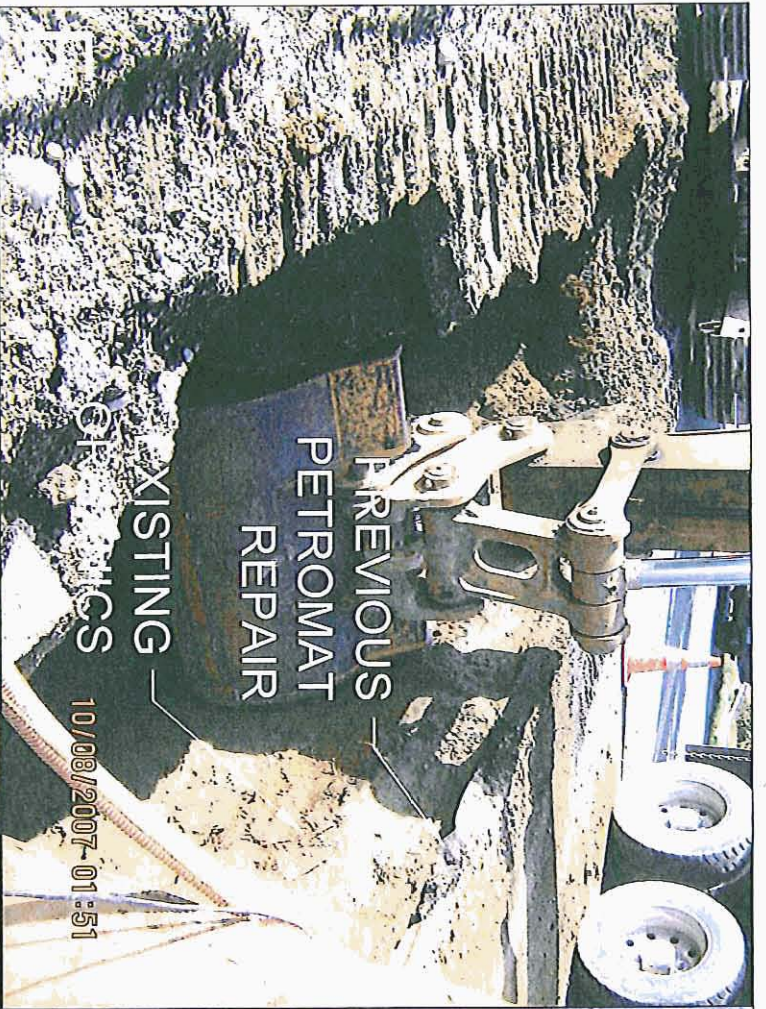
As part of the 56th Street and Olympic Drive Road Improvement project a new 8" gravity sewer line was installed from the intersection of 56th Street and 38th Avenue to the intersection of 56th Street and 36th Avenue Ct (Forest Glen Entrance). The total pipe installation run was approximately 600 LF with an average depth of 10' at 36th Ave Ct and 24 Feet at the intersection of 56th Street and 38th Avenue. Upon excavation for sewer line it was observed by the field inspection staff and quantified by City staff that the materials excavated were comprised of clay(s), wood debris, plant organics, and wet glacial till soils. The initial bid proposal anticipated the excavated material would be used for backfill of the sewer trench line however it was deemed by the onsite Construction Inspector, City Engineering staff, and Design Engineer that the excavated native material was not suitable for use. As a result, the city requested from the contractor a unit bid price for import material suitable for backfill in the trench line and issued a notice to proceed to the Contractor in the form of a field order based on the negotiated bid price for the imported material and labor. The field order contained the negotiated unit price, unit of measurement, assumed quantity and scope of work.

As the sewer line installation proceeded west, groundwater was encountered in the sewer line trench. Because of general composition of the native material, the soil reacted poorly to the water and the base line of the trench became undesirable for conventional pipe installation.

It is critical that gravity sewer mains have a firm and stable base to prevent any future settling issues that may affect line capacity and result in future roadway settling. As a result of the ground water intrusion, de-watering wells were set up in the trench line to pump water out and additional native material was excavated and replaced with imported backfill. As the sewer line installation moved west toward 38th Ave the amount of ground water increased, this was due to the increasing depth of the sewer line from the existing street grade. A project meeting was convened to discuss construction options available to ensure that a firm stable base was achieved as well as an accurate line and grade for the remaining pipe installation. The consensus of the meeting was to excavate additional material and replace with 4"x8" quarry spalls. A unit bid price, method of measurement and estimated quantity was negotiated for the required quarry spalls with the contractor and a field order was issued by the City for the installation of the quarry spalls in order to stabilize the base under the sewer line.

It was critical for the Construction Team to react quickly to the changing site conditions and provide direction to the contractor so that installation of the sanitary sewer line could continue in a timely manner. The time frame for the installation was driven by the necessity to have this crucial road improvement project complete by spring 2008 and to avoid any potential delay claims or further impacts to the traveling public.







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

Subject: 56th and Olympic Improvement Project – Contract Change Order No. 2

Proposed Council Action: Authorize the Mayor on Behalf of the City Council to Execute Contract Change Order No. 2 (CCO#2)

Dept. Origin: Engineering Division

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

For Agenda of: December 10, 2007

Exhibits: Contract Change Order No. 2
HDR memo regarding CCO#2

	Initial & Date
Concurred by Mayor:	<i>SMH 12/6/07</i>
Approved by City Administrator:	<i>RJK 12/6/07</i>
Approved as to form by City Atty:	<i>CM 12/5/07</i>
Approved by Finance Director:	<i>DF 12/6/07</i>
Approved by Department Head:	<i>DM 12/5/07</i>

Expenditure	Amount	Appropriation
Required \$ 98,966.51	Budgeted \$250,000	Required 0

INFORMATION / BACKGROUND

On August 13, 2007, Council authorized award of the Olympic Drive/56th Street Improvements project to Ceccanti, Inc. in the amount of \$4,613,314.80. Sanitary sewer improvements are included in the contract amount with the sewer portion budgeted to be paid from the Sewer Capital Construction (\$250,000). The original Ceccanti, Inc. contract included \$113,114.10 for sewer improvements which included construction of an 8-inch dry sewer line. Upon execution of Contract Change Order No. 2 (CCO#2), the revised contract amount for sewer improvements will be \$212,080.61, which is within the budgeted amount.

(Note: Contract Change Order No. 1 was a no cost change order that made revisions to the submittal requirements for the contractor supplied construction schedule. This was executed by the City's project manager.)

While installing the deep sewer line along 56th Street, unsuitable trench material was encountered. In order to provide for the structural integrity of the sewer pipe and roadway, installation of quarry spalls and trench backfill in the sewer line trench were necessary. If the quarry spalls foundation option had not been successful, the installation of the sewer line would have had to cease and construction would have been postponed until a trench dewatering well system could be engineered and installed. This type of well dewatering system would have been extremely costly and detrimental to the construction schedule. This work was not included in the original contract documents so a unit price was negotiated with the contractor for the items "Trench Backfill for Sanitary Sewer" and "Quarry Spalls for Sewer Trench". The funds for installation of these two items will be added to the Ceccanti Inc. contract with the execution of CCO#2 in the amount of \$98,966.51 (includes 8.4% sales tax).

Please refer to the attached November 28, 2007 memo addressed to the City from the City's construction management consultant, HDR, Inc. for further details regarding CCO#2. The attached photographs depict the unsuitable trench conditions encountered.

FISCAL CONSIDERATION

There are sufficient funds budgeted in the Sewer Capital Construction account to pay for CCO#2. Upon execution of CCO#2, the total contract amount will be revised from \$4,613,314.80 to \$4,712,281.31, including state sales tax.

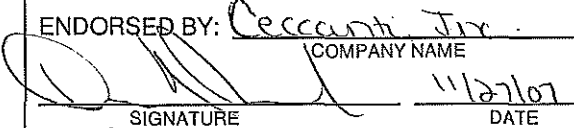
BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute Contract Change Order No. 2 to the Ceccanti, Inc. contract in the amount of \$98,966.51.

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

Sheet <u>1</u> of <u>2</u>	CHANGE ORDER	Change Order Number <u> 2 </u>
Date <u>11/27/07</u>	CONTRACT NO.: <u> CSP - 0133 </u> 56 th Street/Olympic Drive Roadway Improvement Project	
<input type="checkbox"/> ORDERED BY ENGINEER/CITY UNDER TERMS OF SECTION 1-04.4 OF THE STANDARD SPECIFICATIONS. <input type="checkbox"/> CHANGE PROPOSED BY CONTRACTOR. <input checked="" type="checkbox"/> OTHER: CHANGE MUTUALLY AGREED BETWEEN THE CITY AND THE CONTRACTOR.	TO: Ceccanti, Inc. 4116 Brookdale Rd. E Tacoma, WA 98446	
ENDORSED BY: <u>Ceccanti, Inc.</u> <small>COMPANY NAME</small>  <small>SIGNATURE</small> <u>11/27/07</u> <small>DATE</small> TITLE: <u>Corporate Secretary</u>	Consent Given by Surety (When required): BY: _____ <small>ATTORNEY IN-FACT</small> <small>DATE</small>	

DESCRIPTION OF WORK

THE CONTRACTOR / VENDOR SHALL PERFORM THE FOLLOWING UPON RECEIPT OF AN APPROVED COPY OF THIS CHANGE ORDER:

A) Contractor shall install "Trench Backfill for Sanitary Sewer" if native material is unsuitable for trench backfill. Contractor shall coordinate with the onsite City representative (HDR) and receive approval prior to installation of the material. "Trench Backfill for Sanitary Sewer" shall be 2" screened gravel borrow. The agreed to price for "Trench Backfill for Sanitary Sewer" is \$14.38/ton.
 Total Cost = 4733.35 tons x \$14.38/ton = \$68,065.57 + 8.4% Sales Tax = **\$73,783.08**
 This work will be paid under Bid Item #126 – Trench Backfill for Sanitary Sewer

B) Contractor shall install "Quarry Spalls for Sewer Trench" when the material located under the typical excavation limits for the sanitary sewer pipe is unsuitable. Contractor shall excavate approximately 2' below the typical excavation limits and place quarry spalls to obtain the elevation of the typical excavation limits. Quarry rock shall be a minimum of 4"x8" in size. Contract shall coordinate with the onsite City representative (HDR) and receive approval prior to installation of the Quarry Spalls. The agreed to price for "Quarry Spalls" is \$62.84/ton.
 Total Cost = 369.70 tons x \$62.84/ton = \$23,231.95 + 8.4% Sales Tax = **\$25,183.43**
 This work will be paid under Bid Item #127 – Quarry Spalls

ALL WORK, MATERIALS, AND MEASUREMENTS SHALL OTHERWISE BE IN ACCORDANCE WITH THE PROVISIONS OF THE CONTRACT AS APPLICABLE.

ORIGINAL CONTRACT AMOUNT \$ <u>4,613,314.80</u>	CURRENT CONTRACT AMOUNT \$ <u>4,613,314.80</u>	NET CHANGE THIS ORDER \$ <u>98,966.51</u>	CONTRACT TOTAL AFTER CHANGE \$ <u>4,712,281.31</u>
<input checked="" type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: <u><i>Steve Ormish</i></u> <u>12/5/07</u> CITY ENGINEER DATE		<input type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: _____ CITY ADMINISTRATOR DATE	
<input type="checkbox"/> APPROVED: _____ MAYOR		DATE: _____	

Note: Amounts include applicable Washington State Sales Tax. Final payment amount will vary from contract amount, and will be as set forth in the Final Progress Estimate and Reconciliation of Quantities.

To: Stephen Misiurak, P.E. City Engineer	
From: Gus Brandon Garcia Project Manager	Project: 56 th Street and Olympic Dr Road Improvement Project
CC: Emily Appleton, P.E. Senior Engineer	
Date: November 28, 2007	Job No: CSP-0133

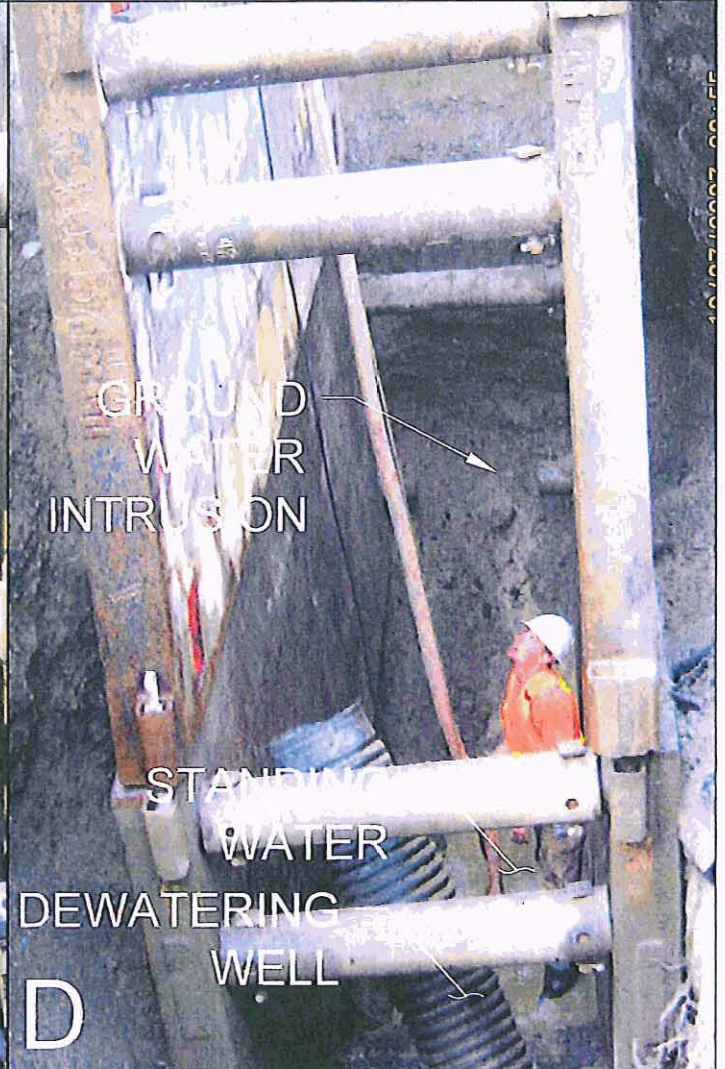
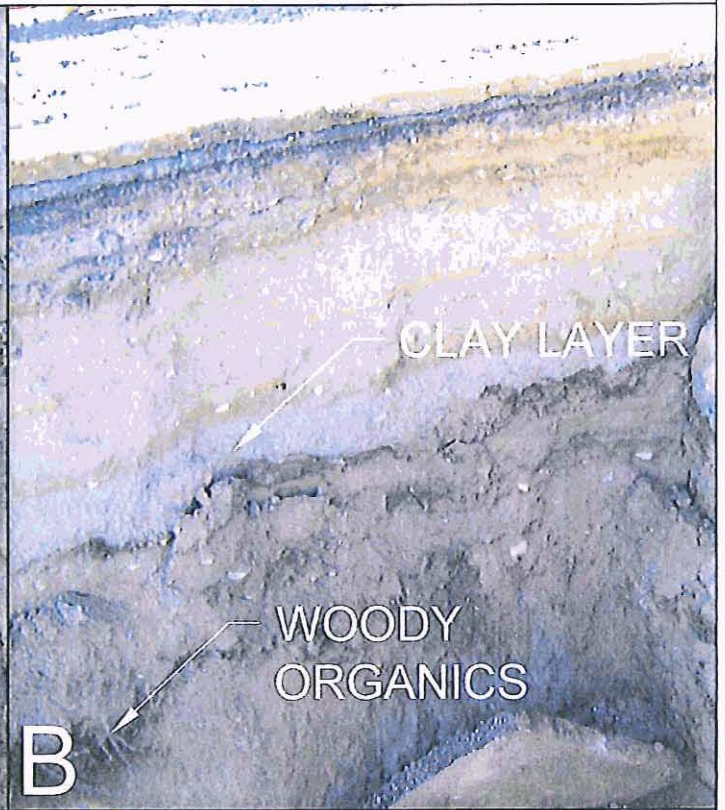
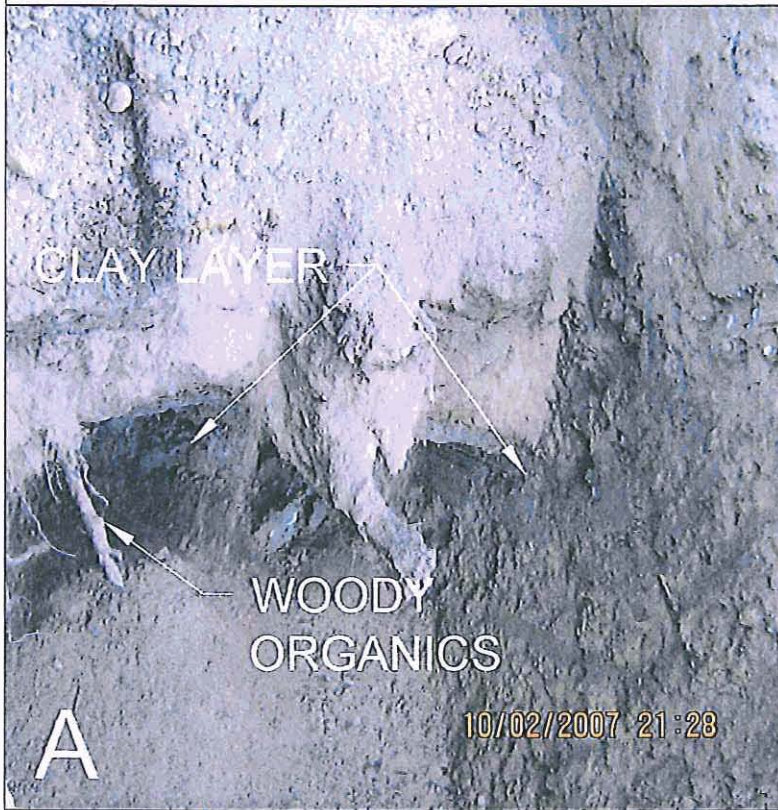
RE: Change Order 2 (Trench Backfill for Sanitary Sewer/Quarry Spalls for Sewer Trench)

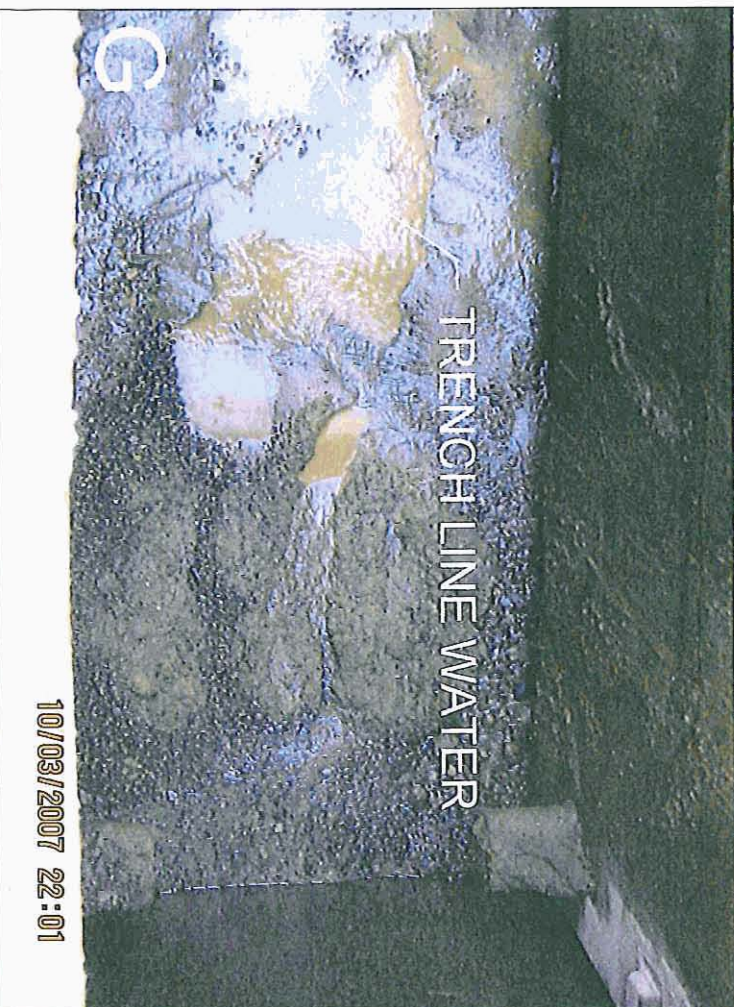
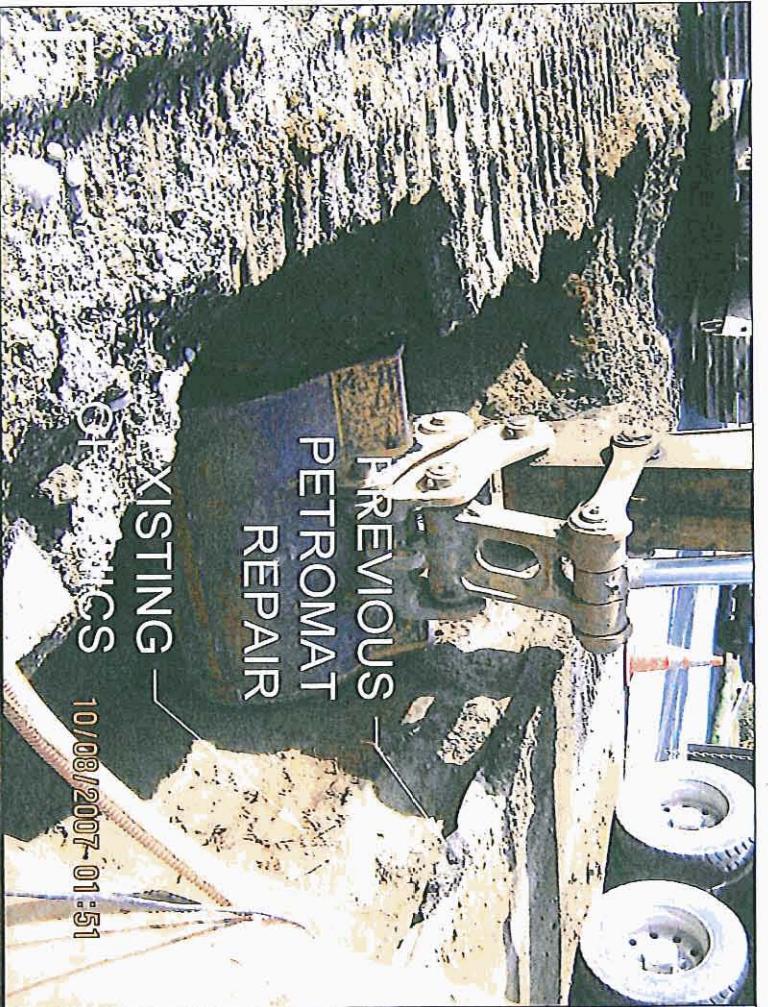
As part of the 56th Street and Olympic Drive Road Improvement project a new 8" gravity sewer line was installed from the intersection of 56th Street and 38th Avenue to the intersection of 56th Street and 36th Avenue Ct (Forest Glen Entrance). The total pipe installation run was approximately 600 LF with an average depth of 10' at 36th Ave Ct and 24 Feet at the intersection of 56th Street and 38th Avenue. Upon excavation for sewer line it was observed by the field inspection staff and quantified by City staff that the materials excavated were comprised of clay(s), wood debris, plant organics, and wet glacial till soils. The initial bid proposal anticipated the excavated material would be used for backfill of the sewer trench line however it was deemed by the onsite Construction Inspector, City Engineering staff, and Design Engineer that the excavated native material was not suitable for use. As a result, the city requested from the contractor a unit bid price for import material suitable for backfill in the trench line and issued a notice to proceed to the Contractor in the form of a field order based on the negotiated bid price for the imported material and labor. The field order contained the negotiated unit price, unit of measurement, assumed quantity and scope of work.

As the sewer line installation proceeded west, groundwater was encountered in the sewer line trench. Because of general composition of the native material, the soil reacted poorly to the water and the base line of the trench became undesirable for conventional pipe installation.

It is critical that gravity sewer mains have a firm and stable base to prevent any future settling issues that may affect line capacity and result in future roadway settling. As a result of the ground water intrusion, de-watering wells were set up in the trench line to pump water out and additional native material was excavated and replaced with imported backfill. As the sewer line installation moved west toward 38th Ave the amount of ground water increased, this was due to the increasing depth of the sewer line from the existing street grade. A project meeting was convened to discuss construction options available to ensure that a firm stable base was achieved as well as an accurate line and grade for the remaining pipe installation. The consensus of the meeting was to excavate additional material and replace with 4"x8" quarry spalls. A unit bid price, method of measurement and estimated quantity was negotiated for the required quarry spalls with the contractor and a field order was issued by the City for the installation of the quarry spalls in order to stabilize the base under the sewer line.

It was critical for the Construction Team to react quickly to the changing site conditions and provide direction to the contractor so that installation of the sanitary sewer line could continue in a timely manner. The time frame for the installation was driven by the necessity to have this crucial road improvement project complete by spring 2008 and to avoid any potential delay claims or further impacts to the traveling public.







Business of the City Council
City of Gig Harbor, WA

Subject: Cultural Resource Assessment
Onshore Outfall Replacement

Proposed Council Action: Authorize the Mayor on behalf of the City Council to execute this Consultant Services Contract.

Dept. Origin: Engineering Division

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

For Agenda of: December 10, 2007

Exhibits: Consultant Services Contract

Initial & Date

Concurred by Mayor: [Signature] 12/6/07
Approved by City Administrator: [Signature] 12/6/07
Approved as to form by City Atty: [Signature] 12/5/07
Approved by Finance Director: [Signature] 12/6/07
Approved by Department Head: [Signature] 12/5/07

Table with 3 columns: Expenditure Required, Amount Budgeted, Appropriation Required. Values: \$4,001.83, \$1,750,000, 0.

INFORMATION / BACKGROUND

A Cultural Resource Investigation is required to investigate the extent and solicit input from the nearby Puyallup Tribe. The Onshore portion of the Outfall traverses through an area of known historic Tribal occupation.

FISCAL CONSIDERATION

Sufficient funds exist within the Sewer Capital to fund this expenditure.

BOARD OR COMMITTEE RECOMMENDATION

None

RECOMMENDATION / MOTION

Move to: Execute this Consultant Services Agreement with Cultural Resource Consultants, Inc. in the amount not to exceed four thousand and one dollars and eighty-three cents (\$4,001.83).

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
CULTURAL RESOURCE CONSULTANTS, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Cultural Resource Consultants, Inc., a corporation organized under the laws of the State of Washington, located and doing business at 8001 Day Road West, Suite B, Bainbridge Island, WA 98110, (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in the Wastewater Treatment Plant Improvement Project and desires that the Consultant perform services necessary to provide the following consultant services.

WHEREAS, the Consultant agrees to perform the services more specifically described in the Scope of Services, dated December 5, 2007, including any addenda thereto as of the effective date of this agreement, all of which are attached hereto as **Exhibit A –Scope of Services**, and are incorporated by this reference as if fully set forth herein.

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

TERMS

I. Description of Work

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

II. Payment

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Four Thousand One Dollars and Eighty-Three Cents (\$4,001.83) 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 also 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 A**.

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 January 31, 2008; provided however, that additional time shall be granted by the City for 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 Services 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 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 prevailing 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
Margaret Berger, Project Archaeologist
Cultural Resource Consultants, Inc.
8001 Day Road West, Suite B
Bainbridge Island, Washington 98110
(206) 855-9020

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.

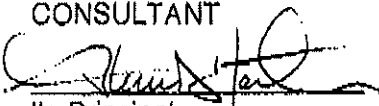
XVIII. Modification

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
Glenn D. Hartmann, President
Cultural Resource Consultants, Inc.
8001 Day Road West, Suite B
Bainbridge Island, Washington 98366
(206) 855-9020

Stephen Mislurak, 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 _____, 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)

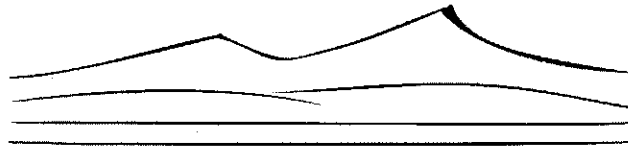
I certify that I know or have satisfactory evidence that Charles L. Hunter is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the Mayor of Gig Harbor to be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

Dated: _____

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

My Commission expires: _____

EXHIBIT A



Cultural Resource Consultants, Inc.

PROJECT SCOPE AND FEE AGREEMENT

CLIENT:	City of Gig Harbor
PROJECT:	Outfall Replacement – Onshore Portion
LOCATION:	Gig Harbor, Washington
ANTICIPATED PROJECT DATES:	December 2007 – January 2008

The City of Gig Harbor is currently requesting a cultural resources assessment prior to construction of their Outfall Replacement – Onshore Portion project. The outfall pipeline construction is within the property of the City’s existing Wastewater Treatment Place and will extend to the right-of-way of North Harborview Dr. The construction includes a new wastewater force main and outfall pipeline, fiber optic cable installation as well as road, sidewalk and landscaping restoration. The depth of excavation is approximately 3 to 5 feet and the anticipated length of new pipeline onshore is approximately 1,500 feet of 24 inch outfall pipe and 1,500 feet of 8 inch force main. Cultural Resource Consultants, Inc. (CRC) will provide the following project components as part of this cultural resources assessment.

Background Research: CRC will conduct a recorded sites files search at the Washington Department of Archaeology and Historic Preservation (DAHP); review of relevant correspondence between the project proponent, stakeholders and DAHP; and, review of pertinent environmental, archaeological, ethnographic and historical literature appropriate to the project area.

Project Meetings: CRC will be available for a pre-arranged project meeting prior to the start of work on this project and for two additional project meetings as required by the City.

Tribal Contact: CRC will contact the cultural resources staff of the affected tribes on a technical staff-to-technical staff basis for relevant project information. It is the responsibility of the governmental lead agency to consult with any involved tribes and to coordinate with tribal representatives regarding archaeological and cultural resources in or near the project area.

Field Identification: CRC will provide a field inventory of the project location for identification of archaeological and historical resources and, if necessary, excavation of shovel test probes or other exploratory excavations in environments that might contain buried archaeological deposits. Field methods will be consistent with DAHP guidelines.

Documentation of Findings: CRC will document and record historic properties within the project area, including preparation of Washington State archaeological and/or historic site(s) forms and National Register of Historic Places Determination of Eligibility forms (as appropriate). Documentation will be consistent with DAHP standards.

EXHIBIT A

Cultural Resources Assessment Report: CRC will prepare a technical memo describing background research, field methods, results of investigations, and management recommendations. The report will provide supporting documentation of archaeological findings, including maps and photographs, and will conform to DAHP reporting standards.

If extensive archaeological deposits are encountered within the project area it may be necessary to modify this agreement to accommodate additional investigations for purposes of site identification (i.e., additional shovel testing and/or evaluative excavations).

CRC will complete the field investigation within 30 days of this signed contract. A final report will be submitted within 30 days of fieldwork completion. In order to provide our client with the most effective services, CRC requires the following information prior to commencing work on this project:

- Description of the project scope in plain English. This should include a statement defining the overall goal of the project; expected dates of initiation and completion; general methodologies proposed for ground disturbing/construction operations; and projected means to address any environmental mitigation requirements.
- Relevant project plans, blueprints, maps, construction drawings, and as-built schematics, as appropriate. Preferably in PDF format, if available.
- Indication of locations ancillary to the specific project area, but which will be used for any construction equipment staging, utility conduits, refuse disposal, or project environmental mitigation sites.
- Name of the federal, state, or local agency that grants funds, issues permits, or provides government oversight over the project.
- Documentation of communication with the Washington State Department of Archaeology and Historic Preservation.
- Documentation of consultation with affected Indian Tribe(s) and other Stakeholders. Consultation must be initiated by the project proponent, lead government agency, and/or local municipality.
- Name of project area land management agency and contact information (if public property); name of land owner and contact information (if private property).

FEE

The fee for services described above is anticipated to be less than \$4,000.00.

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

Cultural Resource Consultants, Inc.
8001 Day Road W, Suite B
Bainbridge Island, WA 98110

Name/Title_____

Glenn D. Hartmann,
President/Principal Investigator

Date:_____

Date:_____

EXHIBIT B

Subconsultant Fee Determination - Summary Sheet

Project: Outfall Replacement - Onshore Portion

CRC #: 0711B - City of Gig Harbor

Direct Labor Cost

<u>Classifications</u>	<u>Labor Hours</u>	x	<u>Rate</u>	=	<u>Cost</u>
Principal Investigator	12.0		\$ 47.50	\$	570.00
Project Archaeologist I	36.0		\$ 26.50	\$	954.00
Project Archaeologist II	0.0		\$ 24.00	\$	-
Project Archaeologist III	0.0		\$ 22.00	\$	-
Project Archaeologist III	0.0		\$ 22.00	\$	-
Field Archaeologist	0.0		\$ 18.50	\$	-
Office Manager	3.0		\$ 23.50	\$	70.50
Office Assistant	0.0		\$ 10.50	\$	-
	51.0			\$	1,594.50
Overhead (OH Cost - - including Salary Additives):					
OH Rate x DLC of:	110%	%x\$	\$ 1,594.50	\$	1,753.95
Fixed Fee (FF):					
FF Rate x DLC of:	20.00%	%x\$	\$ 1,594.50	\$	318.90
Reimbursables:					
Photo & Graphic Supplies				\$	75.00
Lodging:				\$	-
Per Diem:				\$	-
Mileage:				\$	259.48
				\$	334.48
Grand Total:				\$	4,001.83

Prepared by: Teresa Peterson, Office Manager

Date:

5-Dec-07

DOT Form 140-089 EF Exhibit G-1



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

Subject: Wastewater Treatment Plant Centrifuge Procurement

Proposed Council Action: Authorize Council and the Mayor to authorize the Contract with Alfa Laval, Inc. to provide the Centrifuge for the Wastewater Treatment Plant in the amount of Two Hundred Seventy Thousand Four Hundred Fifty-Eight Dollars and No Cents (\$270,458.00).

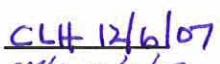
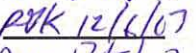
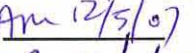
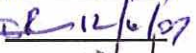
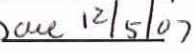
Dept. Origin: Engineering Division

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

For Agenda of: December 10, 2007

Exhibits: Procurement Contract

Initial & Date

Concurred by Mayor:  12/6/07
Approved by City Administrator:  12/6/07
Approved as to form by City Atty:  12/5/07
Approved by Finance Director:  12/6/07
Approved by Department Head:  12/5/07

Expenditure Required	\$270,458.00	Amount Budgeted	\$400,000	Appropriation Required	0
----------------------	--------------	-----------------	-----------	------------------------	---

INFORMATION / BACKGROUND

A budgeted 2007 and 2008 objective provides for the purchase of an additional sludge centrifuge unit. In response to a formal advertised bid, the City received the following bids:

Alfa Laval, Inc.	\$270,458.00
Centrisys Corporation	\$292,568.35
Andritz Separation	\$356,567.00

After a review of the bidder's qualifications, experience and ability of the contractor to provide the required equipment to the City in a timely manner, Alfa Laval, Inc. was determined to be the most responsible bidder.

FISCAL CONSIDERATION

The Centrifuge was budgeted for in the 2007 Budget, Objective Number 7.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Authorize Council and the Mayor to authorize the contract with Alfa Laval, Inc. for the procurement of the Centrifuge for the Wastewater Treatment Plant in the amount not-to-exceed Two Hundred Seventy Thousand Four Hundred Fifty-Eight Dollars and No Cents (\$270,458.00), including retail sales tax.

WASTEWATER TREATMENT PLANT CENTRIFUGE EQUIPMENT PROCUREMENT CSSP-0713

CONTRACT FORM

THIS AGREEMENT, made and entered into, this ____ day of _____, 200__, by and between the City of Gig Harbor, a Charter Code city in the State of Washington, hereinafter called the "City", and Alfa Laval, Inc. hereinafter called the "Contractor."

WITNESSETH:

That in consideration of the terms and conditions contained herein and attached and made a part of this Contract, the parties hereto covenant and agree as follows:

1. The Contractor shall do all of the work and furnish all of the labor, materials, tools, and equipment necessary to complete the procurement and installation of a sludge dewatering centrifuge for the City of Gig Harbor Wastewater Treatment Plant, and shall perform any changes in the work, all in full compliance with the Contract Documents entitled "City of Gig Harbor Wastewater Treatment Plant Centrifuge Equipment Procurement, CSSP-0713", which are by this reference incorporated herein and made a part hereof; and agrees to accept payment for the same in accordance with the said contract documents, including the schedule of prices in the "Proposal," the sum of Two Hundred Seventy Thousand Four Hundred Fifty Eight Dollars and No Cents (270,458.00), including state sales tax, and subject to the provisions of the Contract Documents.
2. Work shall commence and contract time shall begin on the first working day following the tenth (10th) calendar day after the date the City executes the Contract, or the date specified in the Notice to Proceed issued by the City's Engineer, whichever is later. All physical contract work shall be completed within one hundred and forty (140) calendar days.
3. The Contractor agrees to pay the City the sum of \$ 290.00 per day for each and every day all work remains uncompleted after expiration of the specified time, as liquidated damages.
4. The Contractor shall provide for and bear the expense of all labor, materials, tools and equipment of any sort whatsoever that may be required for the full performance of the work provided for in this Contract upon the part of the Contractor.
5. The term "Contract Documents" shall mean and refer to the following: "Invitation to Bidders," "Bid Proposal," "Addenda" if any, "Standard General Conditions of the Construction Contract," "Supplementary Conditions," "Technical Specifications," "Plans," "Contract," "Performance Bond," "Maintenance Bond," "Payment Bond," "Notice to Proceed," "Change Orders" if any, and any documents referenced or incorporated into the Contract Documents, including, but not limited to the Contract Documents.
6. The City agrees to pay the Contractor for materials furnished and work performed in the manner and at such times as set forth in the Contract Documents.
7. The Contractor for himself/herself, and for his/her heirs, executors, administrators, successors, assigns, agents, subcontractors, and employees, does hereby agree to the full performance of all of the covenants herein contained upon the part of the Contractor.

8. It is further provided that no liability shall attach to the City by reason of entering into this Contract, except as expressly provided herein.

IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed the day and year first hereinabove written:

CITY OF GIG HARBOR:

CONTRACTOR:

Charles L. Hunter, Mayor
City of Gig Harbor
Date: _____

Print Name: _____
Print Title: _____
Date: _____

ATTEST:

City Clerk

APPROVED FOR FORM:

City Attorney

END CONTRACT FORM



Business of the City Council
City of Gig Harbor, WA

Subject: Uptown Gig Harbor – Right-Of-Way Easement Agreements

Proposed Council Action: Approve the Right-Of- Way Easement Agreements

Dept. Origin: Community Development

Prepared by: Willy Hendrickson
Engineering Technician

For Agenda of: December 10, 2007

Exhibits: Three (3) separate Right-Of-Way Easement Agreements

Initial & Date

Concurred by Mayor: [Signature] 12/5/07
Approved by City Administrator: [Signature] 12/5/07
Approved as to form by City Atty: [Signature] 12/5/07
Approved by Finance Director: N/A
Approved by Department Head: [Signature] 12/5/07

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

INTRODUCTION/BACKGROUND

As part of the mitigated improvements for the Uptown Gig Harbor development project, Right-Of-Way Easements are required for three asphalt and sidewalk areas intersecting Pt. Fosdick Dr. located at 48th St. NW, 45th St. NW and Uptown Ave. These areas are required to be permanently dedicated to the City Of Gig Harbor.

The City's standard Right-Of-Way Easement Agreements have been reviewed and approved by City Attorney, Carol Morris.

City Council approval of the Right-Of-Way Easement Agreement are requested.

FISCAL CONSIDERATIONS

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

RECOMMENDATION / MOTION

Move to: Recommend that City Council approve the Right-Of-Way Easement Agreements as presented.

AFTER RECORDING RETURN TO:

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

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

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

Right-Of-Way Easement Agreement - 48th STREET NW

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

Gateway Capital 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)

NW ¼ of NE ¼ of Section 20 Township 21 N, Range 2 E, W.M.

Assessor's Property Tax Parcel or Account Number: 4002600010

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

RIGHT-OF-WAY EASEMENT AGREEMENT

THIS INSTRUMENT, executed this date by and between the City of Gig Harbor, a Washington municipal corporation (the "City" herein), and Gateway Capital LLC a Limited Liability Company organized under the laws of the State of Washington and whose mailing address is 5312 Pacific Hwy E., Fife Wa 98424-2602, as the owners of the within-described property (the "Owners" herein):

WITNESSETH:

WHEREAS, Owners own a fee simple and/or have a substantial beneficial interest in the following real property, commonly known as Uptown Gig Harbor, located at 4709 Point Fosdick, Gig Harbor Washington 98335, and legally described in the Exhibit attached hereto as **Exhibit A** incorporated herein;

WHEREAS, the City desires an easement for the purpose of monitoring, inspecting, maintaining, operating, improving, repairing, constructing, and reconstructing an asphalt access area with sidewalk curb and gutter intersecting from Point Fosdick Ave NW to 48th St. NW;

NOW, THEREFORE, the parties hereto agree as follows:

In consideration of one dollar (\$1.00), receipt of which is hereby acknowledged, Owners hereby convey and warrant to the City, a perpetual, nonexclusive easement, under, over, through and across the Property, for the purposes of monitoring, inspecting, maintaining, improving, repairing, constructing, and reconstructing an asphalt access area with sidewalk curb and gutter intersecting from Point Fosdick Ave NW to 48th St. NW, which easement (the "Easement" herein) is legally described in the Exhibit attached hereto as **Exhibit B** and shown on the Easement Location Map as **Exhibit C-1 and C-2** incorporated herein;

This Easement is subject to and conditioned upon the following terms and covenants, which both parties promise to faithfully and fully observe and perform:

1. Responsibility to Repair Damage. The City shall, upon completion of any work within the Property covered by the easement, restore the surface of the Easement, and any improvements on the Property not owned by the City, disturbed, damaged or destroyed during execution of the work, as nearly as practicable to the condition they were in immediately before commencement of the work or entry by the City. However, the City shall not be required to restore any such improvements installed and/or constructed on the Easement by the Owners subsequent to execution of this Easement Agreement, and as otherwise provided in paragraph "2" below.

2. Limitations on Owners. The Owners shall retain the right to use the surface of the Easement. However, the Owners shall not directly or indirectly have the right to:

- A. Erect or install, or cause to be erected or installed, any buildings, structures, pavement, or facilities within the Easement; or
- B. Plant, or cause to be planted, any additional trees, shrubs, or vegetation with deep root patterns which may cause damage to or interfere with the drainage system located within the Easement; or
- C. Develop, landscape, or beautify, or cause to be developed, landscaped, or beautified, the Easement area in any way that would unreasonably increase the costs to the City of restoring the Easement or restoring any Owner-caused or Owner authorized improvements therein; or
- D. Grant any additional or subsequent easement inconsistent with the rights of the City as granted herein. The City shall make the final determination whether any proposed subsequent easement is inconsistent with the City's Easement.

3. Notice of Entry. The Owners, their successors and assigns, shall allow access to the Easement by the City, without the City having to give prior notice of its intent to access the Easement.

4. Indemnification, Hold Harmless. The Owners hereby release, covenant not to bring suit and agree to indemnify, defend and hold harmless the City, its officers, officials, employees, agents and representatives from any and all claims, costs, judgments, losses or suits including attorneys' fees, awards or liabilities to any person arising out of or in connection with this Easement, except for injuries or damages caused by the sole negligence of the City.

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

The provisions of this section shall survive the termination of this Easement.

5. Dispute Resolution and Attorneys Fees. If any dispute arises between the Owners and the City under any of the provisions of this Easement which cannot be resolved by agreement of the parties, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Easement shall be governed by and construed in accordance with the laws of the State of Washington. The

prevailing party of any such litigation shall be entitled to recover its reasonable attorneys' fees and costs, including any expert witness fees.

6. **Waiver.** No waiver by either party of any term or condition of this Easement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or a different provision of this Easement.

7. **Merger.** This Easement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Easement and no prior agreements shall be effective for any purpose.

8. **Severability.** If any of the provisions contained in this Easement are held illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.


9. **Easement Binding on Successors and Assigns.** This instrument shall be recorded in the records of the Pierce County Auditor at the expense of the Owners and shall inure to the benefit of and be binding upon the Owners, its legal representatives, assigns, heirs and all owners of an after-acquired interest in the Property, and their successors and assigns.

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

THE CITY OF GIG HARBOR

By: _____
Its Mayor

OWNER

By:  _____


Its: Managing Member

Print Name: JOHN C. HOGAN

ATTEST:

City Clerk

APPROVED AS TO FORM:

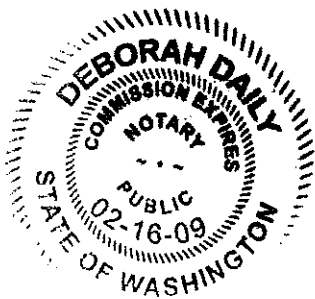


City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF Pierce)

I certify that I know or have satisfactory evidence that John C. Hogan 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 managing member of Gateway Capital LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 11/28/07



Deborah Daily
Notary Public in and for the
State of Washington,
Title: Executive Assistant
My appointment expires: 2-16-2009

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**

LEGAL DESCRIPTION OF CENTER

THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20,
TOWNSHIP 21 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE
CITY OF GIG HARBOR, PIERCE COUNTY, WASHINGTON.

EXCEPT THE SOUTH 332.4 FEET THEREOF.

EXCEPT THE NORTH 30 FEET THEREOF.

EXCEPT 30TH AVENUE NORTHWEST (PT. FOSDICK DRIVE NORTHWEST) ON THE
WEST.

ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST
QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21,
NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE CITY OF GIG
HARBOR, PIERCE COUNTY, WASHINGTON; THENCE ALONG THE EAST LINE
THEREOF, SOUTH 365 FEET TO THE POINT OF BEGINNING; THENCE WEST
AT A RIGHT ANGLE 125 FEET; THENCE SOUTH AT A RIGHT ANGLE 70 FEET;
THENCE EAST AT A RIGHT ANGLE 125 FEET; THENCE ALONG THE EAST LINE
OF SAID SUBDIVISION NORTH 70 FEET TO THE TRUE POINT OF BEGINNING.
ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST QUARTER OF
THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST
OF THE WILLAMETTE MERIDIAN, IN THE CITY OF GIG HARBOR, PIERCE COUNTY,
WASHINGTON; THENCE SOUTH 02°01'36" WEST ALONG THE WEST LINE OF SAID
NORTHEAST QUARTER, A DISTANCE OF 996.50 FEET TO THE NORTHWEST
CORNER OF THE SOUTH 332.40 OF SAID NORTHWEST QUARTER OF THE
NORTHEAST QUARTER; THENCE SOUTH 88°00'37" EAST A DISTANCE OF 30.00
FEET TO THE EASTERLY MARGIN OF 30TH AVENUE NW (POINT FOSDICK DRIVE NW)
AND POINT OF BEGINNING; THENCE NORTH 02°01'36" EAST ALONG SAID
EASTERLY MARGIN, A DISTANCE OF 176.44 FEET; THENCE SOUTH 87°58'24" EAST
A DISTANCE OF 19.64 FEET TO THE BEGINNING OF A CURVE CONCAVE
NORTHWEST AND HAVING A RADIUS OF 181.50 FEET; THENCE
COUNTERCLOCKWISE ALONG SAID CURVE A DISTANCE OF 286.92 FEET THROUGH
A CENTRAL ANGLE OF 90°34'33" TO THE BEGINNING OF A REVERSE CURVE
CONCAVE SOUTHEAST AND HAVING A RADIUS OF 34.50 FEET; THENCE
CLOCKWISE ALONG SAID CURVE A DISTANCE OF 54.59 FEET THROUGH A
CENTRAL ANGLE OF 90°39'20"; THENCE SOUTH 88°00'37" EAST A DISTANCE OF
409.39 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHWEST AND HAVING
A RADIUS OF 10.00 FEET; THENCE CLOCKWISE ALONG SAID CURVE A DISTANCE
OF 15.69 FEET THROUGH A CENTRAL ANGLE OF 89°54'00"; THENCE SOUTH
02°00'23" WEST A DISTANCE OF 383.62 FEET TO THE NORTH LINE OF SAID SOUTH
332.40 FEET; THENCE NORTH 88°00'37" WEST ALONG SAID NORTH LINE, A
DISTANCE OF 655.19 FEET TO THE POINT OF BEGINNING.

(Being revised Parcel A of Gig Harbor Boundary Line Adjustment recorded August 3,
2005, under Pierce County recording no. 200508035004.)

**EXHIBIT B
EASEMENT LEGAL DESCRIPTION**

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN IN GIG HARBOR, PIERCE COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

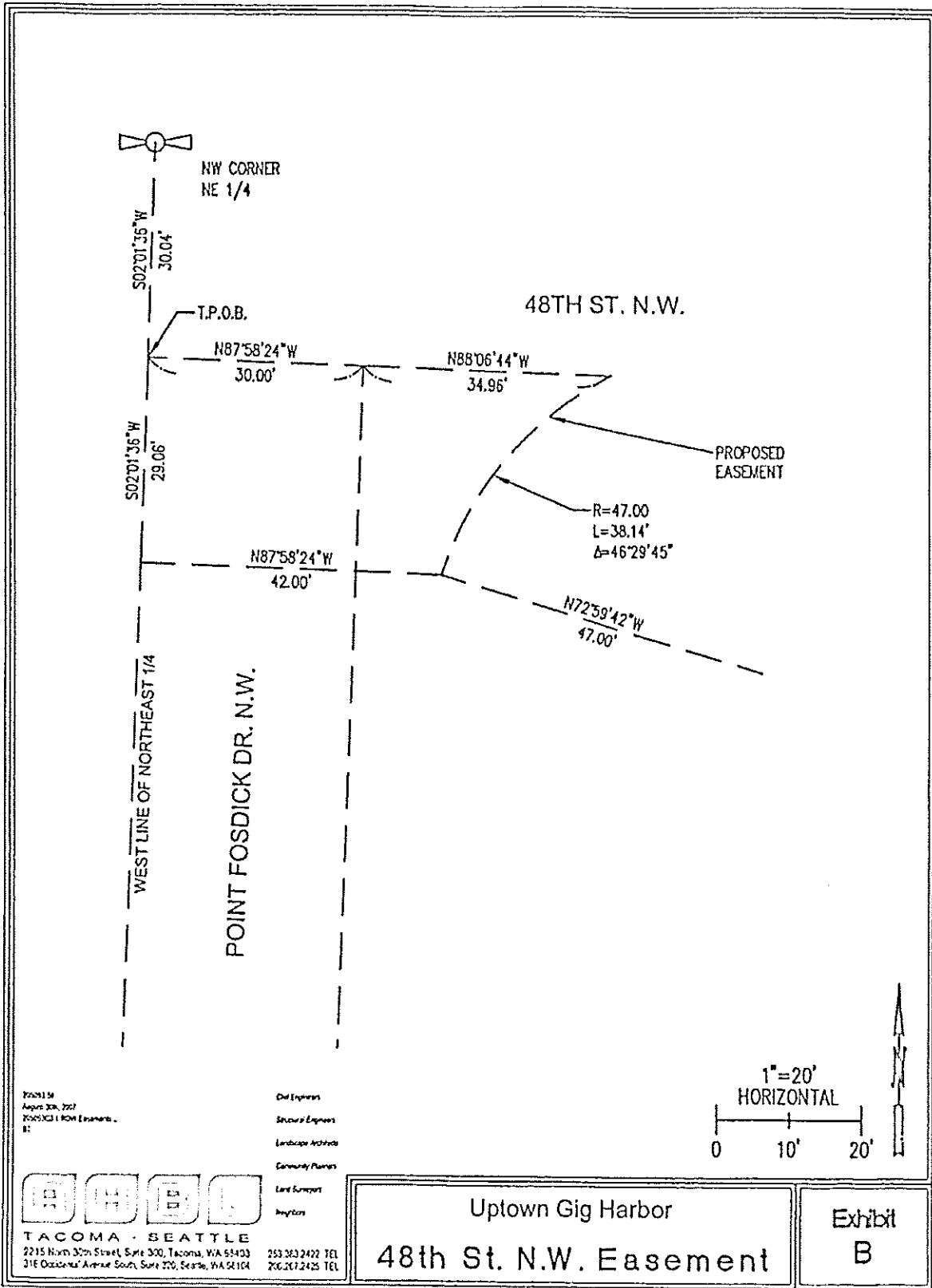
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 20; THENCE SOUTH $02^{\circ}01'36''$ WEST ALONG THE WEST LINE OF SAID NORTHEAST QUARTER A DISTANCE OF 30.04 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH $02^{\circ}01'36''$ WEST ALONG SAID WEST LINE A DISTANCE OF 29.06 FEET; THENCE SOUTH $87^{\circ}58'24''$ EAST A DISTANCE OF 42.00 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST FROM WHICH THE RADIUS POINT BEARS SOUTH $72^{\circ}59'42''$ EAST A DISTANCE OF 47.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $46^{\circ}29'45''$ FOR A DISTANCE OF 38.14 FEET TO THE SOUTHERLY MARGIN OF 48TH STREET NW; THENCE NORTH $88^{\circ}06'44''$ WEST ALONG SAID SOUTHERLY MARGIN A DISTANCE OF 34.96; THENCE NORTH $87^{\circ}58'24''$ WEST A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING.

EXCEPT POINT FOSDICK DRIVE NORTHWEST.

K:\Survey\Yr_2005\205093\48TH ST ROW LEGAL.doc



EXHIBIT C-1 EASEMENT LOCATION MAP



AFTER RECORDING RETURN TO:

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

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

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

Right-Of-Way Easement Agreement - 45th STREET N.W

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

Gateway Capital 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)

NW ¼ of NE ¼ of Section 20 Township 21 N, Range 2 E, W.M.

Assessor's Property Tax Parcel or Account Number: 4002600010

Reference Number(s) of Documents assigned or released:

RIGHT-OF-WAY EASEMENT AGREEMENT

THIS INSTRUMENT, executed this date by and between the City of Gig Harbor, a Washington municipal corporation (the "City" herein), and Gateway Capital LLC a Limited Liability Company organized under the laws of the State of Washington and whose mailing address is 5312 Pacific Hwy E., Fife Wa 98424-2602, as the owners of the within-described property (the "Owners" herein):

WITNESSETH:

WHEREAS, Owners own a fee simple and/or have a substantial beneficial interest in the following real property, commonly known as Uptown Gig Harbor, located at 4709 Point Fosdick, Gig Harbor Washington 98335, and legally described in the Exhibit attached hereto as **Exhibit A** incorporated herein;

WHEREAS, the City desires an easement for the purpose of monitoring, inspecting, maintaining, operating, improving, repairing, constructing, and reconstructing an asphalt access area with sidewalk curb and gutter intersecting from Point Fosdick Ave NW to 45th St. NW;

NOW, THEREFORE, the parties hereto agree as follows:

In consideration of one dollar (\$1.00), receipt of which is hereby acknowledged, Owners hereby convey and warrant to the City, a perpetual, nonexclusive easement, under, over, through and across the Property, for the purposes of monitoring, inspecting, maintaining, improving, repairing, constructing, and reconstructing an asphalt access area with sidewalk curb and gutter intersecting from Point Fosdick Ave NW to 48th St. NW, which easement (the "Easement" herein) is legally described in the Exhibit attached hereto as **Exhibit B** and shown on the Easement Location Map as **Exhibit C-1 and C-2** incorporated herein;

This Easement is subject to and conditioned upon the following terms and covenants, which both parties promise to faithfully and fully observe and perform:

1. **Responsibility to Repair Damage.** The City shall, upon completion of any work within the Property covered by the easement, restore the surface of the Easement, and any improvements on the Property not owned by the City, disturbed, damaged or destroyed during execution of the work, as nearly as practicable to the condition they were in immediately before commencement of the work or entry by the City. However, the City shall not be required to restore any such improvements installed and/or constructed on the Easement by the Owners subsequent to execution of this Easement Agreement, and as otherwise provided in paragraph "2" below.

2. Limitations on Owners. The Owners shall retain the right to use the surface of the Easement. However, the Owners shall not directly or indirectly have the right to:

- A. Erect or install, or cause to be erected or installed, any buildings, structures, pavement, or facilities within the Easement; or
- B. Plant, or cause to be planted, any additional trees, shrubs, or vegetation with deep root patterns which may cause damage to or interfere with the drainage system located within the Easement; or
- C. Develop, landscape, or beautify, or cause to be developed, landscaped, or beautified, the Easement area in any way that would unreasonably increase the costs to the City of restoring the Easement or restoring any Owner-caused or Owner authorized improvements therein; or
- D. Grant any additional or subsequent easement inconsistent with the rights of the City as granted herein. The City shall make the final determination whether any proposed subsequent easement is inconsistent with the City's Easement.

3. Notice of Entry. The Owners, their successors and assigns, shall allow access to the Easement by the City, without the City having to give prior notice of its intent to access the Easement.

4. Indemnification, Hold Harmless. The Owners hereby release, covenant not to bring suit and agree to indemnify, defend and hold harmless the City, its officers, officials, employees, agents and representatives from any and all claims, costs, judgments, losses or suits including attorneys' fees, awards or liabilities to any person arising out of or in connection with this Easement, except for injuries or damages caused by the sole negligence of the City.

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

The provisions of this section shall survive the termination of this Easement.

5. Dispute Resolution and Attorneys Fees. If any dispute arises between the Owners and the City under any of the provisions of this Easement which cannot be resolved by agreement of the parties, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Easement shall be governed by and construed in accordance with the laws of the State of Washington. The

prevailing party of any such litigation shall be entitled to recover its reasonable attorneys' fees and costs, including any expert witness fees.

6. **Waiver.** No waiver by either party of any term or condition of this Easement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or a different provision of this Easement.

7. **Merger.** This Easement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Easement and no prior agreements shall be effective for any purpose.

8. **Severability.** If any of the provisions contained in this Easement are held illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

9. **Easement Binding on Successors and Assigns.** This instrument shall be recorded in the records of the Pierce County Auditor at the expense of the Owners and shall inure to the benefit of and be binding upon the Owners, its legal representatives, assigns, heirs and all owners of an after-acquired interest in the Property, and their successors and assigns.

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

THE CITY OF GIG HARBOR

OWNER

By: _____
Its Mayor

By:  _____

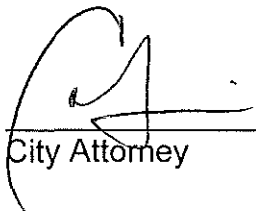
Its: Managing Member

Print Name: JOHN C. HOGAN

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 John C. Hogan 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 Managing Member of Gateway Capital, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 11/28/07



Deborah Daily
Notary Public in and for the
State of Washington,
Title: Executive Assistant
My appointment expires: 2/16/2009

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**

LEGAL DESCRIPTION OF CENTER

THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20,
TOWNSHIP 21 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE
CITY OF GIG HARBOR, PIERCE COUNTY, WASHINGTON.

EXCEPT THE SOUTH 332.4 FEET THEREOF.

EXCEPT THE NORTH 30 FEET THEREOF.

EXCEPT 30TH AVENUE NORTHWEST (PT. FOSDICK DRIVE NORTHWEST) ON THE
WEST.

ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST
QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21,
NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE CITY OF GIG
HARBOR, PIERCE COUNTY, WASHINGTON; THENCE ALONG THE EAST LINE
THEREOF, SOUTH 365 FEET TO THE POINT OF BEGINNING; THENCE WEST
AT A RIGHT ANGLE 125 FEET; THENCE SOUTH AT A RIGHT ANGLE 70 FEET;
THENCE EAST AT A RIGHT ANGLE 125 FEET; THENCE ALONG THE EAST LINE
OF SAID SUBDIVISION NORTH 70 FEET TO THE TRUE POINT OF BEGINNING.
ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST QUARTER OF
THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST
OF THE WILLAMETTE MERIDIAN, IN THE CITY OF GIG HARBOR, PIERCE COUNTY,
WASHINGTON; THENCE SOUTH 02°01'36" WEST ALONG THE WEST LINE OF SAID
NORTHEAST QUARTER, A DISTANCE OF 996.50 FEET TO THE NORTHWEST
CORNER OF THE SOUTH 332.40 OF SAID NORTHWEST QUARTER OF THE
NORTHEAST QUARTER; THENCE SOUTH 88°00'37" EAST A DISTANCE OF 30.00
FEET TO THE EASTERLY MARGIN OF 30TH AVENUE NW (POINT FOSDICK DRIVE NW)
AND POINT OF BEGINNING; THENCE NORTH 02°01'36" EAST ALONG SAID
EASTERLY MARGIN, A DISTANCE OF 176.44 FEET; THENCE SOUTH 87°58'24" EAST
A DISTANCE OF 19.64 FEET TO THE BEGINNING OF A CURVE CONCAVE
NORTHWEST AND HAVING A RADIUS OF 181.50 FEET; THENCE
COUNTERCLOCKWISE ALONG SAID CURVE A DISTANCE OF 286.92 FEET THROUGH
A CENTRAL ANGLE OF 90°34'33" TO THE BEGINNING OF A REVERSE CURVE
CONCAVE SOUTHEAST AND HAVING A RADIUS OF 34.50 FEET; THENCE
CLOCKWISE ALONG SAID CURVE A DISTANCE OF 54.59 FEET THROUGH A
CENTRAL ANGLE OF 90°39'20"; THENCE SOUTH 88°00'37" EAST A DISTANCE OF
409.39 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHWEST AND HAVING
A RADIUS OF 10.00 FEET; THENCE CLOCKWISE ALONG SAID CURVE A DISTANCE
OF 15.69 FEET THROUGH A CENTRAL ANGLE OF 89°54'00"; THENCE SOUTH
02°00'23" WEST A DISTANCE OF 383.62 FEET TO THE NORTH LINE OF SAID SOUTH
332.40 FEET; THENCE NORTH 88°00'37" WEST ALONG SAID NORTH LINE, A
DISTANCE OF 655.19 FEET TO THE POINT OF BEGINNING.

(Being revised Parcel A of Gig Harbor Boundary Line Adjustment recorded August 3,
2005, under Pierce County recording no. 200508035004.)

**EXHIBIT B
EASEMENT LEGAL DESCRIPTION**

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN IN GIG HARBOR, PIERCE COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 20; THENCE SOUTH 02°01'36" WEST ALONG THE WEST LINE OF SAID NORTHEAST QUARTER A DISTANCE OF 758.79 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 02°01'36" WEST ALONG SAID WEST LINE A DISTANCE OF 95.16 FEET; THENCE SOUTH 87°58'24" EAST A DISTANCE OF 45.39 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST FROM WHICH THE RADIUS POINT BEARS SOUTH 84°44'12" EAST A DISTANCE OF 23.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 61°49'47" FOR A DISTANCE OF 24.82 FEET; THENCE NORTH 02°01'36" EAST A DISTANCE OF 57.85 FEET; THENCE NORTH 41°10'01" WEST A DISTANCE OF 24.35 FEET; THENCE NORTH 87°58'24" WEST A DISTANCE OF 42.00 FEET TO THE POINT OF BEGINNING.

EXCEPT POINT FOSDICK DRIVE NORTHWEST.

K:\Survey\Yr_2005\205093\45TH ST ROW LEGAL.doc

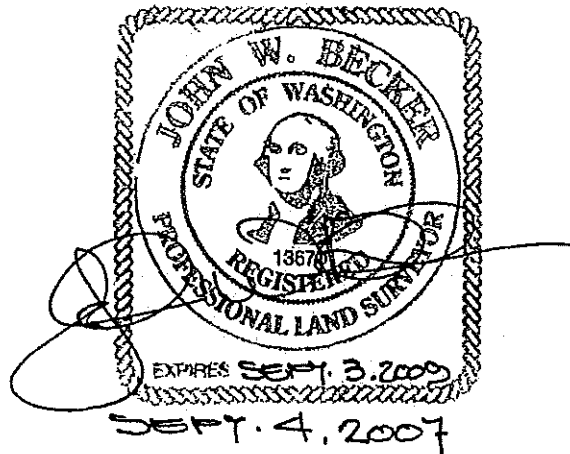


EXHIBIT C-1 EASEMENT LOCATION MAP

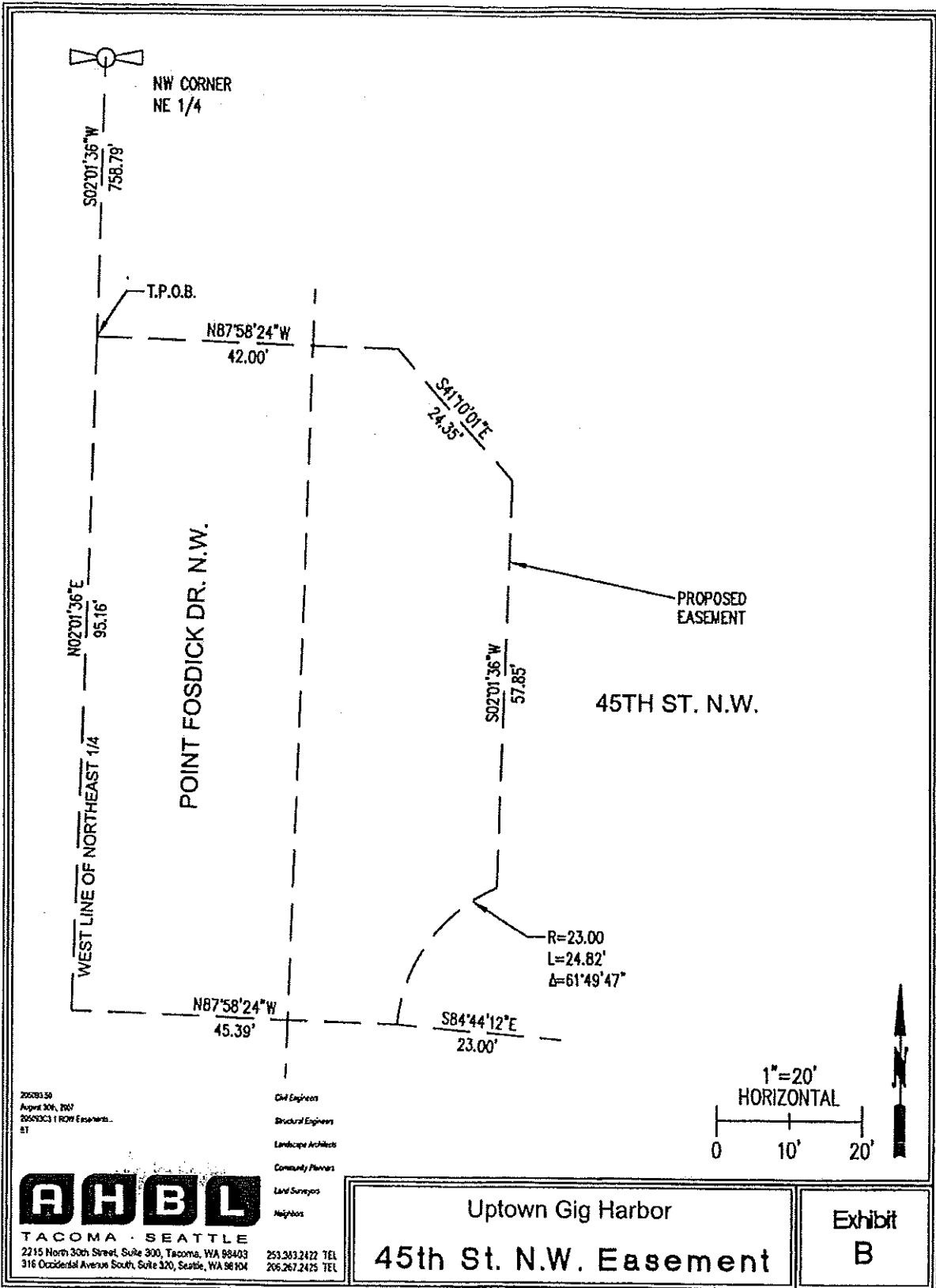
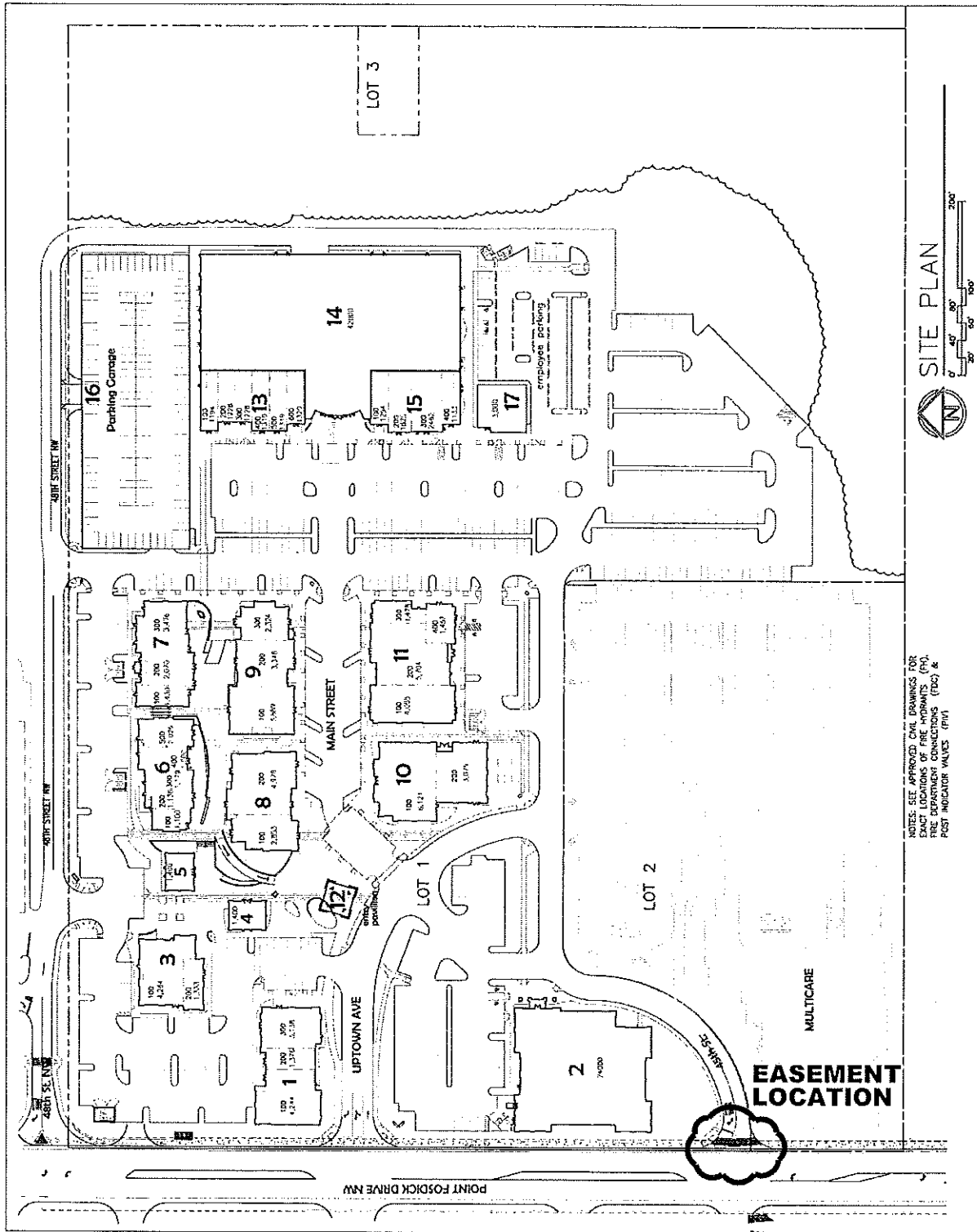


EXHIBIT C-2 EASEMENT LOCATION MAP



AFTER RECORDING RETURN TO:

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

WASHINGTON STATE COUNTY AUDITOR/RECORDER'S INDEXING FORM

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

Right-Of-Way Easement Agreement - UPTOWN AVENUE

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

Gateway Capital 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)

NW ¼ of NE ¼ of Section 20 Township 21 N, Range 2 E, W.M.

Assessor's Property Tax Parcel or Account Number: 4002600010

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

RIGHT-OF-WAY EASEMENT AGREEMENT

THIS INSTRUMENT, executed this date by and between the City of Gig Harbor, a Washington municipal corporation (the "City" herein), and Gateway Capital LLC a Limited Liability Company organized under the laws of the State of Washington and whose mailing address is 5312 Pacific Hwy E., Fife Wa 98424-2602, as the owners of the within-described property (the "Owners" herein):

WITNESSETH:

WHEREAS, Owners own a fee simple and/or have a substantial beneficial interest in the following real property, commonly known as Uptown Gig Harbor, located at 4709 Point Fosdick, Gig Harbor Washington 98335, and legally described in the Exhibit attached hereto as **Exhibit A** incorporated herein;

WHEREAS, the City desires an easement for the purpose of monitoring, inspecting, maintaining, operating, improving, repairing, constructing, and reconstructing an asphalt access area with sidewalk curb and gutter intersecting from Point Fosdick Ave NW to Uptown Avenue;

NOW, THEREFORE, the parties hereto agree as follows:

In consideration of one dollar (\$1.00), receipt of which is hereby acknowledged, Owners hereby convey and warrant to the City, a perpetual, nonexclusive easement, under, over, through and across the Property, for the purposes of monitoring, inspecting, maintaining, improving, repairing, constructing, and reconstructing an asphalt access area with sidewalk curb and gutter intersecting from Point Fosdick Ave NW to 48th St. NW, which easement (the "Easement" herein) is legally described in the Exhibit attached hereto as **Exhibit B** and shown on the Easement Location Map as **Exhibit C-1 and C-2** incorporated herein;

This Easement is subject to and conditioned upon the following terms and covenants, which both parties promise to faithfully and fully observe and perform:

1. Responsibility to Repair Damage. The City shall, upon completion of any work within the Property covered by the easement, restore the surface of the Easement, and any improvements on the Property not owned by the City, disturbed, damaged or destroyed during execution of the work, as nearly as practicable to the condition they were in immediately before commencement of the work or entry by the City. However, the City shall not be required to restore any such improvements installed and/or constructed on the Easement by the Owners subsequent to execution of this Easement Agreement, and as otherwise provided in paragraph "2" below.

2. Limitations on Owners. The Owners shall retain the right to use the surface of the Easement. However, the Owners shall not directly or indirectly have the right to:

- A. Erect or install, or cause to be erected or installed, any buildings, structures, pavement, or facilities within the Easement; or
- B. Plant, or cause to be planted, any additional trees, shrubs, or vegetation with deep root patterns which may cause damage to or interfere with the drainage system located within the Easement; or
- C. Develop, landscape, or beautify, or cause to be developed, landscaped, or beautified, the Easement area in any way that would unreasonably increase the costs to the City of restoring the Easement or restoring any Owner-caused or Owner authorized improvements therein; or
- D. Grant any additional or subsequent easement inconsistent with the rights of the City as granted herein. The City shall make the final determination whether any proposed subsequent easement is inconsistent with the City's Easement.

3. Notice of Entry. The Owners, their successors and assigns, shall allow access to the Easement by the City, without the City having to give prior notice of its intent to access the Easement.

4. Indemnification, Hold Harmless. The Owners hereby release, covenant not to bring suit and agree to indemnify, defend and hold harmless the City, its officers, officials, employees, agents and representatives from any and all claims, costs, judgments, losses or suits including attorneys' fees, awards or liabilities to any person arising out of or in connection with this Easement, except for injuries or damages caused by the sole negligence of the City.

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

The provisions of this section shall survive the termination of this Easement.

5. Dispute Resolution and Attorneys Fees. If any dispute arises between the Owners and the City under any of the provisions of this Easement which cannot be resolved by agreement of the parties, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Easement shall be governed by and construed in accordance with the laws of the State of Washington. The

prevailing party of any such litigation shall be entitled to recover its reasonable attorneys' fees and costs, including any expert witness fees.

6. **Waiver.** No waiver by either party of any term or condition of this Easement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or a different provision of this Easement.

7. **Merger.** This Easement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Easement and no prior agreements shall be effective for any purpose.

8. **Severability.** If any of the provisions contained in this Easement are held illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.


9. **Easement Binding on Successors and Assigns.** This instrument shall be recorded in the records of the Pierce County Auditor at the expense of the Owners and shall inure to the benefit of and be binding upon the Owners, its legal representatives, assigns, heirs and all owners of an after-acquired interest in the Property, and their successors and assigns.

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

THE CITY OF GIG HARBOR

OWNER

By: _____
Its Mayor

By:  _____

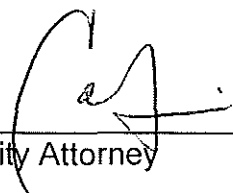
Its: Managing Member

Print Name: JOHN C. HOGAN

ATTEST:

City Clerk

APPROVED AS TO FORM:

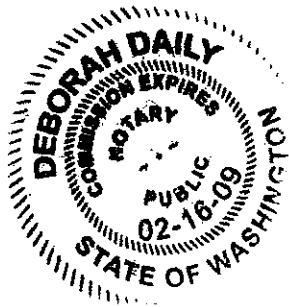


City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF Pierce)

I certify that I know or have satisfactory evidence that John C. Hogan 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 Managing Member of Gateway Capital, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 11/28/07



Deborah Daily
Notary Public in and for the
State of Washington,
Title: Executive Assistant
My appointment expires: 2/16/2009

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**

LEGAL DESCRIPTION OF CENTER

THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20,
TOWNSHIP 21 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE
CITY OF GIG HARBOR, PIERCE COUNTY, WASHINGTON.

EXCEPT THE SOUTH 332.4 FEET THEREOF.

EXCEPT THE NORTH 30 FEET THEREOF.

EXCEPT 30TH AVENUE NORTHWEST (PT. FOSDICK DRIVE NORTHWEST) ON THE
WEST.

ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST
QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21,
NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE CITY OF GIG
HARBOR, PIERCE COUNTY, WASHINGTON; THENCE ALONG THE EAST LINE
THEREOF, SOUTH 365 FEET TO THE POINT OF BEGINNING; THENCE WEST
AT A RIGHT ANGLE 125 FEET; THENCE SOUTH AT A RIGHT ANGLE 70 FEET;
THENCE EAST AT A RIGHT ANGLE 125 FEET; THENCE ALONG THE EAST LINE
OF SAID SUBDIVISION NORTH 70 FEET TO THE TRUE POINT OF BEGINNING.
ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST QUARTER OF
THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST
OF THE WILLAMETTE MERIDIAN, IN THE CITY OF GIG HARBOR, PIERCE COUNTY,
WASHINGTON; THENCE SOUTH 02°01'36" WEST ALONG THE WEST LINE OF SAID
NORTHEAST QUARTER, A DISTANCE OF 996.50 FEET TO THE NORTHWEST
CORNER OF THE SOUTH 332.40 OF SAID NORTHWEST QUARTER OF THE
NORTHEAST QUARTER; THENCE SOUTH 88°00'37" EAST A DISTANCE OF 30.00
FEET TO THE EASTERLY MARGIN OF 30TH AVENUE NW (POINT FOSDICK DRIVE NW)
AND POINT OF BEGINNING; THENCE NORTH 02°01'36" EAST ALONG SAID
EASTERLY MARGIN, A DISTANCE OF 176.44 FEET; THENCE SOUTH 87°58'24" EAST
A DISTANCE OF 19.64 FEET TO THE BEGINNING OF A CURVE CONCAVE
NORTHWEST AND HAVING A RADIUS OF 181.50 FEET; THENCE
COUNTERCLOCKWISE ALONG SAID CURVE A DISTANCE OF 286.92 FEET THROUGH
A CENTRAL ANGLE OF 90°34'33" TO THE BEGINNING OF A REVERSE CURVE
CONCAVE SOUTHEAST AND HAVING A RADIUS OF 34.50 FEET; THENCE
CLOCKWISE ALONG SAID CURVE A DISTANCE OF 54.59 FEET THROUGH A
CENTRAL ANGLE OF 90°39'20"; THENCE SOUTH 88°00'37" EAST A DISTANCE OF
409.39 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHWEST AND HAVING
A RADIUS OF 10.00 FEET; THENCE CLOCKWISE ALONG SAID CURVE A DISTANCE
OF 15.69 FEET THROUGH A CENTRAL ANGLE OF 89°54'00"; THENCE SOUTH
02°00'23" WEST A DISTANCE OF 383.62 FEET TO THE NORTH LINE OF SAID SOUTH
332.40 FEET; THENCE NORTH 88°00'37" WEST ALONG SAID NORTH LINE, A
DISTANCE OF 655.19 FEET TO THE POINT OF BEGINNING.

(Being revised Parcel A of Gig Harbor Boundary Line Adjustment recorded August 3,
2005, under Pierce County recording no. 200508035004.)

**EXHIBIT B
EASEMENT LEGAL DESCRIPTION**

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN IN GIG HARBOR, PIERCE COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 20; THENCE SOUTH 02°01'36" WEST ALONG THE WEST LINE OF SAID NORTHEAST QUARTER A DISTANCE OF 316.93 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 02°01'36" WEST ALONG SAID WEST LINE A DISTANCE OF 95.79 FEET; THENCE SOUTH 87°58'24" EAST A DISTANCE OF 42.00 FEET; THENCE NORTH 45°08'51" EAST A DISTANCE OF 31.52 FEET; THENCE SOUTH 88°00'35" EAST A DISTANCE OF 15.00 FEET; THENCE NORTH 01°59'25" EAST A DISTANCE OF 61.87 FEET; THENCE NORTH 88°00'35" WEST A DISTANCE OF 16.00 FEET; THENCE NORTH 59°56'54" WEST A DISTANCE OF 23.23 FEET; THENCE NORTH 87°58'24" WEST A DISTANCE OF 42.00 FEET TO THE POINT OF BEGINNING.

EXCEPT POINT FOSDICK DRIVE NORTHWEST.

K:\Survey\Yr_2005\205093\UPTOWN AVE ROW LEGAL REV.doc

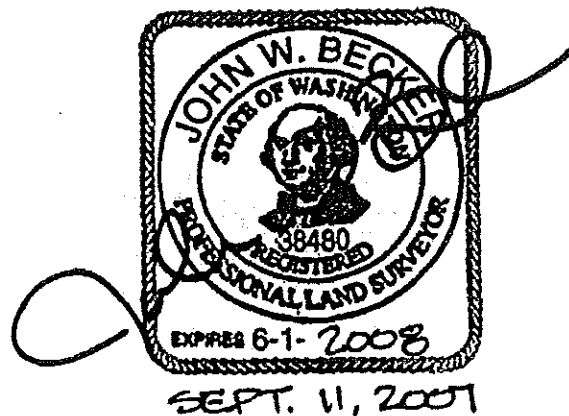
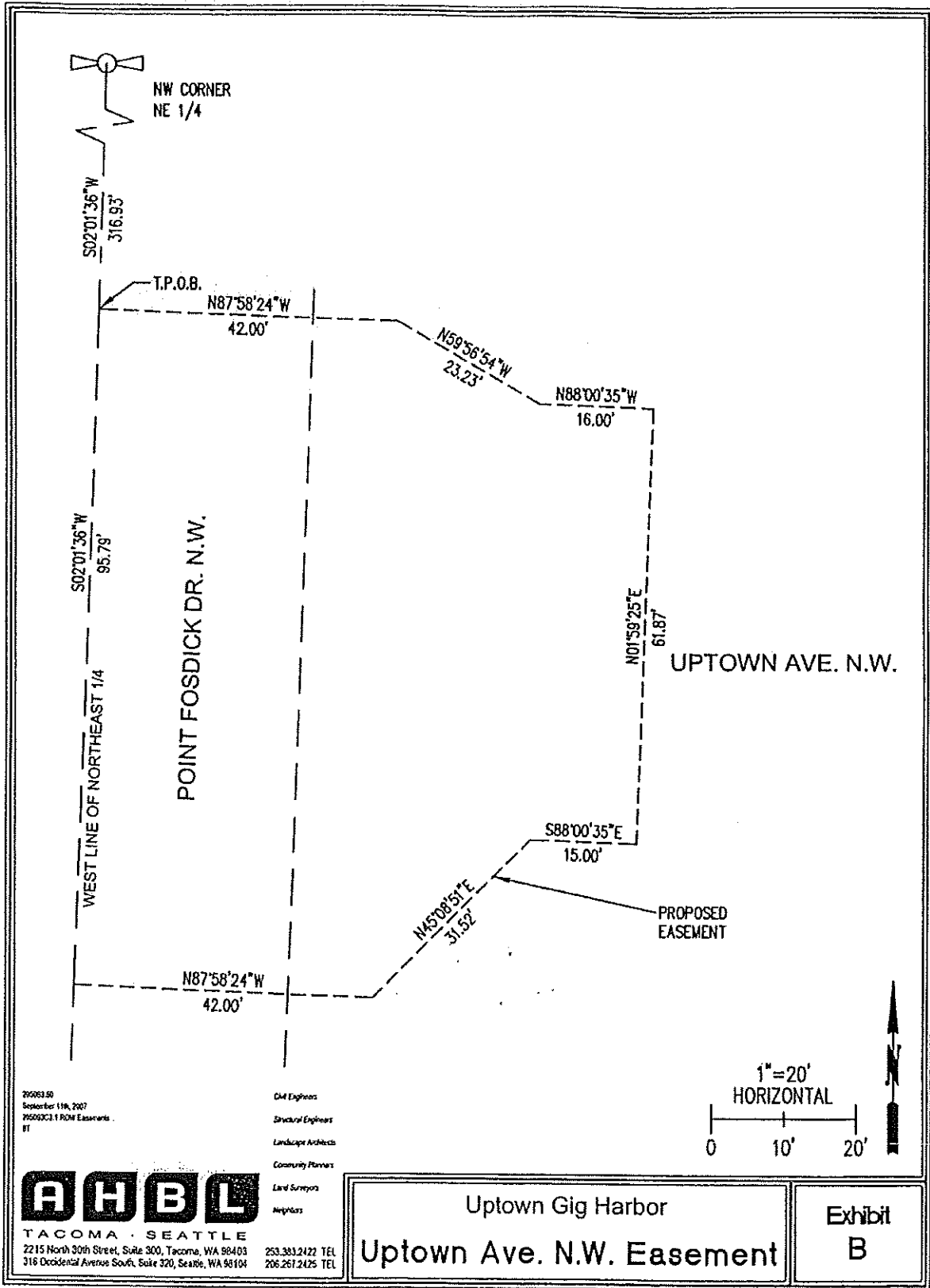


EXHIBIT C-1 EASEMENT LOCATION MAP



20093.50
September 11th, 2007
20502C3.1 RDM Easements
IT

- City Engineers
- Structural Engineers
- Landscape Architects
- Community Planners
- Land Surveyors
- Neighbors

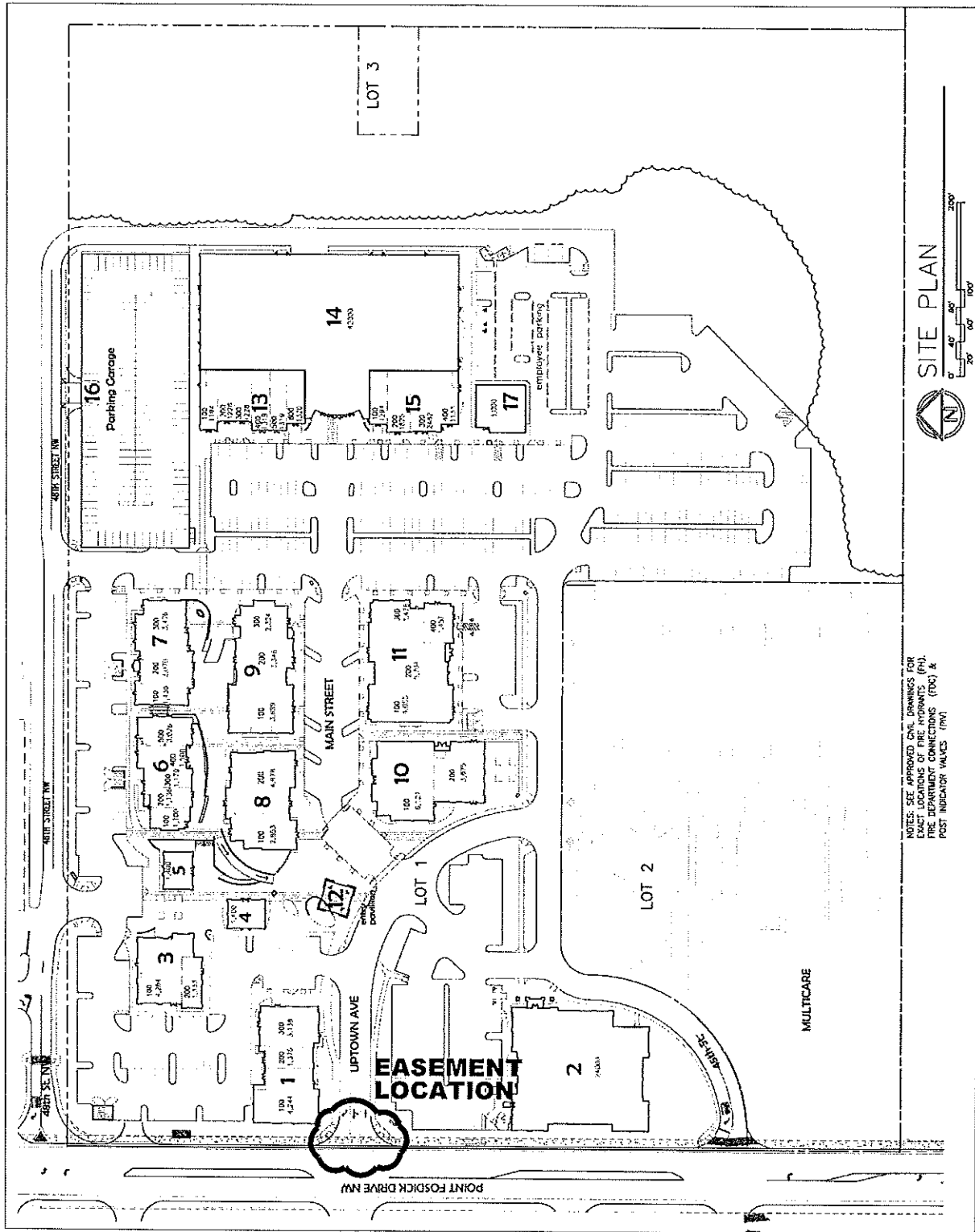
AHBL
TACOMA · SEATTLE
2215 North 30th Street, Suite 300, Tacoma, WA 98403
318 Occidental Avenue South, Suite 320, Seattle, WA 98104

253.383.2422 TEL
206.267.2425 TEL

Uptown Gig Harbor
Uptown Ave. N.W. Easement

Exhibit
B

EXHIBIT C-2 EASEMENT LOCATION MAP



NOTES: SEE APPROVED CIVIL DRAWINGS FOR EXACT LOCATIONS OF FIRE HYDRANTS (FH), FIRE DEPARTMENT CONNECTIONS (FDC) & POST INDICATOR VALVES (PIV).



Business of the City Council
City of Gig Harbor, WA

Subject: Resolution – Surplus Equipment

Dept. Origin: Community Development

Proposed Council Action:

Adopt Resolution No. 733 to Surplus three Savin Copiers and one Hewlett Packard Printer

Prepared by: David Brereton, Interim *David*
Community Development Director

For Agenda of: December 10, 2007

Exhibits: Resolution 733

Initial & Date

Concurred by Mayor:

CLH 12/6/07

Approved by City Administrator:

PK 12/6/07

Approved as to form by City Atty:

Lane 12/5/07

Approved by Finance Director:

CF 12/5/07

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

INFORMATION / BACKGROUND

Staff requests authorization to surplus the following equipment: three copiers; two in Community Development and one in Administration/Finance, and one Hewlett Packard (HP) printer that was shared by Planning and Building/Fire. This resolution is required to surplus this equipment and send them to auction.

FISCAL CONSIDERATION

Proceeds from the auctioning of these items will go to the general fund.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Adopt Resolution No. 733 authorizing the surplus of three Savin copiers and one Hewlett Packard printer.

RESOLUTION NO. 733

**A RESOLUTION OF THE CITY OF GIG HARBOR
DECLARING CITY EQUIPMENT SURPLUS AND ELIGIBLE
FOR SALE.**

WHEREAS, the Gig Harbor City Council has determined that city-owned equipment is surplus to the City's equipment needs and has been or is in need of being replaced with new equipment; and

WHEREAS, the City may declare such equipment surplus and eligible for sale;

NOW, THEREFORE, the City Council of the City of Gig Harbor hereby resolves as follows.

To declare as surplus:

EQUIPMENT		Qty.	SERIAL / ID NUMBER	MODEL INFO.
1	Savin Black & White Copiers	3	J0220600644 (City ID 01076) J0220600691 (City ID 01077) J4325700665 (City ID 01070)	Savin 2527 Savin 2527 Savin 2575
2	Hewlett Packard Printer	1	JPBL4DY04V (City ID 01195)	9050N

PASSED ON THIS 10th day of December, 2007.

APPROVED:

MAYOR CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

MOLLY M. TOWSLEE, CITY CLERK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.



Business of the City Council
City of Gig Harbor, WA

Subject: Department of Natural Resources
Grant Agreement – Eddon Boat Bulkhead
Removal.

Proposed Council Action: Authorize the
Mayor on behalf of the City Council to execute
this Interagency Agreement between the State
of Washington Department of Natural
Resources and the City of Gig Harbor.

Dept. Origin: Engineering Division

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

For Agenda of: December 10, 2007

Exhibits: Department of Natural
Resources Interagency
Agreement

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:
CLH 12/6/07
RJK 12/6/07
DR 12/6/07
Dane 12/6/07

Table with 4 columns: Expenditure Required, Amount Budgeted, Appropriation Required, and values: \$25,880, 0, 0.

INFORMATION / BACKGROUND

This agreement provides Grant monies in the amount of \$100,000 from Washington State Department of Natural Resources towards the removal of creosote-treated wood that is located at the Eddon Boatyard Site.

FISCAL CONSIDERATION

The estimated cost of the bulkhead removal is \$125,880. The differential \$25,880 will be funded from the seller's remediation account.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Authorize the Mayor on behalf of the City Council to execute this Interagency Agreement between the State of Washington Department of Natural Resources and the City of Gig Harbor.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
DOUG SUTHERLAND, Commissioner of Public Lands**

**INTERAGENCY AGREEMENT
WITH THE CITY OF GIG HARBOR**

Agreement No. IAA 08-151

This Agreement is between the City of Gig Harbor, referred to as the CITY and the Washington State Department of Natural Resources, South Puget Sound Region, referred to as the DNR.

The DNR and the CITY enter into this Agreement under authority of Chapter 39.34RCW of Washington State, Interlocal Cooperation Act.

The purpose of this Agreement is to provide an agreement between the CITY and DNR to fund and promote the removal of creosote-treated wood that is located at the Eddon Boatyard located on the west shoreline in Gig Harbor, Washington

IT IS MUTUALLY AGREED THAT:

1.01 Statement of Work. The CITY shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to performing work set forth in the Attachment A.

2.01 Period of Performance. The period of performance of this Agreement shall begin on November 1, 2007, and end on June 1, 2009, unless terminated sooner as provided herein.

3.01 Payment. Pay for the work provided is established under RCW 39.34.130. The parties estimate that the total cost of accomplishing the work will not exceed one hundred twenty five thousand eight hundred eighty dollars (\$125,880). Pay for services shall be based on the rates and terms described in Attachment B - Budget.

DNR is limited to \$100,000 only to the project. The remainder of the \$125,880 in the Budget will come from other sources.

4.01 Billing Procedures. The CITY shall submit invoices to DNR monthly. Payment to the CITY for approved and completed work will be made by warrant or account transfer within 30 days of receiving the invoice. When the contract expires, any claim for payment not already made shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier.

5.01 Records Maintenance. The parties to this Agreement shall each maintain books, records, documents and other evidence, which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so

authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, and any persons duly authorized by the parties shall have full access to and the right to examine any of these materials during this period.

Records and other documents in any medium furnished by one party to this agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose this material to any third parties without first notifying the furnishing party and giving it a reasonable opportunity to respond. Each party will use reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

6.01 Rights to Data. Unless otherwise agreed, data originating from this Agreement shall be “works for hire” as defined by the U.S. Copyright Act of 1976 and shall be owned by the CITY and DNR. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to use, copyright, patent, register and the ability to transfer these rights.

7.01 Independent Capacity. The employees or agents of each party who are engaged in performing this agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

8.01 Amendments. This Agreement may be amended by mutual agreement of the parties. Amendments shall be in writing and signed by personnel authorized to bind each of the parties.

9.01 Termination. Either party may terminate this Agreement by giving the other party 30 days prior written notice. If this Agreement is terminated, the terminating party shall be liable to pay only for those services provided or costs incurred prior to the termination date according to the terms of this Agreement.

10.01 Termination for Cause. If for any cause either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of the terms and conditions, the aggrieved party will give the other party written notice of the failure or violation. The aggrieved party will give the other party 15 working days to correct the violation or failure. If the failure or violation is not corrected within 15 days, the aggrieved party may immediately terminate this Agreement by notifying the other party in writing.

11.01 Disputes. If a dispute arises, a dispute board shall resolve the dispute like this: Each party to this agreement shall appoint a member to the dispute board. These board members shall jointly appoint an additional member to the dispute board. The dispute board shall evaluate the facts, contract terms, applicable statutes and rules, then determine a resolution. The dispute board’s determination shall be final and binding on the parties. As an alternative to the dispute board, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330. In this case, the Governor’s process will control the dispute resolution.

12.01 Governance. This contract is entered into the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this agreement shall be construed to conform to those laws.

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

- (1) Applicable State and federal statutes and rules;
- (2) Statement of Work; and
- (3) Any other provisions of the agreement, including materials incorporated by reference.

13.01 Assignment. The work to be provided under this Agreement and any claim arising from this agreement can not be assigned or delegated in whole or in part by either party, without the express prior written consent of the other party. Neither party shall unreasonably withhold consent.

14.01. Waiver. A party that fails to exercise its rights under this agreement is not precluded from subsequently exercising its rights. A party's rights may only be waived through a written amendment to his agreement.

15.01 General Insurance Requirements. The DNR and the CITY are protected by their respective insurance liability programs. DNR and the CITY have entered into an agreement to provide the services herein. This agreement will terminate on the date listed in the period of performance.

Each party to this agreement will be assigned, and assume responsibility for any damages to third parties that are attributable to the negligent acts or omissions of the individual party. The DNR and the CITY agree, to the extent permitted by law, to defend, protect, save and hold harmless the other party, its officers, agents, and employees from any and all claims, costs, damages, and expenses suffered due to each party's negligent acts or omissions or those of its agents or employees in the performance of this agreement.

16.01 Severability. The provisions of this agreement are severable. If any provision of this Agreement or any provision of any document incorporated by reference should be held invalid, the other provisions of this Agreement that are effective without the invalid provision remain valid if the agreement formed by the remaining clauses conforms to the requirements of applicable law and the fundamental purpose of this agreement.

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

18.01 Contract Management. The Project Coordinator for each of the parties shall be the contact person for this agreement. All communications and billings will be sent to the project coordinator.

19.01 Project Coordinators.

- (1) The Project Coordinator for CITY is Steve Misiurak.
Telephone Number 253-851-6170.
- (2) The Project Manager for the DNR is Monica Durkin.
Telephone Number 206-799-2949.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF GIG HARBOR

Dated: _____, 20__

By: _____
Charles Hunter

Title: Mayor

Address: 3510 Grandview Street
Gig Harbor, WA 98335

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: _____, 20__

By: _____
DERRICK TOBA

Title: Assistant Region Manager

Address: 950 Farman Avenue
Enumclaw, WA 98022

Interagency Agreement
Approved as to form
By the Assistant Attorney General
State of Washington

Attachment A

STATEMENT OF WORK

The CITY is performing cleaning up activities at the Eddon Boatyard Site on the western side of Gig Harbor. The cleanup includes demolition of the existing creosoted bulkhead, pier and marine rails, removal of the gangway and floating dock, and cleanup of sediments that exceed SMS standards by dredging, backfilling, and capping.

The creosote-treated bulkhead is 1,600 square-feet long and includes 26 creosote-treated piling. The removal of the bulkhead will increase upper intertidal acreage and facilitate the creation of a pocket estuary. Eighty seven creosote-treated piling will be removed from the pier and marine rails.

The CITY will provide all the resources for completing all related design work, contract management and oversight, permitting, bidding of the construction, and contracting the work to remove, transport, and dispose of the structures described in this agreement.

The CITY is responsible for securing all the necessary permits and project reviews including archaeological and historical review, as required by Executive Order 05-05.

The DNR Project Manager shall receive a copy of all permits related to this agreement as well as the historical review documentation.

Following the completion of the project the CITY will provide a report to the DNR Project Manager. The report will include the following information:

1. Total number of pilings removed.
2. Total tonnage of pilings removed.
3. Total square footage of overwater structure removed
4. Construction start date and end date.
5. Total project cost.

/ / / / / /

END STATEMENT OF WORK

Attachment B

BUDGET

Invoice Identification and Information

DNR has agreed to pay for the cost of the following project functions related to creosote-treated wood, mobilization, demobilization, removal, and disposal, but not to exceed one hundred thousand dollars (\$100,000). These functions estimated costs are shown in line item 3, 4, 5, 7, and 8. The current estimated cost for these line items is eighty one thousand four hundred dollars (\$81,400).

Reimbursement will be paid when the following are observed by the CITY:

1. The terms of the Interagency Agreement Number 08-151 are complied with.
2. The invoice breaks down the specific costs of the project including: mobilization, demobilization, removal cost, disposal cost.
3. The invoice submitted to DNR by the CITY must reference Interagency Agreement Number IAA 08-151.

Estimated Costs

**Creosoted Piling Removal and Disposal
Eddon Boatyard Property**

Item	Unit	Unit Costs	# Units	Cost	Note
Demolition/Disposal					
1 Utility Check/Permitting	EA	\$8,500	1	\$8,500	Integrated in Sediment Cleanup Permitting
2 Construction Documents	EA	\$5,000	1	\$5,000	Concurrent with Sediment Cleanup
3 Mobilization/Demobilization	EA	\$4,000	1	\$4,000	Concurrent with Sediment Cleanup
4 Treated Pier Deck & Framing Removal and Disposal	EA	\$15,000	1	\$15,000	KPFF 2007
5 Pier Creosoted Piles Removal and Disposal	EA	\$400	24	\$9,600	KPFF 2007
6 Marine Railway Rail Removal and Disposal	EA	\$5,000	2	\$10,000	KPFF 2007
7 Marine Railway Creosoted Pile Removal and Disposal	EA	\$400	62	\$24,800	KPFF 2007
8 Creosoted Bulkhead Removal and Disposal	Ft ²	\$14	2000	\$28,000	Anchor Memorandum dated February 14, 2007
Subtotal				\$104,900	
Contingency Cost @ 20 percent	EA			\$20,980.0	
Total Estimated Costs for Demolition, Removal and Disposal				\$125,880	

/ / /
END BUDGET

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
DOUG SUTHERLAND, Commissioner of Public Lands**

**INTERAGENCY AGREEMENT
WITH THE CITY OF GIG HARBOR**

Agreement No. IAA 08-151

This Agreement is between the City of Gig Harbor, referred to as the CITY and the Washington State Department of Natural Resources, South Puget Sound Region, referred to as the DNR.

The DNR and the CITY enter into this Agreement under authority of Chapter 39.34RCW of Washington State, Interlocal Cooperation Act.

The purpose of this Agreement is to provide an agreement between the CITY and DNR to fund and promote the removal of creosote-treated wood that is located at the Eddon Boatyard located on the west shoreline in Gig Harbor, Washington

IT IS MUTUALLY AGREED THAT:

1.01 Statement of Work. The CITY shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to performing work set forth in the Attachment A.

2.01 Period of Performance. The period of performance of this Agreement shall begin on November 1, 2007, and end on June 1, 2009, unless terminated sooner as provided herein.

3.01 Payment. Pay for the work provided is established under RCW 39.34.130. The parties estimate that the total cost of accomplishing the work will not exceed one hundred twenty five thousand eight hundred eighty dollars (\$125,880). Pay for services shall be based on the rates and terms described in Attachment B - Budget.

DNR is limited to \$100,000 only to the project. The remainder of the \$125,880 in the Budget will come from other sources.

4.01 Billing Procedures. The CITY shall submit invoices to DNR monthly. Payment to the CITY for approved and completed work will be made by warrant or account transfer within 30 days of receiving the invoice. When the contract expires, any claim for payment not already made shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier.

5.01 Records Maintenance. The parties to this Agreement shall each maintain books, records, documents and other evidence, which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so

authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, and any persons duly authorized by the parties shall have full access to and the right to examine any of these materials during this period.

Records and other documents in any medium furnished by one party to this agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose this material to any third parties without first notifying the furnishing party and giving it a reasonable opportunity to respond. Each party will use reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

6.01 Rights to Data. Unless otherwise agreed, data originating from this Agreement shall be “works for hire” as defined by the U.S. Copyright Act of 1976 and shall be owned by the CITY and DNR. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to use, copyright, patent, register and the ability to transfer these rights.

7.01 Independent Capacity. The employees or agents of each party who are engaged in performing this agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

8.01 Amendments. This Agreement may be amended by mutual agreement of the parties. Amendments shall be in writing and signed by personnel authorized to bind each of the parties.

9.01 Termination. Either party may terminate this Agreement by giving the other party 30 days prior written notice. If this Agreement is terminated, the terminating party shall be liable to pay only for those services provided or costs incurred prior to the termination date according to the terms of this Agreement.

10.01 Termination for Cause. If for any cause either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of the terms and conditions, the aggrieved party will give the other party written notice of the failure or violation. The aggrieved party will give the other party 15 working days to correct the violation or failure. If the failure or violation is not corrected within 15 days, the aggrieved party may immediately terminate this Agreement by notifying the other party in writing.

11.01 Disputes. If a dispute arises, a dispute board shall resolve the dispute like this: Each party to this agreement shall appoint a member to the dispute board. These board members shall jointly appoint an additional member to the dispute board. The dispute board shall evaluate the facts, contract terms, applicable statutes and rules, then determine a resolution. The dispute board’s determination shall be final and binding on the parties. As an alternative to the dispute board, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330. In this case, the Governor’s process will control the dispute resolution.

12.01 Governance. This contract is entered into the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this agreement shall be construed to conform to those laws.

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

- (1) Applicable State and federal statutes and rules;
- (2) Statement of Work; and
- (3) Any other provisions of the agreement, including materials incorporated by reference.

13.01 Assignment. The work to be provided under this Agreement and any claim arising from this agreement can not be assigned or delegated in whole or in part by either party, without the express prior written consent of the other party. Neither party shall unreasonably withhold consent.

14.01 Waiver. A party that fails to exercise its rights under this agreement is not precluded from subsequently exercising its rights. A party's rights may only be waived through a written amendment to his agreement.

15.01 General Insurance Requirements. The DNR and the CITY are protected by their respective insurance liability programs. DNR and the CITY have entered into an agreement to provide the services herein. This agreement will terminate on the date listed in the period of performance.

Each party to this agreement will be assigned, and assume responsibility for any damages to third parties that are attributable to the negligent acts or omissions of the individual party. The DNR and the CITY agree, to the extent permitted by law, to defend, protect, save and hold harmless the other party, its officers, agents, and employees from any and all claims, costs, damages, and expenses suffered due to each party's negligent acts or omissions or those of its agents or employees in the performance of this agreement.

16.01 Severability. The provisions of this agreement are severable. If any provision of this Agreement or any provision of any document incorporated by reference should be held invalid, the other provisions of this Agreement that are effective without the invalid provision remain valid if the agreement formed by the remaining clauses conforms to the requirements of applicable law and the fundamental purpose of this agreement.

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

18.01 Contract Management. The Project Coordinator for each of the parties shall be the contact person for this agreement. All communications and billings will be sent to the project coordinator.

19.01 Project Coordinators.

- (1) The Project Coordinator for CITY is Steve Misiurak.
Telephone Number 253-851-6170.
- (2) The Project Manager for the DNR is Monica Durkin.
Telephone Number 206-799-2949.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF GIG HARBOR

Dated: _____, 20__

By: _____

Charles Hunter

Title: Mayor

Address: 3510 Grandview Street
Gig Harbor, WA 98335

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: _____, 20__

By: _____

DERRICK TOBA

Title: Assistant Region Manager

Address: 950 Farman Avenue
Enumclaw, WA 98022

Interagency Agreement
Approved as to form
By the Assistant Attorney General
State of Washington

Attachment A

STATEMENT OF WORK

The CITY is performing cleaning up activities at the Eddon Boatyard Site on the western side of Gig Harbor. The cleanup includes demolition of the existing creosoted bulkhead, pier and marine rails, removal of the gangway and floating dock, and cleanup of sediments that exceed SMS standards by dredging, backfilling, and capping.

The creosote-treated bulkhead is 1,600 square-feet long and includes 26 creosote-treated piling. The removal of the bulkhead will increase upper intertidal acreage and facilitate the creation of a pocket estuary. Eighty seven creosote-treated piling will be removed from the pier and marine rails.

The CITY will provide all the resources for completing all related design work, contract management and oversight, permitting, bidding of the construction, and contracting the work to remove, transport, and dispose of the structures described in this agreement.

The CITY is responsible for securing all the necessary permits and project reviews including archaeological and historical review, as required by Executive Order 05-05.

The DNR Project Manager shall receive a copy of all permits related to this agreement as well as the historical review documentation.

Following the completion of the project the CITY will provide a report to the DNR Project Manager. The report will include the following information:

1. Total number of pilings removed.
2. Total tonnage of pilings removed.
3. Total square footage of overwater structure removed
4. Construction start date and end date.
5. Total project cost.

/ / / / / / /
END STATEMENT OF WORK

Attachment B

BUDGET

Invoice Identification and Information

DNR has agreed to pay for the cost of the following project functions related to creosote-treated wood, mobilization, demobilization, removal, and disposal, but not to exceed one hundred thousand dollars (\$100,000). These functions estimated costs are shown in line item 3, 4, 5, 7, and 8. The current estimated cost for these line items is eighty one thousand four hundred dollars (\$81,400).

Reimbursement will be paid when the following are observed by the CITY:

1. The terms of the Interagency Agreement Number 08-151 are complied with.
2. The invoice breaks down the specific costs of the project including: mobilization, demobilization, removal cost, disposal cost.
3. The invoice submitted to DNR by the CITY must reference Interagency Agreement Number IAA 08-151.

Estimated Costs

**Creosoted Piling Removal and Disposal
Eddon Boatyard Property**

Item	Unit	Unit Costs	# Units	Cost	Note
Demolition/Disposal					
1 Utility Check/Permitting	EA	\$8,500	1	\$8,500	Integrated in Sediment Cleanup Permitting
2 Construction Documents	EA	\$5,000	1	\$5,000	Concurrent with Sediment Cleanup
3 Mobilization/Demobilization	EA	\$4,000	1	\$4,000	Concurrent with Sediment Cleanup
4 Treated Pier Deck & Framing Removal and Disposal	EA	\$15,000	1	\$15,000	KPFF 2007
5 Pier Creosoted Piles Removal and Disposal	EA	\$400	24	\$9,600	KPFF 2007
6 Marine Railway Rail Removal and Disposal	EA	\$5,000	2	\$10,000	KPFF 2007
7 Marine Railway Creosoted Pile Removal and Disposal	EA	\$400	62	\$24,800	KPFF 2007
8 Creosoted Bulkhead Removal and Disposal	Ft ²	\$14	2000	\$28,000	Anchor Memorandum dated February 14, 2007
Subtotal				\$104,900	
Contingency Cost @ 20 percent	EA			\$20,980.0	
Total Estimated Costs for Demolition, Removal and Disposal				\$125,880	

/ / /
END BUDGET



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

**Subject: Aeration Basin Walkway
Contract Authorization**

Proposed Council Action: Approve the award and execution of the contract for Aeration Basin Walkway/Grating and Handrails to Streich Bros., Inc. for their quote in the amount not to exceed Thirty-Nine Thousand Six Hundred Three Dollars and Twenty Cents (\$39,603.20).

Dept. Origin: Community Development

Prepared by: David Brereton *DB*
Interim Comm. Dev. Director

For Agenda of: December 10, 2007

Exhibits: Construction Services Contract

Concurred by Mayor: *CLH 12/6/07*

Approved by City Administrator: *PK 12/6/07*

Approved as to form by City Atty: *AM 12/5/07*

Approved by Finance Director: *DF 12/5/07*

Approved by Department Head: *DB 12/5/07*

Expenditure	Amount	Appropriation
Required \$39,603.20	Budgeted \$400,000	Required \$0

INFORMATION / BACKGROUND

Money was originally budgeted for the relocation of the existing centrifuge. With the need to expedite the construction of Phase I of the WWTP improvements and change of plans, the money is not needed for the relocation. Increased demand on the WWTP that will occur prior to the completion of Phase I will require some interim improvements to keep the WWTP in compliance with the NPDES permit. This is one measure in a series of interim improvements to add to the existing plant's capability to handle additional flows and weather surcharges. These improvements will become a part of the expansion and will not be removed. Contractor will supply Aeration Basin Walkway pipe support bridge railing and grating to supply air to diffusers to be installed in North Aeration Basin.

FISCAL CONSIDERATION

Sufficient funds exist in the 2007 Annual Sewer Operating Budget under Narrative of Objectives #7.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Approve the award and execution of the contract for Aeration Basin Walkway/Grating and Handrails to Streich Bros., Inc. for their quote in the amount not to exceed Thirty-Nine Thousand Six Hundred Three Dollars and Twenty Cents (\$39,603.20).

**AGREEMENT FOR CONSTRUCTION SERVICES
BETWEEN GIG HARBOR AND STREICH BROS., INC.**

THIS AGREEMENT, is made this 4th day of December, 2007 by and between the City of Gig Harbor (hereinafter the "City"), and Streich Bros., Inc. a Washington corporation, located and doing business at 1650 Marine View Drive, Tacoma, WA 98422 (hereinafter "Contractor").

WHEREAS, the City desires to hire the Contractor to perform the work and agrees to perform such work under the terms set forth in this Agreement; and

WHEREAS, in the process of selection of the Contractor and award of this contract, the City has utilized the procedures in RCW 39.04.155(3);

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

I. Description of Work. The Contractor shall perform all work as described below, which is attached hereto and incorporated herein by this reference, in a workman-like manner according to standard construction practices. The work shall generally include the furnishing of all materials and labor necessary to supply, fabricate and deliver the City of Gig Harbor Wastewater Treatment Plant Aeration Basin Walkway/Grating and Handrails. The Contractor shall not perform any additional services without the express permission of the City.

II. Payment.

A. The City shall pay the Contractor the total sum of Thirty-Nine Thousand, Six Hundred Three Dollars and 20 Cents \$ 39,603.20, including Washington State sales tax, for the services described in Section 1 herein. This is the maximum amount to be paid under this Agreement for these tasks, and shall not be exceeded without prior written authorization from the City in the form of a negotiated and executed change order.

B. After completion of the work, the City shall pay the full amount of an invoice within thirty (30) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Contractor 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 - owner relationship will be created by this Agreement. As the Contractor is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subcontractor of the Contractor shall be, or shall be deemed to be the employee, agent, representative or subcontractor of the City. In the performance of the work, the Contractor is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the employees, agents, representatives or subcontractors of the Contractor. The Contractor will be solely and

entirely responsible for its acts and for the acts of the Contractor's agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Contractor performs hereunder.

IV. Duration of Work. The City and the Contractor agree that work will begin on the tasks described in Exhibit A immediately upon execution of this Agreement by both parties. The Contractor shall perform all work required by the Agreement on or before January 17, 2008. The indemnification provisions of Section IX shall survive expiration of this Agreement.

V. Prevailing Wages. Wages paid by the Contractor shall be not less than the prevailing rate of wage in the same trade or occupation in Pierce County as determined by the industrial statistician of the State Department of Labor and Industries and effective as of the date of this contract.

Before any payment can be made, the Contractor and each subcontractor shall submit a "Statement of Intent to Pay Prevailing Wages" to the City, which has been approved by the State Department of Labor and Industries. Each voucher claim (invoice) submitted by the Contractor for payment of work shall have an "Affidavit of Wages Paid", which states that the prevailing wages have been paid in accordance with the pre-filed "Statement(s) of Intent to Pay Prevailing Wages".

VI. Termination.

A. Termination Upon City's Option. The City shall have the option to terminate this Agreement at any time. Termination shall be effective upon five (5) days written notice to the Contractor.

B. Termination for Cause. If the Contractor refuses or fails to complete the tasks described in Exhibit A, to complete such work by the deadline established in Section IV, or to complete such work in a manner satisfactory to the City, then the City may, by written notice to the Contractor, give notice of its intention to terminate this Agreement. On such notice, the Contractor shall have five (5) days to cure to the satisfaction of the City or its representative. If the Contractor fails to cure to the satisfaction of the City, the City shall send the Contractor a written termination letter which shall be effective upon deposit in the United States mail to the Contractor's address as stated below.

C. Excusable Delays. This Agreement shall not be terminated for the Contractor's inability to perform the work due to adverse weather conditions, holidays or mechanical failures which affect routine scheduling of work. The Contractor shall otherwise perform the work at appropriately spaced intervals on an as-needed basis.

D. Rights upon Termination. In the event of termination, the City shall only be responsible to pay for services satisfactorily performed by the Contractor to the effective date of termination, as described in a final invoice to the City.

VII. Discrimination. In the hiring of employees for the performance of work under this Agreement or any subcontract hereunder, the Contractor, its subcontractors or any person acting on behalf of the Contractor shall not, by reason of race, religion, color, sex, national origin or the presence of any sensory, mental, or physical handicap, discriminate against

any person who is qualified and available to perform the work to which the employment relates.

VIII. Indemnification. The Contractor shall indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, and shall pay for all costs, 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 Contractor's work when completed shall not be grounds to avoid any of these covenants of indemnification.

In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, agents and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence.

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CONTRACTOR'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER.

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

IX. Insurance.

A. The Contractor 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 Contractor's own work including the work of the Contractor's agents, representatives, employees, sub-consultants or sub-contractors.

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

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

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

D. The City of Gig Harbor shall be named as an additional insured on the Contractor'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 Contractor's insurance policies.

- E. It is the intent of this contract for the Contractor's insurance to 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 in respect to the City. Additionally, the Contractor'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 Contractor shall request from his insurer a modification of the ACORD certificate to include language that prior written notification will be given to the City of Gig Harbor at least 30-days in advance of any cancellation, suspension or material change in the Contractor's coverage.

The Contractor shall procure and maintain for the duration of this Agreement, comprehensive general liability insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its employees, agents or subcontractors. The cost of such insurance shall be borne by the Contractor. The Contractor shall maintain limits on such insurance in the above specified amounts: The coverage shall contain no special limitations on the scope of protection afforded the City, its officials, officers, employees, agents, volunteers or representatives.

The Contractor agrees to provide the City with certificates of insurance evidencing the required coverage before the Contractor begins work under this Agreement. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City. The City reserves the right to require complete, certified copies of all required insurance policies at all times.

X. Entire Agreement. The written provisions and terms of this Agreement, together with all exhibits attached hereto, all bids specifications and bid documents 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.

XI. City's Right of Supervision. Even though the Contractor 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 Contractor 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 Contractor's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

XII. Work Performed at the Contractor's Risk. The Contractor shall take all precautions necessary and shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall utilize all protection

necessary for that purpose. All work shall be done at the Contractor's own risk, and the Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Contractor for use in connection with the work.

XIII. Warranties. The Contractor hereby warrants that it is fully licensed, bonded and insured to do business in the State of Washington as a general contractor. Streich Bros., Inc. will warranty the labor and installation of materials for a one (1) year warranty period.

XIV. 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 Contractor.

XV. Assignment. Any assignment of this Agreement by the Contractor without the written consent of the City shall be void.

XVI. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

XVII. 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.

XVIII. Resolution of Disputes. 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, and the City shall determine the term or provisions' true intent or meaning. The City 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 Contractor under any of the provisions of this Agreement which cannot be resolved by the City's determination in a reasonable time, or if the Contractor does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be with the 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 prevailing party shall be reimbursed by the other party for its costs, expenses, and reasonable attorney's fees incurred in any litigation arising out of the enforcement of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

STREICH BROS., INC.

THE CITY OF GIG HARBOR

By: Phillip S. Selmer
Its General Manager

By: _____
Its Mayor

Notices should be sent to:

Streich Bros., Inc. Attn: Phillip Selmer General Manager 1650 Marine View Drive Tacoma, WA 98422 (253) 383-1491	City of Gig Harbor Attn: David Brereton Community Development Director 3510 Grandview Street Gig Harbor, Washington 98335 (253) 851-6170
--	---

Approved as to form:

By: [Signature]
City Attorney

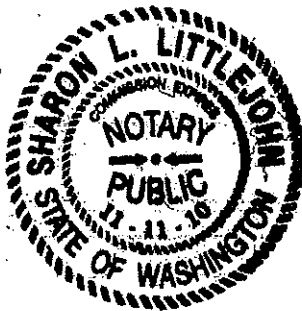
Attest:

By: _____
Molly M. Towslee, City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF Pierce)

I certify that I know or have satisfactory evidence that Phillip S Selmer 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 General Manager of Streich Bros Inc to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 12/5/2007



Sharon L Littlejohn
Notary Public in and for the
State of Washington,
Residing at Tacoma, Pierce County
My appointment expires: 11/11/10

- > Industrial Maintenance
- > Machining
- > Fabrication
- > Repair
- > Metal Forming



QUOTE

Company: City of Gig Harbor (Ops Division) **Attn:** David Breerton

Fax: (253) 853-7697 **Pages:** One

Phone: (253) 851-6170 **Date:** Monday, December 03, 2007

Re: WWTP Aeration Basin Walkway+Rails **Quote #:** W2-03N07

● **SCOPE OF WORK:**

Supply and fabricate the following items as per customer's drawing WS1, WS2 (dated 11/09/07), and specifications. The following items will ship to your facility in Gig Harbor, Washington—

- [2] each pre-assembled sections of walkway—includes channel and support angles bolted together (hot dip galvanized)—splice point is at detail N14 on sheet WS1—total length is approx. 66'-0".
- [4] each pre-assembled sections of 42" nominal height three-bar aluminum railing—offering Julius Blum "Connectorail" mechanically fastened system in 1 1/2" sch.40 pipe 6063 alloy—clear anodized—with extruded toe board. Customer to bolt railing sections to walkway channels at installation.
- [1] area of 2" thick x 2" x 2" FRP Grating—shipped loose in 3-ft. x 4-ft. sections with stainless steel saddle clips and self-tapping stainless steel screws—for installation by other.
- [12] each 5/8" diameter T304 stainless steel U-bolts (with nuts and flat washers) to fit various ductile iron pipes as shown on drawing.
- [20] each 3/4" x 10" T304 stainless steel all thread rod + washer + nuts (excludes epoxy grout).

Your price, labor and materials	=	\$ 38,400.00
WSST 8.8%	=	\$ 3,203.20
TOTAL	=	\$ 39,603.20 LOT

- ❖ EXCLUSIONS: INSTALLATION, ENGINEERING, FIELD MEASUREMENTS, MODIFICATIONS TO EXISTING ITEMS.
- ❖ NOTES: PRICE SHOWN INCLUDES SHOP DRAWINGS AND SUBMITTALS FOR GRATING AND RAILING PRODUCTS. ALL FASTENERS ARE TYPE 304 STAINLESS STEEL. PRICE INCLUDES DELIVERY TO GIG HARBOR WASTE WATER TREATMENT FACILITY. WELDED ALUMINUM RAILING IN MILL FINISH BOLTED TO THE CATWALK WOULD BE LESS MONEY THAN USING THE CONNECTORAIL SYSTEM. PLEASE CONTACT STREICH BROS. INC. TO REQUEST ALTERNATE PRICE.
- ❖ ESTIMATED SHIPPING WEIGHT:
- ❖ CURRENT LEAD TIME: PLEASE ALLOW 20 WORKDAYS AFTER RECEIPT OF ORDER.

STANDARD TERMS: PRICES EXPIRE CLOSE OF BUSINESS DAY ON DECEMBER 28TH, 2007. PRICES ARE BASED ON QUANTITY SHOWN—REDUCTION OR ADDITION TO QUANTITIES MAY RESULT IN PRICE CHANGE. TAX IS NOT INCLUDED IN PRICES SHOWN. MATERIAL PRICING IS SUBJECT TO AVAILABILITY AT TIME OF ORDER AND POSSIBLE PRICE ESCALATION. LABOR PRICES ARE BASED ON CURRENT REGULAR STRAIGHT-TIME RATES. ALL PRICES ARE F.O.B. STREICH BROS. INC. (DELIVERY AVAILABLE AT ADDITIONAL PRICE). ALL WELDERS ARE WABQMD1.1 CERTIFIED. SBI EMPLOYEES ARE O.S.H.A. SAFETY TRAINED. PAYMENT TERMS = CASH, UNLESS CREDIT HAS BEEN ARRANGED IN ADVANCE (NET 30 TYPICAL). WE ACCEPT VISA AND MASTERCARD—SURCHARGE MAY APPLY. SBI IS AN EQUAL OPPORTUNITY EMPLOYER.

Phillip Selmer {253.383.1401 OFFICE} {253.272.3205 FAX} phil@streichbros.com
 General Manager Streich Bros. Inc. 1660 Marine View Drive, Tacoma, WA 98422

**PRICE QUOTATION PROPOSAL
PROCUREMENT OF AN AERATION BASIN WALKWAY/GRATING
AND HANDRAILS**

Note: Prices for all items, all extensions and total amount of bid must be shown. Show prices in both words and figures and where conflict occurs the written or typed words shall prevail.

ITEM NO.	DESCRIPTION OF ITEM AND CONTRACTOR'S UNIT PRICE	UNIT	ESTIMATED QUANTITY	TOTAL
1	Aeration Basin Walkway/Grating & Handrails \$ Thirty nine thousand, six hundred (Words) three dollars and Per Lump Sum twenty cents	Lump Sum	L.S.	\$ <u>39,603.20</u>

SUBTOTAL QUOTATION PROPOSAL: \$ 36,400.00
 RETAIL SALES TAX \$ 3,203.20
 TOTAL QUOTATION PROPOSAL: \$ 39,603.20

TOTAL PROPOSAL (USE WORDS):
 Thirty nine thousand, six hundred three

DOLLARS AND twenty CENTS.

**STREICH BROS. INC.
 PHILLIP SELMER, G.M.
 TOLL FREE (800) 524-1751
 FAX (253) 272-3205
 phil@streichbros.com**





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

Subject: Westside Park Cultural Resources Assessment – Consultant Services Contract

Proposed Council Action: Approve the award and execution of the contract for a Cultural Resources Assessment of the Westside Park property to Cultural Resource Consultants, Inc. for their quote in the amount not to exceed Two Thousand Eight Hundred Thirty Dollars and No cents (\$2,830.00).

Dept. Origin: Community Development
Prepared by: David Brereton *Dave*
 Interim Comm. Dev. Director
For Agenda of: December 10, 2007
Exhibits: Consultant Services Contract

	Initial & Date
Concurred by Mayor:	<i>ChH 12/6/07</i>
Approved by City Administrator:	<i>PJR 12/4/07</i>
Approved as to form by City Atty:	<i>CAM 12/5/07</i>
Approved by Finance Director:	<i>DL 12/5/07</i>
Approved by Department Head:	<i>Dave 12/5/07</i>

Expenditure	Amount	Appropriation
Required \$2,830	Budgeted \$50,000	Required \$0

INFORMATION / BACKGROUND

A condition of the Interagency Committee for Outdoor Recreation (IAC) grant approved for the Westside Park project development requires that a cultural resources assessment be conducted. This assessment will be forwarded to the Tribes and the State Department of Archaeology and Historic Preservation office for review and comment. The survey and tribal consultation process must be completed before construction may begin.

FISCAL CONSIDERATION

Sufficient funds exist in the Parks development fund for this expenditure.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Approve the award and execution of the contract for a Cultural Resources Assessment of the Westside Park property to Cultural Resource Consultants, Inc. for their quote in the amount not to exceed Two Thousand Eight Hundred Thirty Dollars and No cents (\$2,830.00).

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
CULTURAL RESOURCE CONSULTANTS, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Cultural Resource Consultants, Inc., a corporation organized under the laws of the State of Washington located and doing business at 8001 Day Road W, Suite B, Bainbridge Island, WA 98110 (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in Development of the Westside Park 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 December 3, 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 Two Thousand Eight Hundred Thirty Dollars and No Cents (\$2,830.00) 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 – Schedule of Rates and Estimated Hours**. 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 January 31, 2008; provided however, that additional time shall be granted by the City for excusable days or extra work.

V. Termination

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

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

VI. Discrimination

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

VII. Indemnification

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

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to

persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, agents and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

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

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

VIII. Insurance

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

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

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

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

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

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

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

IX. Exchange of Information

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

X. Ownership and Use of Records and Documents

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

XI. City's Right of Inspection

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

XII. Consultant to Maintain Records to Support Independent Contractor Status

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

XIII. Work Performed at the Consultant's Risk

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

XIV. Non-Waiver of Breach

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

XV. Resolution of Disputes and Governing Law

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

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

XVI. Written Notice

All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the agreement, unless notified to the contrary.

Unless otherwise specified, any written notice hereunder shall become effective upon the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated below:

CONSULTANT:
Cultural Resource Consultants, Inc.
ATTN: Glenn Hartmann, Principal Investigator
8001 Day Road W., Suite B
Bainbridge Island, WA 98110
(253) 855-9020

City of Gig Harbor
ATTN: David Brereton
Interim Comm. Dev. Director
3510 Grandview Street
Gig Harbor, WA 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.

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 Gig Harbor to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

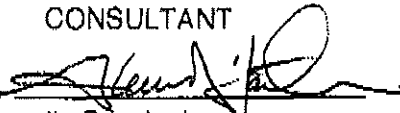
Dated: _____

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

My Commission expires: _____

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:
Cultural Resource Consultants, Inc.
ATTN: Glenn Hartmann, Principal Investigator
8001 Day Road W., Suite B
Bainbridge Island, WA 98110
(253) 855-9020

City of Gig Harbor
ATTN: David Brereton
Interim Comm. Dev. Director
3510 Grandview Street
Gig Harbor, WA 98335
(253) 851-6170

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF Kitsap)

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

Dated: 12/5/07

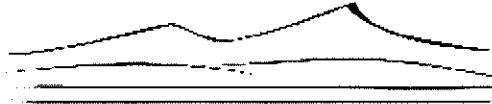
[Signature]
Sherian E. Watson
(print or type name)

NOTARY PUBLIC in and for the State of Washington, residing at:

9590 Logans Bl
My Commission expires: 2-28-2009



EXHIBIT A



Cultural Resource Consultants, Inc.

PROJECT SCOPE AND FEE AGREEMENT

CLIENT:	City of Gig Harbor
PROJECT:	Westside Park
LOCATION:	Gig Harbor, Washington
ANTICIPATED PROJECT DATES:	December 2007-February 2008

The City of Gig Harbor is requesting a cultural resources assessment for Westside Park located at 4990 – 34th Avenue NW in Gig Harbor. The 6.76 acres site is to be developed into a City park, which will include a picnic shelter, benches, natural paths with interpretive wetland signage, grassy open spaces, forested trails, a play toy structure, on-site parking, restroom, water fountain and youth dual-purpose, soccer/baseball field. Cultural Resource Consultants, Inc. (CRC) will provide the following project components as part of this cultural resources assessment.

Background Research: CRC will conduct a recorded sites files search at the Washington Department of Archaeology and Historic Preservation (DAHP); review of relevant correspondence between the project proponent, stakeholders and DAHP; and, review of pertinent environmental, archaeological, ethnographic and historical literature appropriate to the project area.

Tribal Contact: CRC will contact the cultural resources staff of the affected tribes on a technical staff-to-technical staff basis for relevant project information. It is the responsibility of the governmental lead agency to consult with any involved tribes and to coordinate with tribal representatives regarding archaeological and cultural resources in or near the project area.

Field Identification: CRC will provide a field inventory of the project location for identification of archaeological and historical resources and, if necessary, excavation of shovel test probes or other exploratory excavations in environments that might contain buried archaeological deposits. Field methods will be consistent with DAHP guidelines.

Documentation of Findings: CRC will document and record historic properties within the project area, including preparation of Washington State archaeological and/or historic site(s) forms and National Register of Historic Places Determination of Eligibility forms (as appropriate). Documentation will be consistent with DAHP standards.

Cultural Resources Assessment Report: CRC will prepare a technical memo describing background research, field methods, results of investigations, and management recommendations. The report will provide supporting documentation of archaeological findings, including maps and photographs, and will conform to DAHP reporting standards.

8001 DAY ROAD WEST, SUITE B, BAINBRIDGE ISLAND, WA 98110
PHONE 206.855.9020 FAX 206.855.9081
info@crcwa.com

EXHIBIT A

If extensive archaeological deposits are encountered within the project area it may be necessary to modify this agreement to accommodate additional investigations for purposes of site identification (i.e., additional shovel testing and/or evaluative excavations).

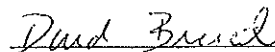
CRC will complete the field investigation within 30 days of this signed contract. A final report will be submitted within 30 days of fieldwork completion.

FEE

The fee for services described above is anticipated to be less than \$2,830.00.

City of Gig Harbor
David Brereton, Interim Comm. Development Director
3510 Grandview Street
Gig Harbor, WA 98335

Cultural Resource Consultants, Inc.
Glenn Hartmann, Principal Investigator
8001 Day Road W, Suite B
Bainbridge Island, WA 98110


Name/Title David Brereton

Glenn D. Hartmann,
President/Principal Investigator

Date: Dec - 3 2007

Date: _____

EXHIBIT B

Subconsultant Fee Determination - Summary Sheet

Project: Westside Park
 CRC #: 0711H - City of Gig Harbor

Direct Labor Cost

<u>Classifications</u>	<u>Labor Hours</u>	x	<u>Rate</u>	=	<u>Cost</u>
Principal Investigator	3.0		\$ 50.00		\$ 150.00
Project Archaeologist I	30.0		\$ 27.30		\$ 819.00
Project Archaeologist II	0.0		\$ 23.10		-
Project Archaeologist III	0.0		\$ 22.66		-
Project Archaeologist III	0.0		\$ 22.66		-
Field Archaeologist	0.0		\$ 18.50		-
Office Manager	3.0		\$ 24.68		\$ 74.04
Office Assistant	0.0		\$ 10.50		-
	36.0				\$ 1,043.04
 Overhead (OH Cost - - including Salary Additives):					
OH Rate x DLC of:	110%	%x\$	\$ 1,043.04		\$ 1,147.34
 Fixed Fee (FF):					
FF Rate x DLC of:	20.00%	%x\$	\$ 1,043.04		\$ 208.61
 Reimbursables:					
Photo & Graphic Supplies					\$ 125.00
Lodging:					\$ -
Per Diem:					\$ -
Mileage:					<u>\$ 306.60</u>
					\$ 431.60
 Grand Total:					 \$ 2,830.59

Prepared by: Teresa Peterson, Office Manager
 DOT Form 140-089 EF Exhibit G-1

Date: 3-Dec-07



Business of the City Council
City of Gig Harbor, WA

Subject: Escrow Agreement for Retainage
-- 45th St. Ct. Pedestrian Improvements

Proposed Council Action: Authorization the Mayor to execute the Escrow Agreement with Pivetta Brothers Construction, Inc. and Sterling Savings Bank.

Dept. Origin: Engineering Division

Prepared by: Jeff Langhelm Senior Engineer (with signature JDL)

For Agenda of: December 10, 2007

Exhibits: Escrow Agreement Initial & Date

Concurred by Mayor:

Approved by City Administrator: (with signature PRK 12/6/07)

Approved as to form by City Atty: (with signature CAM)

Approved by Finance Director: (with signature DR)

Approved by Department Head: (with signature DB)

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

INFORMATION / BACKGROUND

Pivetta Brothers Construction, Inc. was awarded the construction contract for the 45th St. Ct. Pedestrian Improvement Project at the September 10, 2007 council meeting. Pivetta has requested that their retainage be placed in an escrow account with Sterling Savings Bank. Sterling Savings Bank is certified as a public depository by the Washington Public Deposit Protection Commission. Exhibit A of the agreement limits investments to those allowed by the State of Washington and the City's investment policy.

FISCAL CONSIDERATION

The retained percentage is 5% of each progress payment.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute the Escrow Agreement with Pivetta Brothers Construction, Inc. and Sterling Savings Bank.

Project No.: _____
Project Name: 45th Street Pedestrian Imp.
Escrow No.: CSP - 0402

ESCROW AGREEMENT

TO: Bank Name: Sterling Savings Bank
Branch: _____
Address: 1375 Regents Blvd
City, State Zip: Firecrest, WA 98146
Phone: 253 - 564 - 0862

The undersigned, Pivetta Brothers Construction, Inc., hereinafter referred to as Contractor, has directed the City of Gig Harbor, hereinafter referred to as Agency, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

INSTRUCTIONS

1. The Agency shall deliver to you from time to time checks or warrants payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such check or warrant so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such check or warrant shall be delivered to you. The proceeds from collection shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the Agency. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. Attached (Exhibit A) is a list of such bonds, or other securities approved by the Agency. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the Agency. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the Agency as provided in Paragraph 4 of this Escrow Agreement.

The investments selected by the Contractor, approved by the Agency and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this Agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to the Agreement (or any moneys derived from the sale of such securities, or the negotiation of the Agency's warrants or checks) *except in accordance with written instructions from the Agency*. The Agency shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instructions shall relieve you of any further liability related thereto. Upon request by you, the Agency shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the moneys held hereunder in accordance with the new estimated completion date.

4. In the event the Agency orders you to do so in writing, and notwithstanding any other provisions of this Agreement, you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this Agreement and return such money together with any other moneys, including accrued interest on such securities, held by you hereunder, to the Agency.

5. Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this Agreement until and unless the Agency directs the release to the Contractor of the securities and moneys held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any unanticipated amounts which might be owing as provided for herein.

In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instruction, or that there is any assignment of the interests of this escrow or any modification hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigation.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow holder hereunder, you shall give written notice to the Agency and Contractor. The Agency and Contractor shall, within twenty (20) days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within twenty (20) days, you shall return the subject matter hereof to the Agency and upon so doing, it absolves you from all further charges and obligations in connection with this escrow.

7. This Agreement shall not be binding until executed by the Contractor and the Agency and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the Agency, with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice of any default or any other matter, not be bound by nor required to give notice or demand, not required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage that is caused by your failure to perform as required under this instrument, and any loss or damage caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

10. This Escrow Agreement may only be amended or modified upon the written consent of each party's duly authorized representative.

The undersigned have read and hereby approve the instructions as give above governing the administration of this escrow and do hereby execute this Agreement on this 19 day of November, 2007.

BANK:

Branch:

Address:

City, State Zip:

Phone:

Michael P. Mill
Authorized Signature

Title: Vice President

CSP - 0402
Escrow Account No.

Contractor:

Address:

City, State Zip:

Phone:

By: [Signature]
Authorized Signature

Title: President

The above escrow instructions received and accepted this 28th day of NOV, 2007.

CITY OF GIG HARBOR

Title: Mayor

Exhibit "A"

**List of Type of Bonds or Securities that are Approved
by the City of Gig Harbor**

1. Bills, certificates, notes or bonds of the United States.
2. Other obligations of the United States or its agencies.
3. Obligations of any corporation wholly-owned by the government of the United States.
4. Indebtedness of the Federal National Mortgage Association.
5. Time deposits in Commercial Banks, Mutual Savings Banks or Savings and Loan Associations.

In no event shall the City of Gig Harbor approve investments in stock of any company, association or corporation. In all cases, the investments selected must mature on or prior to the date set for completion of the contract, including extensions thereof.

**Please indicate which type of Bonds or Securities that have
been selected by circling the appropriate number above.**



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

Subject: Lease of tidelands with Peter Stanley

Proposed Council Action:

Authorize the Mayor to sign the lease with Amendments to Sections 3.4 and 3.5.

Dept. Origin: City Attorney

Prepared by: City Attorney

For Agenda of: December 10, 2007

Exhibits: Lease with Exhibits

Initial & Date

Concurred by Mayor: CHH Dec 6/07
Approved by City Administrator: ROK 12/6/07
Approved as to form by City Atty: CAM 12/6/07
Approved by Finance Director: DE 12/6/07
Approved by Department Head: _____

Expenditure Required	0	Amount Budgeted	0	Appropriation Required	0
----------------------	---	-----------------	---	------------------------	---

INFORMATION / BACKGROUND

On March 14, 1988, the City leased Dylan Enterprises (dba Tides Tavern, Peter Stanley) a twenty year easement for floats and docks which encroach on the City tideland located in front of the City's right-of-way, which is next to the Tides Tavern. In addition to the encroachment over the City-owned tidelands, there is a small storage shed that encroaches on the City right-of-way. This latter encroachment will be addressed by a street encroachment permit.

The existing lease with the City will expire on May 12, 2008. Mr. Stanley is in the process of entering into a new lease with the Washington State Department of Natural Resources for tidelands between the inner and outer harbor line in front of the Tides Tavern. As part of this process, DNR is requiring that Mr. Stanley obtain a new easement from the City that runs until March 1, 2017 at a minimum.

On November 13, 2006, the issue whether the City should renew the easement was brought before Council. Based on the advice of the City Attorney, the Council determined that a lease should be prepared for this area.

Since that time, the Council has considered the issue of the length of the lease, extensions of the lease and the amount of the lease. The lease attached to this agenda bill includes Mr. Stanley's proposal for the manner in which this lease may be extended. Section 3.4 shows that the lease is for a term of five years, with three five year options to renew. This process allows the lessee to request renewal of the lease at the end of the five year term. However,

Mr. Stanley proposes that the lease not be increased for any extension beyond three percent. This provision should be eliminated, because the City Council should not be bound to any arbitrary limit on the amount of a lease. In the past, the City has executed leases with extensions, but none includes any limit on an increase in the amount. Here is a proposed amendment to Section 3.4:

. . . If the Lessor receives a timely written notice of intent to renew this Lease, the parties may enter into an other new Lease for another five (5) years, the terms of which shall be renegotiated by the parties. ~~The terms of which may be adjusted with respect to the rent not to exceed three percent (3%) per annum.~~ .

The City Council should consider a lease amount, which will be inserted in Section 3.6. When Council discussed this issue last, the staff was asked to obtain materials regarding comparable leases. Attached to this Agenda Bill is a memo from Wynnae Wright of DNR, showing all the leases on the City side of the harbor and their associated rental rates. These rental rates are based on an annual average, and the value is set at thirty percent (30%) of the upland assessed value. The average is forty cents per square foot, and the high is fifty cents per square foot. The portion of the Stanley floating dock which encroaches onto City tidelands is estimated to be thirty-four (34) square feet.

Mr. Stanley has provided a signed lease, but Section 3.6 was blank at the time he signed it. Therefore, if the Council decides to approve the lease, the staff should check with Mr. Stanley to ensure that he approves the lease amount approved by the City Council.

FISCAL CONSIDERATION

None.

BOARD OR COMMITTEE RECOMMENDATION

RECOMMENDATION / MOTION

Move to: Vote to authorize the Mayor to sign the lease with the recommended amendment to Section 3.4, and the insertion of the lease amount to Section 3.6.

Ward, Ian

From: WRIGHT, WYNNAE [WYNNAE.WRIGHT@dnr.wa.gov]
Sent: Friday, July 20, 2007 4:58 PM
To: Ward, Ian
Cc: Brereton, Dave
Subject: DNR aquatic lands lease rates
Attachments: Gig Harbor lease per sqft.xls

Hello Ian,

Attached is a spreadsheet showing all the leases on the City side of the harbor and their associated rental rates. Please see the comment column of the spreadsheet for dates of revalues. See WAC 332-30-123 for complete instructions on how aquatic land rents are calculated. The rent calculation spreadsheet that was sent to you a few weeks ago is used for leases being revalued July 1, 2007- 2008. If you have any questions please call or email me.

Thanks,
Wynnae
206-909-1304

7/23/2007

Gig Harbor

Per month?
annual

N U M B E R	CUSTOMER	COMMODITY	APS TEXT	SQ. FT.	REN T	\$ per SQF T	COMMENTS
22 07 85 77	Blair	fishing moorage	MOORAG E AREA	2178 0	2,30 2.89	\$ 0.10 6	confirmed correct- last revalued in 2006
22 07 46 57	Babich	future fuel dock	FUEL DOCK	1267 5.96	2,01 0.51	\$ 0.15 9	confirmed correct- last revalued in 2005
22 A0 25 01	Lucca's Landing, LLC	PRIVATE MARINA	dock	29,0 11.0 0	\$ 2,94 2.18	\$ 0.10 1	confirmed correct- last revalued in 2005
22 00 24 02	B ELLSWORTH & M THORNHILL	PUBLIC MARINA	DOCK,FL OAT,STO RAGE	20,4 73.2 0	\$ 3,38 5.23	\$ 0.16 5	confirmed correct- last revalued in 2004
22 A0 27 70	COX AND HARBAUGH, INC.	PUBLIC MARINA/NWD STRUCTURE	99 SLIPS	164, 707. 20	\$ 26,8 06.5 5	\$ 0.16 3	has NWD uses and discount for public access
22 00 26 98	DAG HAUGE	PRIVATE RECREATION DOCK	FLOAT EXT. IN GIG	10,8 90.0 0	\$ 1,67 3.88	\$ 0.15 4	last revalued in 2003
22 00 26 70	DYLAN ENTERPRISES INC	COMMERCIA L RECREATION DOCK	11 SLIP DOCK	31,3 63.2 0	\$ 12,6 66.6 6	\$ 0.40 4	confirmed correct- last revalued in 2007
20 01 27 83	FRANK AND CLAUDIA BOHANNON	PRIVATE RECREATION DOCK	DOCK,RA MP,FLOA T	871. 20	\$ 312. 97	\$ 0.35 9	last revalued in 2004

20 01 04 73	G ANCICH & N J TARABOCHIA	COMMERCIAL MARINA	SMALL MARINA	22,6 51.2 0	\$ 8,03 9.33	\$ 0.35 5	confirmed correct- last revalued in 2005
20 01 24 28	GEORGE BUJACICH	PUBLIC MARINA	BOAT MOORAGE	13,3 72.9 2	\$ 2,95 3.86	\$ 0.22 1	confirmed correct- last revalued in 2005
22 00 25 94	GIG HARBOR BOAT YARD INC	PUBLIC MARINA	GIG HARBOR BOATYARD	91,0 40.4 0	\$ 16,0 36.4 8	\$ 0.17 6	confirmed correct- last revalue in 2005
22 00 27 01	GIG HARBOR MARINA INC.	PUBLIC MARINA	18 SLIPS	26,5 71.6 0	\$ 2,65 5.95	\$ 0.10 0	confirmed correct- last revalue in 2006
22 00 26 08	GIG HARBOR MARINA, INC.	PUBLIC MARINA	40 SLIPS	60,9 84.0 0	\$ 7,99 8.82	\$ 0.13 1	confirmed correct- last revalue in 2007
22 00 27 82	GIG HARBOR MARINA, INC.	PUBLIC MARINA	ARABELL A'S LANDING	9,17 6.40	\$ 2,76 6.96	\$ 0.30 2	confirmed correct- last revalue in 2006
22 A0 25 62	HARBOR PLACE MARINA, LLC	PRIVATE MARINA	27 SLIP MARINA	41,1 64.2 0	\$ 3,64 9.75	\$ 0.08 9	confirmed correct- last reval in 2005. Condo has a separate tax parcel for marina access.
20 01 15 41	HARBORVIEW CONDOMINIUM OWNER	PRIVATE MARINA	49 SLIPS	33,5 41.2 0	\$ 11,8 45.1 4	\$ 0.35 3	last revalue in 2006
22 00 25 14	HARBORVIEW CONDOMINIUM OWNER	PRIVATE MARINA	BOAT MOORING	27,8 78.4 0	\$ 9,84 5.31	\$ 0.35 3	last revalue in 2006

20 01 16 78	HAUB BROS ENTERPRISES TRUST	PRIVATE MARINA	DOCK, GAS PUMP	5,66 2.80	\$ 1,39 7.94	\$ 0.24 7	confirmed correct- last revalued in 2002 * has been amended since 2002- data not available at this time
20 00 97 61	HAUB BROTHERS ENTERPR. TRUST	COMMERCIA L MARINA	BULK CARGO DOCK	8,71 2.00	\$ 2,22 0.80	\$ 0.25 5	confirmed correct- last revalued in 2002 * has been amended since 2002- data not available at this time
22 00 24 71	JAM MARINE, LLC	PUBLIC MARINA	BOAT MOORAG E	54,8 85.6 0	\$ 27,7 34.2 0	\$ 0.50 5	last revalued in 2007
22 07 47 78	JOHN PURATICH CREDIT TRUST /	PRIVATE MARINA/TRA NS	300'X10' PIER	11,0 64.2 4	\$ 3,63 9.60	\$ 0.32 9	last revalued in 2007
22 00 27 00	KENNETH A MALICH	PUBLIC MARINA	MOORAG E AREA	7,56 8.00	\$ 1,31 4.71	\$ 0.17 4	confirmed correct- last revalued in 2006 * contains some non-water dependent area
22 07 47 36	Land and Timber Investment	fishing boat moorage	MOORAG E AREA	22,2 15.6 0	\$ 4,86 5.96	\$ 0.21 9	confirmed correct- last revalued in 2006
22 00 27 73	LOVROVICH	COMMERCIA L MARINA	DOCK, FLOAT, PILES	19,6 26.0 0	\$ 2,36 8.60	\$ 0.12 1	last revalued in 2004
22 00 25 71	M STANCIC & N JERKOVICH JR	PRIVATE MARINA	FLOATS, DOCKS, ETC	20,0 37.6 0	\$ 6,04 7.96	\$ 0.30 2	confirmed correct- last reval in 2005

22 A0 24 35	MILLVILLE MARINA CONDO ASSOC	PUBLIC MARINA	MILLVILL E CONDO	24,3 93.6 0	\$ 2,73 0.52	\$ 0.11 2	last revalued in 2003
22 00 26 19	MURPHY'S LANDING MARINA	PRIVATE MARINA	MURPHY' S LANDING	20,2 99.0 0	\$ 3,28 6.47	\$ 0.16 2	confirmed correct- last revalued in 2005
22 A0 27 18	RICHARD H. SHAW	PUBLIC MARINA	56 SLIPS/FU EL/STOR	63,5 97.6 0	\$ 18,2 40.7 4	\$ 0.28 7	last revalued in 2006
22 00 26 69	GH Fishing Co.	PRIVATE MARINA	DOCKS, AND WHARVE S	4,79 1.60	\$ 2,15 3.54	\$ 0.44 9	last revalued in 2007
22 07 71 00	Tangodoe	future marina	MOORAG E AREA	23,0 86.8 0	\$ 6,03 6.66	\$ 0.26 1	last revalued in 2004
22 00 28 08	SUNSHINE marina	COMMERCIA L MARINA	marina	74,9 23.2 0	\$ 16,4 19.0 4	\$ 0.21 9	confirmed correct- last revalued in 2004
22 00 27 04	THOMAS G MORRIS	COMMERCIA L MARINA	BOAT MOORAG E	6,96 9.60	\$ 1,92 0.86	\$ 0.27 6	last revalued in 2004

NOTE: This data is information purposes only. Data is correct as of 7/2007 to my best knowledge.

Please be aware that rate of return changes annually as does the producer price index. Leases are revalued every four years from the date of signing and adjusted annually for inflation.

Rent calculation formula is described in WAC 332-30-123

\$	
0.23	Average \$/sq. ft. for
8	all leases
\$	Average \$/sq. ft. for
0.36	leases revalued in
4	2007

**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 enter into a new Lease for another five (5) years, 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 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 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:

CITY OF GIG HARBOR

By _____
CHARLES L. HUNTER, Mayor

LESSEE:

Philip T Stanley 12/06/07

PHILIP T. STANLEY

ATTEST:

NB - notarized page to follow.

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: _____

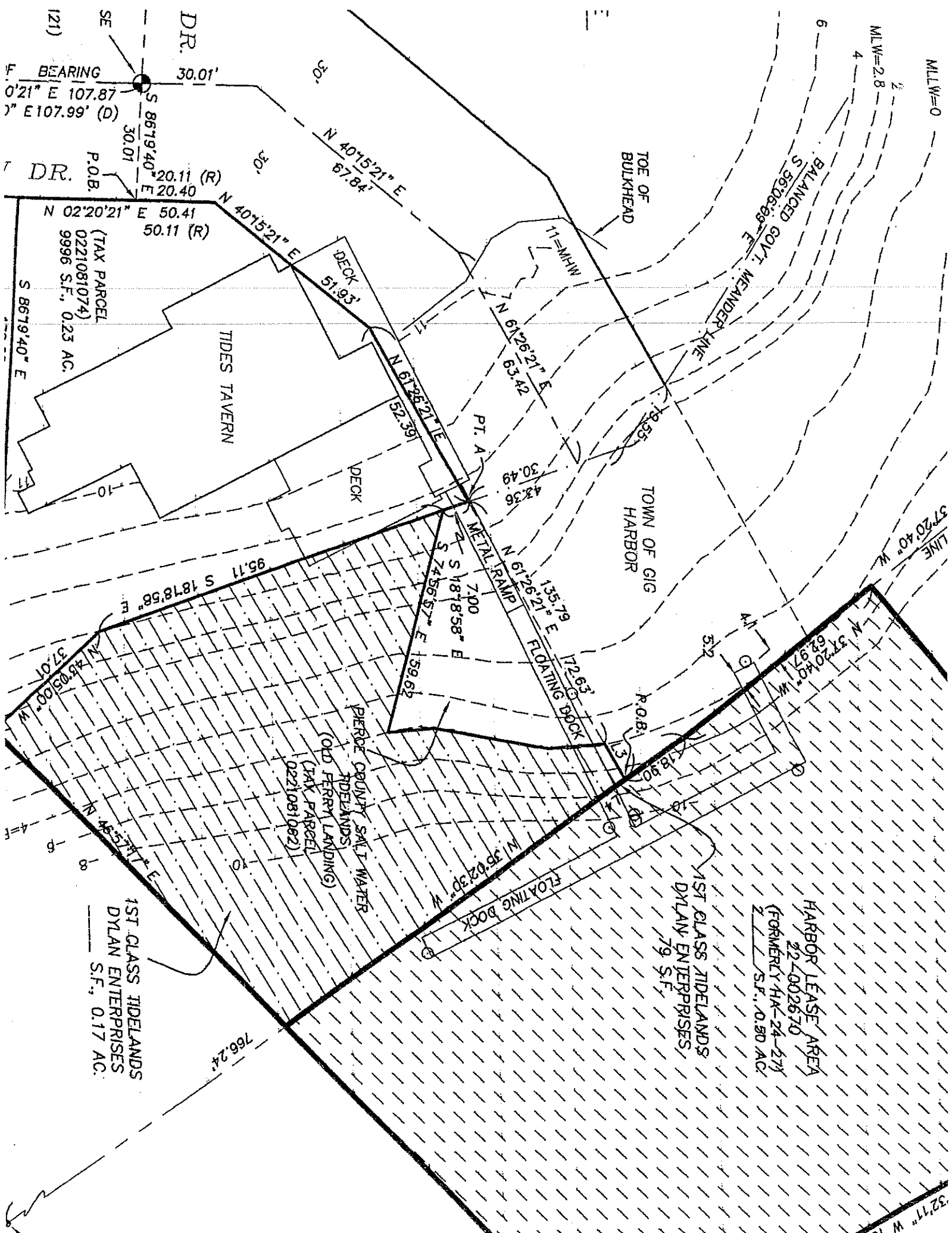
State of Washington)
 ss.
County of Pierce)

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



DR. 30.01'
 SE
 BEARING
 0°21' E 107.87
 1° E 107.99' (D)

DR. P.O.B.
 20.11 (R)
 20.40
 N 40°15'21" E
 N 02°20'21" E 50.41
 50.11 (R)
 (TAX PARCEL
 0221081074)
 9996 S.F., 0.23 AC.

TIDES TAVERN
 DECK
 DECK
 51.93'

TOE OF BULKHEAD
 11=MHW
 N 61°26'21" E
 83.42'
 N 61°26'21" E
 72.63'
 135.79'
 N 61°26'21" E
 172.63'
 18.55'
 30.49'
 43.36'
 7.00'
 S 48°18'58" E
 74.5657'
 39.62'

TOWN OF GIG HARBOR
 BALANCED GOVT. MEANDER LINE
 MILLW=0
 MLW=2.8
 6
 4
 LINE
 57°20'40" W
 N 37°20'40" W
 68.9271'
 P.O.B.
 18.90'
 3
 52
 4
 5
 6
 7
 8
 9
 10

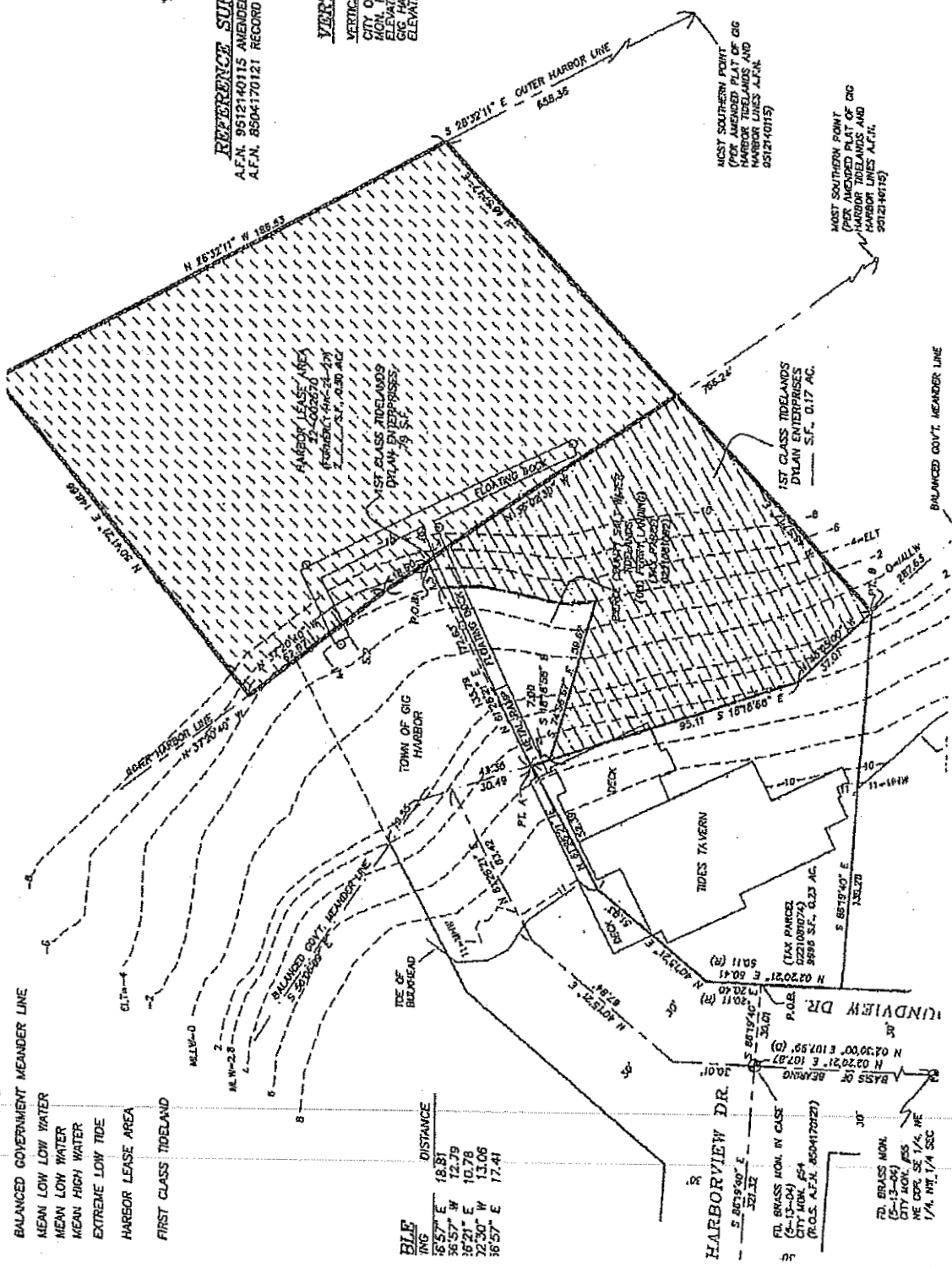
PIERCE COUNTY SALT WATER
 TIDELANDS
 (OLD FERRY LANDING)
 (TAX PARCEL
 0221081082)
 1ST CLASS TIDELANDS
 DYLAN ENTERPRISES
 S.F., 0.17 AC.
 METAL RAMP
 7.00'
 S 48°18'58" E
 74.5657'
 39.62'
 N 35°02'30" W
 766.24'
 1ST CLASS TIDELANDS
 DYLAN ENTERPRISES
 79 S.F.
 HARBOR LEASE AREA
 22,002,670
 (FORMERLY HA-24-27)
 2 S.F., 0.80 AC.
 32°17" W 186.8'

HARBOR LINE AS NOTED
 BALANCED GOVERNMENT MEANDER LINE
 MEAN LOW LOW WATER
 MEAN LOW WATER
 MEAN HIGH WATER
 EXTREME LOW TIDE
 HARBOR LEASE AREA
 FIRST CLASS TIDELAND

BLE	ING	DISTANCE
55°57'	E	18.81
36°57'	W	12.79
16°21'	E	10.78
22°30'	W	11.06
16°57'	E	17.41

REFERENCE SUR
 A.F.N. 9512140115 AMENDED
 A.F.N. 8504170121 RECORD

VERY
 VERTICAL
 CITY OF
 MON. IN
 CITY OF
 G.C. HAS
 ELEVATION



NEXT SOUTHERN POINT
 (PER AMENDED PLAT OF GC
 HARBOR TIDELANDS AND
 HARBOR LINES A.F.N.
 9512140115)

MOST SOUTHERN POINT
 (PER AMENDED PLAT OF GC
 HARBOR TIDELANDS AND
 HARBOR LINES A.F.N.
 9512140115)

FIRST CLASS TIDELANDS
 DYLAN ENTERPRISES
 S.F.A. 0.17 AC.

BALANCED GOVT. MEANDER LINE

HARBORVIEW DR.
 S 86°19'40" E 132.28
 (TAX PARCEL
 0221007074
 3996 S.F. 0.23 AC.)

FD. BRASS MON.
 (5-13-04)
 CITY MON. #54
 1/4 COR. S. 1/4 NE
 1/4 NE 1/4 SEC



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

Subject: Public Hearing and Second Reading of Ordinance – 2007 Comprehensive Plan Amendments

Proposed Council Action: Hold a public hearing, review amendments and adopt ordinance approving applications COMP 07-0002, COMP 07-0003 and COMP 07-0004 with findings at this second reading.

Dept. Origin: Planning Department

Prepared by: Jennifer Kester
Senior Planner

For Agenda of: December 10, 2007

Exhibits: Draft Ordinance with exhibits; Planning Commission recommendation; Minutes of October 18, 2007 Planning Commission

Initial & Date

Concurred by Mayor: _____

Approved by City Administrator: _____

Approved as to form by City Atty: *CAM 12/5/07*

Approved by Finance Director: _____

Approved by Department Head: _____

Expenditure		Amount		Appropriation	
Required	0	Budgeted	0	Required	0

INFORMATION / BACKGROUND

The City Council should consider each of the three Comprehensive Plan Amendments proposed for the 2007 cycle after a public hearing:

COMP 07-0002:

An amendment to add a Neighborhood Design section and map and a Residential Development Design section to the Community Design Element. The City of Gig Harbor proposes adding the neighborhood design section to recognize and retain the unique neighborhoods and design characteristics of the harbor. Eight neighborhoods are proposed: View Basin, Soundview, Gig Harbor North, Peacock Hill, Rosedale/Hunt, Westside, Bujacich Road/NW Industrial, and Purdy. The new residential development design section will provide a framework for developing and amending performance standards for new housing developments, in particular tree retention and planting and lot and street layout.

Proponent: City of Gig Harbor Planning Department, Tom Dolan, Planning Director, 3510 Grandview Street, Gig Harbor, WA 98335

COMP 07-0003:

An amendment to the Transportation Element to respond to the comments provided to the City by the Puget Sound Regional Council (PSRC). In general the text changes would adopt LOS standards for state-owned facilities, correct internal transportation funding

inconsistencies, and add policies to be consistent with Destination 2030, Vision 2020 and Pierce County Countywide Planning Policies. Addressing PSRC's comments should allow the PSRC to recommend full certification of our Transportation Element of the Comprehensive Plan.

Proponent: City of Gig Harbor, Stephen T. Misiurak, P.E., City Engineer, and Emily Appleton, P.E., Senior Engineer, 3510 Grandview Street, Gig Harbor, WA 98335

COMP 07-0004:

An amendment to the Capital Facilities Element to update, revise and add to the City's list of stormwater, water system, wastewater, parks and open space projects. The amendments also include updating the inventory of City wastewater and water system facilities to reflect conditions as of 2007; updating the list of facility plans completed; and, updating the level of service standards to reference current and approved facility plans.

Proponent: City of Gig Harbor, Administration, 3510 Grandview Street, Gig Harbor, WA 98335

The Planning Commission reviewed the three proposed amendments at its October 18, 2007 meeting and held a public hearing. Approximately twenty (20) members of the public were at the meeting and seven (7) testified or provided written comments. In general, those testifying were in favor of the Planning Commission work or were requesting clarification on the proposals. No member of the public expressed displeasure in the proposed amendments. After the public hearing, the Planning Commission voted to recommend approval of the three proposed amendments with no changes.

Since the November 26, 2007 public hearing before the Council on these amendments, a few changes have been made. Due to the changes, outlined below, another public hearing is scheduled for December 10, 2007.

Capital Facilities Element (COMP 07-0004):

Page 12-2: Updated the inventory and description of existing wastewater facilities to reflect 2007 conditions.

Page 12-4: Updated the inventory and description of existing water system facilities to reflect 2007 conditions.

Page 12-12: Updated the list of facility plans that have been completed.

Page 12-25: Updated the level of service standards to reference current and approved facility plans. These plans provide the most up-to-date information on level of service standards.

POLICY ANALYSIS

The process for Comprehensive Plan amendment (Chapter 19.09) states that the City Council shall consider the Planning Commission's recommendations and after considering the criteria found in GHMC 19.09.170 and 19.09.130 make written findings regarding each application's

consistency or inconsistency with the criteria. Those amendments which are consistent with the criteria should be approved.

Based on the Planning Commission's recommendation and comments from the Council at the November 26, 2007 public hearing, the staff has prepared findings for each of the three amendments. The findings have been included in the proposed ordinance.

ENVIRONMENTAL ANALYSIS

The SEPA Responsible Official issued a Determination of Non-Significance (DNS) for the proposed amendments on September 26, 2007 for as per WAC 197-11-340(2). The comment period for the DNS expired on November 25, 2007 and no appeals were filed by the December 3, 2007 appeal deadline.

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

Having reviewed the proposed 2007 Comprehensive Plan amendments after a public hearing at its meeting of October 18, 2007, the City of Gig Harbor Planning Commission recommended the City Council **APPROVE** the proposed Comprehensive Plan amendments.

RECOMMENDATION / MOTION

Hold a public hearing, review amendments and adopt ordinance approving applications COMP 07-0002, COMP 07-0003 and COMP 07-0004 with findings at this second reading.

If any public testimony is provided at the hearing, the staff recommends the ordinance be modified to reflect that testimony. Staff further recommends that the Council allow the Mayor to sign the ordinance with any modified testimony. In addition, if the Council has any modifications to the findings contained in the draft ordinance during the meeting, the staff recommends the Council allow the Mayor to sign the ordinance with those modifications without further review by the Council.



Business of the City Council
City of Gig Harbor, WA

Subject: Second Reading – Ordinance Increasing Water Rates

Proposed Council Action: Adopt ordinance after second reading

Dept. Origin: Finance

Prepared by: David Rodenbach, Finance Director

For Agenda of: December 10, 2007

Exhibits: Ordinance

Initial & Date

Concurred by Mayor: [Signature] 11/29/07
Approved by City Administrator: [Signature] 11/29/07
Approved as to form by City Atty: [Signature] 12/4/07
Approved by Finance Director: [Signature] 11/29/07
Approved by Department Head: _____

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

INFORMATION / BACKGROUND

This is the second reading of an ordinance increasing monthly water rates. This is the third in a series of increases recommended in a rate study conducted by Gray and Osborne, Inc. in 2003.

The proposed rate increase will ensure that adequate revenues are available to meet operating costs, replace aging infrastructure, construct new facilities, and maintain adequate cash reserves.

FISCAL CONSIDERATION

The proposed rate increase is expected to provide approximately \$80,000 in additional operating revenues for the water utility in 2008.

Currently, the City's average residential water bill for one month is \$23.13. With the proposed increase this rate would increase to \$25.44.

BOARD OR COMMITTEE RECOMMENDATION

RECOMMENDATION / MOTION

Move to: Pass ordinance after second reading.

**CITY OF GIG HARBOR
ORDINANCE NO. ____**

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON
INCREASING THE MONTHLY WATER SERVICE RATE TO BE PAID TO
THE CITY FOR THE PROVISION OF WATER SERVICES; AMENDING GIG
HARBOR CODE SECTIONS 13.04.010 AND 13.04.020, TO BE EFFECTIVE
BEGINNING JANUARY 1, 2008.**

WHEREAS, it is necessary to raise water service rates and charges to meet the increasing cost of providing water services;

WHEREAS, the 2003 rate study by Gray & Osborne supports these rate increases;

NOW, THEREFORE, the City Council of the City of Gig Harbor, Washington, **DO ORDAIN AS FOLLOWS:**

Section 1. Section 13.04.010 of the Gig Harbor Municipal Code is hereby amended as follows:

13.04.010 Water Rates.

The monthly water service rates shall be set at the following amounts:

Customer Class/Meter	Customer Base Charge (per meter/month)	Commodity Charge (per ccf)
Residential	<u>\$11.01</u> 10.01	<u>\$1.44</u> 1.31
Multi-residential		
5/8" & 3/4"	<u>19.34</u> 17.58	<u>1.34</u> 1.22
1"	<u>26.61</u> 24.19	<u>1.34</u> 1.22
1-1/2"	<u>44.65</u> 40.59	<u>1.34</u> 1.22
2"	<u>66.39</u> 60.35	<u>1.34</u> 1.22
3"	<u>124.29</u> 112.99	<u>1.34</u> 1.22
4"	<u>\$189.49</u> 172.26	<u>\$1.34</u> 1.22
Commercial/Schools		
5/8" & 3/4"	<u>\$16.21</u> 14.74	<u>\$1.40</u> 1.27
1"	<u>21.41</u> 19.46	<u>1.40</u> 1.27
1-1/2"	<u>34.27</u> 31.15	<u>1.40</u> 1.27
2"	<u>49.76</u> 45.24	<u>1.40</u> 1.27
3"	<u>91.08</u> 82.80	<u>1.40</u> 1.27
4"	<u>\$137.58</u> 125.07	<u>\$1.40</u> 1.27

Section 2. Section 13.04.020 of the Gig Harbor Municipal Code is hereby amended as follows:

13.04.020 Nonmetered residential uses.

Until a water meter has been installed to measure water consumed by a residential unit or a multiple-residential building, the water service charge applicable to such unmetered unit shall be \$32.66 ~~29.69~~ per month per unit.

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. This ordinance shall be in full force and take effect January 1, 2008 which shall be at least five (5) days after its publication of an approved summary consisting of the title.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this 10th day of December, 2007.

APPROVED:

Charles L. Hunter, Mayor

ATTEST:

Molly Towslee, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Carol A. Morris

Filed with city clerk: 11/21/07
Passed by city council: 12/10/07
Date published: 12/19/07
Date effective: 1/1/08



Business of the City Council
City of Gig Harbor, WA

Subject: Second Reading – Ordinance Increasing Sewer Rates

Proposed Council Action: Adopt ordinance after second reading

Dept. Origin: Finance

Prepared by: David Rodenbach, Finance Director

For Agenda of: December 10, 2007

Exhibits: Ordinance

Initial & Date

Concurred by Mayor: [Signature] 11/29/07
Approved by City Administrator: [Signature] 11/23/07
Approved as to form by City Atty: [Signature] 12/3/07
Approved by Finance Director: [Signature] 11/29/07
Approved by Department Head: _____

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

INFORMATION / BACKGROUND

This is the second reading of an ordinance increasing monthly sewer service rates. This is the third in a series of increases recommended in a rate study conducted by Gray and Osborne, Inc. in 2003.

The proposed rate increase will ensure that adequate revenues are available to meet operating costs, replace aging infrastructure, construct new facilities, and maintain adequate cash reserves.

FISCAL CONSIDERATION

The proposed rate increase will allow the sewer utility to cover operating expenses, pay debt service and maintain a sufficient working capital balance.

Currently, the City's average residential sewer bill for one month is \$34.22. With the proposed increase this rate would increase to \$37.64. This increase will provide approximately \$182,000 in additional operating revenues.

BOARD OR COMMITTEE RECOMMENDATION

RECOMMENDATION / MOTION

Move to: Pass ordinance after second reading.

**CITY OF GIG HARBOR
ORDINANCE NO.**

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON
INCREASING THE MONTHLY SEWER SERVICE RATE TO BE PAID FOR
THE PROVISION OF SEWER SERVICES; AND AMENDING GIG HARBOR
CODE SECTIONS 13.32.010, 13.32.015, 13.32.020, AND 13.32.025 TO BE
EFFECTIVE BEGINNING JANUARY 1, 2008.**

WHEREAS, it is necessary to raise sewer service rates and charges to meet the increasing cost of providing sewage collection and treatment services; and

WHEREAS, the 2003 rate study by Gray & Osborne recommends these rate increases;

NOW, THEREFORE, the City Council of the City of Gig Harbor, Washington, **DO ORDAIN AS FOLLOWS:**

Section 1. Section 13.32.010 of the Gig Harbor Municipal Code is hereby amended as follows:

13.32.10 Sewer Rates.

A. The monthly sewer service rate shall be set at the following amounts:

Customer Class	Customer Base Charge (per month)	Commodity Charge (per ccf)
Residential	<u>\$20.55</u> 18.68	<u>\$2.52</u> 2.29
Multi-Family Residential (per living unit)	<u>15.81</u> 14.37	<u>2.52</u> 2.29
Commercial/School	<u>47.96</u> 43.60	<u>4.45</u> 4.05
Dept. of Corrections	<u>\$6,336</u> 5,760	<u>\$2.52</u> 2.29

* * *

Section 2. Section 13.32.015 of the Gig Harbor Municipal Code is hereby amended as follows:

13.32.015 Sewer Rates – Community Systems. The monthly sewer service rates for community systems shall be set at the following amounts:

<u>Customer Class</u>	<u>Monthly Charge</u>
Shore Crest System	\$ <u>6.36</u> 5.78 plus \$ <u>31.30</u> 28.45 /living unit

Section 3. Section 13.32.020 of the Gig Harbor Municipal Code is hereby amended as follows:

13.32.20 Non-metered uses. Until a water meter has been installed to measure water flow by a residential unit, multi-residential building, or commercial facility, the sewer service charge for each unmetered unit/facility shall be as follows:

<u>Nonmetered Customer Class</u>	<u>Monthly Charge</u>
Residential	\$ <u>37.64</u> 34.22 /unit
Multifamily residential	<u>26.99</u> 24.54 /living unit
Commercial	\$ <u>92.43</u> 84.03 /billing unit

Section 4. Section 13.32.025 of the Gig Harbor Municipal Code is hereby amended as follows:

13.32.025 Sewer Rates – Community systems using flow meters.

<u>Customer Class</u>	<u>Customer Base Charge (per month) (per ccf)</u>	<u>Commodity Charge</u>
Residential	\$ <u>6.36</u> 5.78 + \$ <u>14.19</u> 12.90 /unit	\$ <u>2.52</u> 2.29
Multi-Family Residential	\$ <u>6.36</u> 5.78 + \$ <u>9.45</u> 8.59 /unit	\$ <u>2.52</u> 2.29
Commercial	\$ <u>6.36</u> 5.78 + \$ <u>41.61</u> 37.83 /unit	\$ <u>4.45</u> 4.05

* * *

Section 5. 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 6. This ordinance shall be in full force and take effect January 1, 2008 which shall be at least five (5) days after its publication of an approved summary consisting of the title.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this 10th day of December, 2007.

APPROVED:

Charles L Hunter, Mayor

ATTEST:

Molly Towslee
City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Carol A. Morris

Filed with City Clerk: 11/21/07
Passed by City Council: 12/10/07
Date published: 12/19/07
Date effective: 1/1/08



Business of the City Council
City of Gig Harbor, WA

Subject: Second Reading – Ordinance Increasing Storm Drainage Rates

Proposed Council Action: Adopt ordinance after second reading

Dept. Origin: Finance

Prepared by: David Rodenbach, Finance Director

For Agenda of: December 10, 2007

Exhibits: Ordinance

Initial & Date

Concurred by Mayor: [Signature] 11/29/07
Approved by City Administrator: [Signature] 11/29/07
Approved as to form by City Atty: [Signature] 12/5/07
Approved by Finance Director: [Signature] 11/29/07
Approved by Department Head: _____

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

INFORMATION / BACKGROUND

This is the second reading of an ordinance increasing monthly storm drainage fees.

It is necessary to increase the storm drainage fees to reflect the increased costs of constructing and maintaining the City's storm drainage system.

The proposed rate increase will ensure that adequate revenues are available to meet the new National Pollutant Discharge and Elimination System (NPDES) Citywide Phase 2 program and permitting requirements, operating costs, replace aging infrastructure, construct new facilities, and maintain adequate cash reserves.

FISCAL CONSIDERATION

The monthly service charge is currently \$8.64 per month or \$103.68 per year. This ordinance will increase storm fees to \$10.80 per month or \$129.60 per year and will increase annual revenues by about \$123,000.

BOARD OR COMMITTEE RECOMMENDATION

RECOMMENDATION / MOTION

Move to: Pass ordinance after second reading.

CITY OF GIG HARBOR
ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON INCREASING THE MONTHLY STORM DRAINAGE RATE TO BE PAID TO THE CITY BY OWNERS OF PROPERTY WITHIN THE CITY FOR THE PROVISION OF STORM DRAINAGE SERVICES, AMENDING GIG HARBOR CODE SECTION 14.10.050, TO BE EFFECTIVE BEGINNING JANUARY 1, 2008.

WHEREAS, it is necessary to increase the storm drainage service rates and charges to reflect the increased costs of providing those services and to maintain a viable storm drainage system; and

WHEREAS, the proposed rate increase will ensure that adequate revenues are available to meet the National Pollutant Discharge and Elimination System (NPDES) Citywide Phase 2 program and permitting requirements,

NOW, THEREFORE, the City Council of the City of Gig Harbor, Washington, **ORDAINS** as follows:

Section 1. Section 14.10.050 of the Gig Harbor Municipal Code is hereby amended to read as follows:

14.10.050 Service charge rates. In accordance with the basis for a rate structure set forth in GHMC 14.10.020 and 14.10.030, there is levied upon all developed real property within the boundaries of the utility the following service charges which shall be collected from the owners of such properties:

- A. For all detached single-family residences and mobile homes (one equivalent billing unit), the monthly service charge shall be \$10.80 8-64.
- B. Those developed properties that are riparian to the harbor or Puget Sound from which storm and surface waters flow directly into the harbor or Puget Sound, without the aid of any watercourse or natural or artificial drainage facilities, and all developed properties with city-approved detention facilities will be billed at one equivalent billing unit.
- C. Duplexes shall be charged at 1.5 equivalent billing units for the two units.
- D. For all other developed property within the boundaries of the utility, except as set forth in GHMC 14.10.060, the monthly service charge shall be \$10.80 8-64 multiplied by the number of equivalent billing units determined by the utility to be contained in such parcel pursuant to GHMC 14.10.030.

Section 2. This ordinance shall be in full force and take effect January 1, 2008 which shall be at least five (5) days after its publication of an approved summary consisting of the title.

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.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this 10th day of December, 2007.

APPROVED:

Charles L Hunter, Mayor

ATTEST:

Molly Towslee
City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Carol A. Morris

Filed with city clerk: 11/21/07
Passed by city council: 12/10/07
Date published: 12/19/07
Date effective: 1/1/08



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

Subject: Resolution to Declare Property Surplus located southeast of 5524 Soundview Drive

Proposed Council Action: Approve Resolution Declaring the Property Surplus and Authorize Staff to Issue an Announcement for Call for Bids

Dept. Origin: Community Development

Prepared by: Dave Brereton, Interim *DB*
Community Development Director

For Agenda of: December 10, 2007

Exhibits: Resolution, Appraisal Report

Initial & Date

Concurred by Mayor: *CLH 12/7/07*
Approved by City Administrator: *RJK 12/7/07*
Approved as to form by City Atty: *AM 12/6/07*
Approved by Finance Director: *DL 12/6/07*
Approved by Department Head: *Dave 12/6/07*

Expenditure	Amount	Appropriation
Required 0	Budgeted 0	Required 0

INFORMATION / BACKGROUND

The City received a request to purchase a portion City-owned property, parcel no. 0221174081, adjacent to the property at 5524 Soundview Drive. This request was received from the adjacent property owner Jim Richards, Bergen Richards, LLC. The property is approximately 6,300 square feet which the City owns in fee and is located adjacent to the old Washington State Patrol Office in the vicinity of the Olympic Village Shopping Center. This portion of property was the old access to SR-16; is no longer used and is surplus to the City's needs. Community Development Director John Vodopich on June 11, 2007, presented this request to City Council. At this meeting, Council directed staff to come back with more information on the valuation of the property and what options are available. City Attorney Morris recommended following the competitive bidding process if the Council was inclined to sell. If Council would like to sell this property through the competitive bidding process, the attached resolution is necessary to declare the property surplus and establish the conditions for the sale of the property and procedures for public notice and public hearing requirements.

On October 22, 2007, Council authorized staff to obtain an appraisal of the property to determine fair market value. The appraisal by Wick & Associates determined the fair market value to be \$50,000.

FISCAL CONSIDERATION

The proceeds of this sale would go to the City's General Fund unless otherwise directed by Council. Bids submitted to the City must be for at least fair market value. The successful bidder must sign the City's Purchase and Sale Agreement.

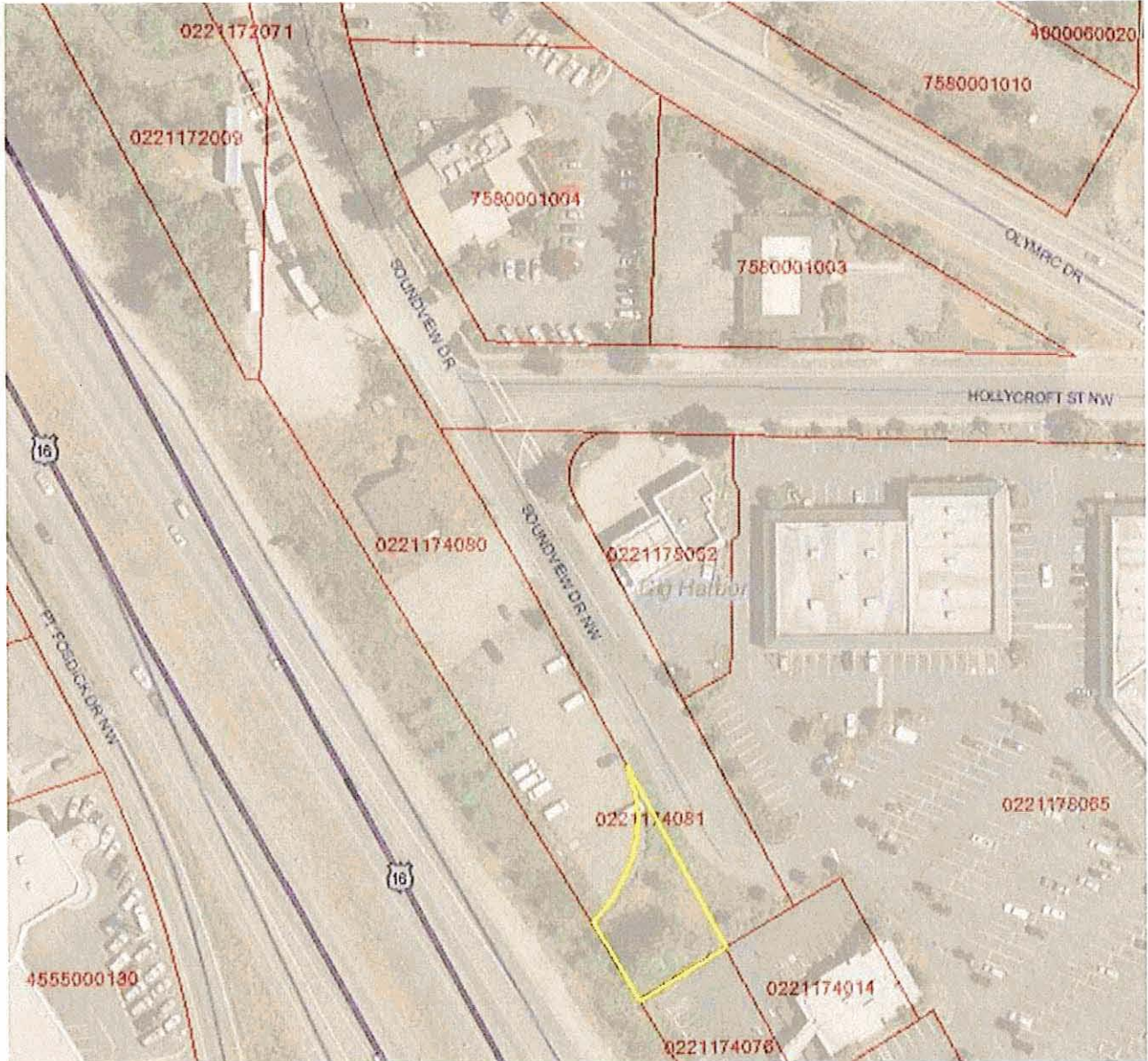
BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Approve the Resolution declaring the property surplus and authorize staff to Issue an announcement for Call for Bids

ASSESSOR'S MAP



The subject area to be segregated is highlighted in yellow. We note that the parcel boundary lines are approximate.

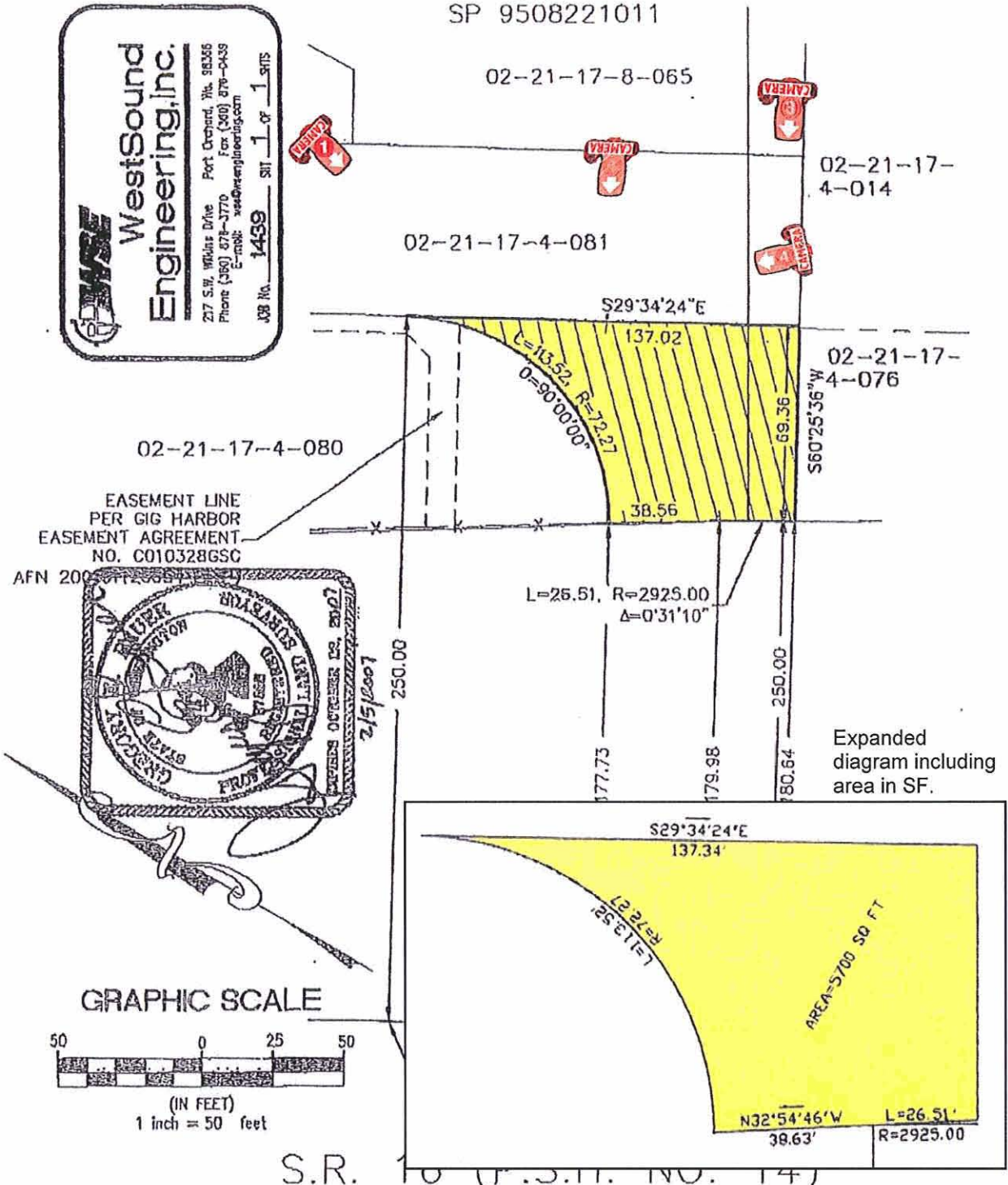
SUBJECT SITE PLAN

WestSound Engineering, Inc.

217 S.W. Wilkins Drive Port Orchard, Wa. 98366
 Phone (360) 878-3770 Fax (360) 878-0439
 E-mail: westsoundeng@comcast.net

JOB No. 14399 SIT 1 of 1 SPTS

LOT 4
SP 9508221011



Before Area: 5,700 SF	After Area: None	Fee Take: 5,700 SF
Permanent Easement Take: None	Temporary Easement Take: None	

PHOTOGRAPHS OF ALL PRINCIPAL IMPROVEMENTS AND/OR FEATURES AFFECTING VALUE

Photos are numbered (1, 2, etc.) with camera location and direction of each photo shown on the Plot Plan that follows. The subject is approximated in the following pictures and shown within the yellow lines.



1. Looking south from Soundview Drive NW. The subject begins just beyond the green sign, and includes most of the grassy area.



2. A view looking west from the street.

Date Taken: November 7, 2007

Taken By: Daniel K. Wick

PHOTOGRAPHS OF ALL PRINCIPAL IMPROVEMENTS AND/OR FEATURES AFFECTING VALUE

Photos are numbered (1, 2, etc.) with camera location and direction of each photo shown on the Plot Plan that follows.



3. A view looking west from the roadway that leads to the shopping mall parking lot.



4. A view looking northwest along Soundview Dr NW. The subject is on the left.

Date Taken: November 7, 2007

Taken By: Daniel K. Wick

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DECLARING THE PROPERTY LOCATED SOUTHEAST (ADJACENT) OF 5524 SOUNDVIEW DRIVE, GIG HARBOR, WASHINGTON SURPLUS TO THE CITY'S NEEDS AND ESTABLISHING THE CONDITIONS OF SALE OF THE PROPERTY, PROCEDURES FOR PUBLIC NOTICE AND PUBLIC HEARING ON THE OPENING OF SEALED BIDS AND BID AWARD FOR THE SALE OF THE PROPERTY.

WHEREAS, the City Council has received a request for purchase of the property southeast of 5524 Soundview Drive in Gig Harbor, while lies adjacent to a street that the City owns in fee; and

WHEREAS, the City desires to issue a call for bids to obtain the highest possible value for the property, after receiving an appraisal which establishes the fair market value; and

WHEREAS, the City Council desires to establish the conditions of sale of the property, the procedures for public notice and public hearing on the opening of sealed bids and bid award for the sale of the property; NOW THEREFORE,

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

Section 1. Declaration of Surplus. The City Council hereby declares that the property, parcel no. 022117-408-1 located adjacent to 5524 Soundview Drive, Gig Harbor, Washington, will be surplus to the City's needs.

Section 2. Conditions of Sale. The City Council hereby declares its intent to sell the property, under the following conditions:

A. Fair market value. The City Council has established the fair market value of the property using an appraisal and an estimate of value from independent commercial real estate consultants. The fair market value has been estimated to be \$50,000. The City Council will advertise the fair market value for the property to prospective bidders.

B. Every bid submitted to the City must be for at least fair market value, as established by the City Council, and as advertised. Bids must be submitted to the City on or before January 15, 2008, and clearly state the bidder's compliance and/or agreement to

comply with all established conditions of sale.

C. The successful bidder must sign the City's Purchase and Sale Agreement, which is available in the City Clerk's office during regular office hours.

D. Closing of the Property will be negotiated by the parties, but shall take place prior to June 30, 2008.

E. The City Council may, after opening the bids during the public hearing on the sale of the Property, decide to throw out all bids and begin the process anew or adopt new procedures for the sale of the Property.

Section 3. Public notice of the public hearing for the opening of the bids shall occur as follows:

A. At least 10 days but not more than 25 days prior to the public hearing, the City shall publish a public notice of reasonable size in display advertising form, setting forth the date, time and place of the hearing, conditions of sale and the deadline for submission of bids on the Property itself.

B. The notice shall be published at least once in a newspaper of general circulation in the area where the property is located.

C. A news release pertaining to the hearing will be disseminated among printed and electronic media in the Gig Harbor, Pierce County area.

D. The public notice and news release shall identify the property using a description which can be easily understood by the public – the City Council shall describe the Property as parcel no. 0221174081 and located adjacent to 5524 Soundview Drive, Gig Harbor, Washington.

Section 4. At the public hearing, the City Council will open sealed bids for the purchase of the Property. The Council may vote to sell the Property based on the conditions of sale established in this Resolution, or decide to throw out all bids and begin the process anew. *The process described in this Resolution is only one alternative to sale available to the City.*

RESOLVED by the City Council this 10th day of December, 2007.

APPROVED:

MAYOR, CHARLES HUNTER

ATTEST/AUTHENTICATED:

CITY CLERK, MOLLY M. TOWSLEE

APPROVED AS TO FORM;
OFFICE OF THE CITY ATTORNEY:

BY: _____

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.

APPRAISAL REPORT

SOUNDVIEW DR NW SEGREGATION

Located southeast of
5524 Soundview Dr NW
Gig Harbor, Washington 98335

Prepared For:

Mr. David Brereton, Director of Operations
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Prepared By:

Daniel K. Wick, Certified General R.E. Appraiser
Wick & Associates
6830 NE Bothell Way, Suite C411
Kenmore (Seattle), Washington 98028
Telephone: (206) 417-7880

City of Gig Harbor
Planning Department

Parcel No. 022117-408-1
Federal Aid No. N/A
Project: Soundview Dr NW Segregation
Map Sheet 1 of 1 Sheets
Map Approval Date: February 5, 2007
Date of Last Map Revision: None

CERTIFICATE OF APPRAISER

I certify that, to the best of my knowledge and belief:

- ◆ The statements of fact contained in this appraisal are true and correct;
- ◆ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conclusions, and are my personal, unbiased professional analyses, opinions, and conclusions;
- ◆ I have no present or prospective interest in the property that is the subject of this appraisal, and I have no personal interest or bias with respect to the parties involved;
- ◆ My compensation is not contingent upon the reporting of a predetermined value or direction that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event;
- ◆ My analyses, opinions, and conclusions were developed, and this appraisal has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Uniform Appraisal Standards for Federal Land Acquisitions;
- ◆ I have made a personal inspection of the property that is the subject of this report. I have made a personal inspection of the comparable sales contained in the report addenda;
- ◆ I have afforded the owner or a designated representative of the property that is the subject of this appraisal the opportunity to accompany me on the inspection of the property.
- ◆ No one provided significant professional assistance to the person signing this report. Daniel K. Wick completed the inspection, fieldwork, analysis, and report. Dennis M. Wick, MAI, SRA, SR/WA reviewed the report.
- ◆ I have disregarded any increase in Fair Market Value caused by the proposed public improvement or its likelihood prior to the date of valuation. I have disregarded any decrease in Fair Market Value caused by the proposed public improvement or its likelihood prior to the date of valuation, except physical deterioration within the reasonable control of the owner;
- ◆ This appraisal has been made in conformity with the appropriate State and Federal laws and requirements, and complies with the contract between the agency and the appraisers;
- ◆ The property has been appraised for its fair market value as though owned in fee simple, or as encumbered only by the existing easements as described in the title report in the addenda.
- ◆ The opinion of value expressed below is the result of, and is subject to the data and conditions described in detail in this report.
- ◆ The **Date of Value** for the property that is the subject of this appraisal is November 7, 2007 per the FAIR MARKET VALUE definition herein, the value conclusions for the property that is the subject of this appraisal are on a cash basis and are:

FAIR MARKET VALUE OF THE ACQUISITION \$50,000

Name: Daniel K. Wick, Certified General R.E. Appraiser

Date Signed: December 1, 2007

Signature: _____



PHOTOGRAPHS OF ALL PRINCIPAL IMPROVEMENTS AND/OR FEATURES AFFECTING VALUE

Photos are numbered (1, 2, etc.) with camera location and direction of each photo shown on the Plot Plan that follows. The subject is approximated in the following pictures and shown within the yellow lines.



1. Looking south from Soundview Drive NW. The subject begins just beyond the green sign, and includes most of the grassy area.



2. A view looking west from the street.

Date Taken: November 7, 2007

Taken By: Daniel K. Wick

PHOTOGRAPHS OF ALL PRINCIPAL IMPROVEMENTS AND/OR FEATURES AFFECTING VALUE

Photos are numbered (1, 2, etc.) with camera location and direction of each photo shown on the Plot Plan that follows.



3. A view looking west from the roadway that leads to the shopping mall parking lot.



4. A view looking northwest along Soundview Dr NW. The subject is on the left.

Date Taken: November 7, 2007

Taken By: Daniel K. Wick

SUBJECT SITE PLAN

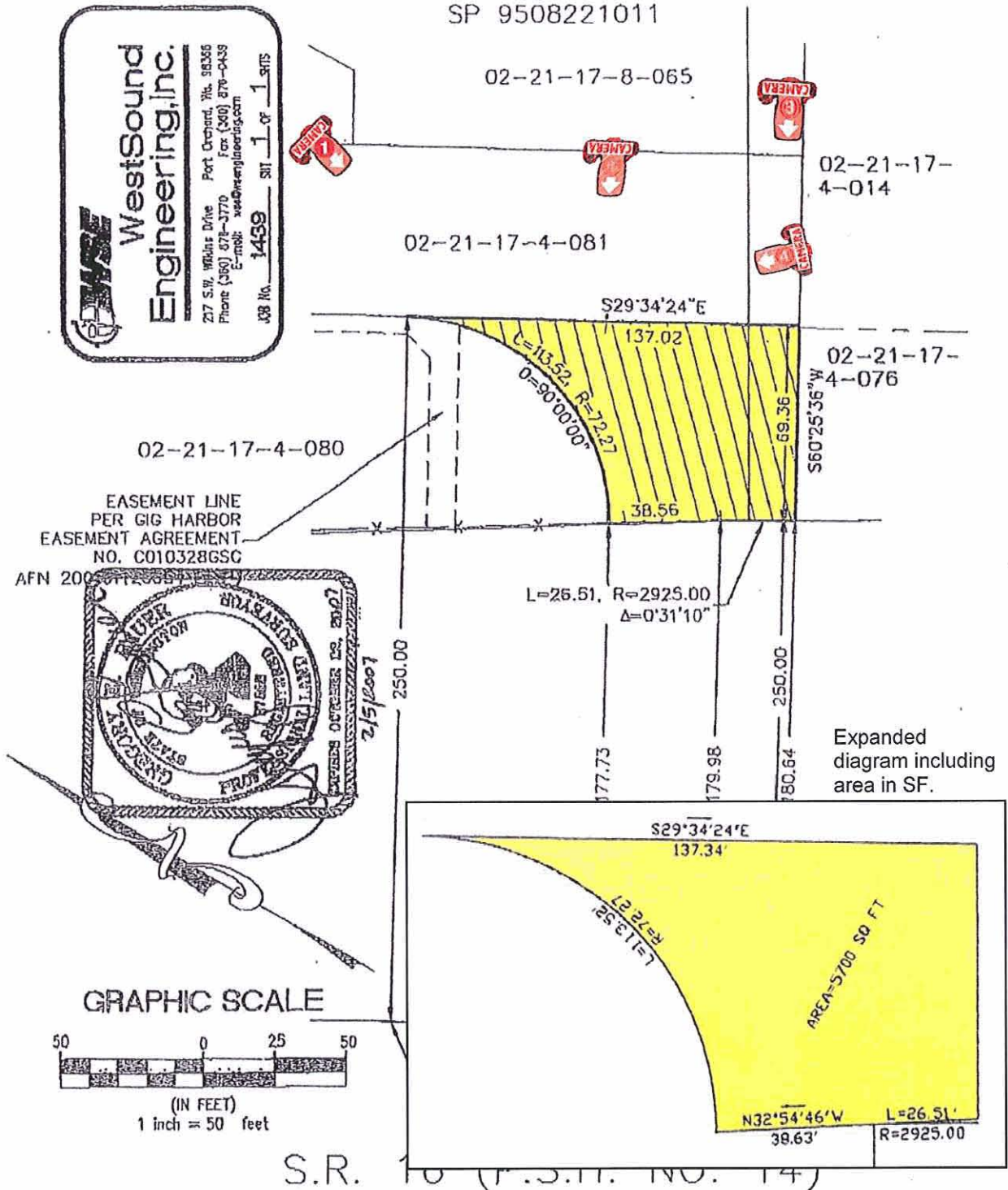


WestSound
Engineering, Inc.

217 S.W. Wilkes Drive Port Orchard, Wn. 98365
Phone (360) 871-3770 Fax (360) 879-9439
E-mail: west@westsoundeng.com

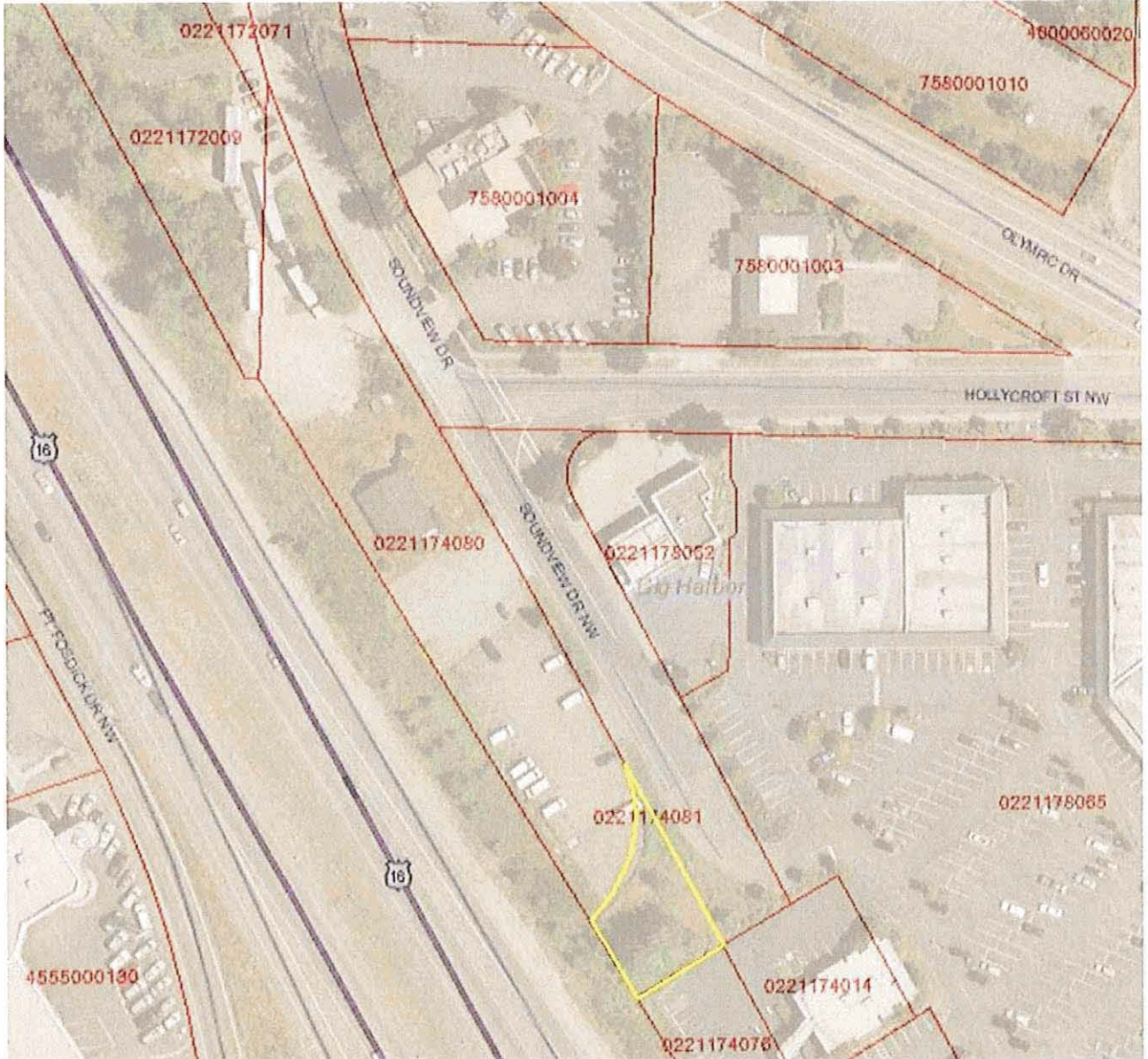
JOB No. 1439 SIT 1 of 1 SITS

LOT 4
SP 9508221011



Before Area: 5,700 SF	After Area: None	Fee Take: 5,700 SF
Permanent Easement Take: None	Temporary Easement Take: None	

ASSESSOR'S MAP

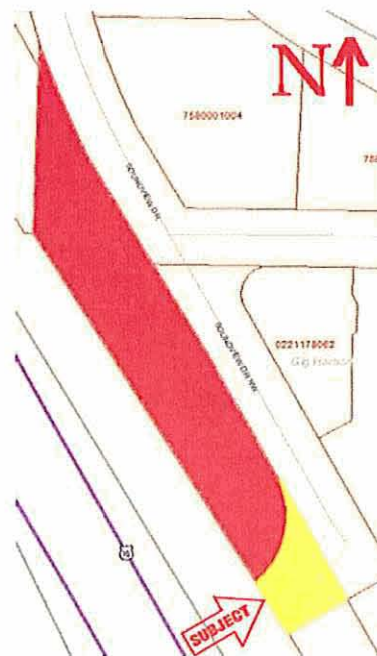


The subject area to be segregated is highlighted in yellow. We note that the parcel boundary lines are approximate.

SHORT FORM SUMMARY APPRAISAL REPORT

DESCRIPTION AND SCOPE OF THE APPRAISAL

This appraisal values the segregation of an irregularly shaped segment of land that is currently a portion of Soundview Dr NW in the City of Gig Harbor. According to the City of Gig Harbor, this particular section of Soundview Dr NW is owned in fee by the City. The City intends to segregate a small portion of the parcel that is not being used, which is the subject of this report. The appraiser has been asked to render a value opinion for the area to be segregated. The segregated area (hi-lited in yellow) will be shown to have a Highest and Best Use as attachment to an adjoining parcel (hi-lited in red). The parcel is adjacent to the northwest of the subject and is identified as Pierce County Parcel No. 022117-408-0 (a.k.a. 5524 Soundview Dr NW). The subject segment is similar in width to the adjacent parcel and abuts it along a curved border.



The process typically used to value the subject is known as the "Across the Fence Method" of valuation. In this method a "Comparable Adjacent Parcel" which the subject will be attached to is valued as though vacant. It is valued using similar comparable land sales, which have been located in the neighborhood. Considering that the subject will take on the same characteristics of the adjacent parcel including zoning, the subject will have the same value as the adjacent parcel. Hence, once the adjacent parcel is valued, the per square foot unit indicator is then applied to the subject. I will also be taking into consideration the similar uses and benefits that the segregated area will have compared to the adjacent parcel and render a final conclusion. It is noted that due to a variety of circumstances some discounting due to the contributory value of the segregation may be applied to the subject. Any discounts will be discussed within the appropriate section of this report.

Subject property data was obtained from the Pierce County Assessor's website. The comparable data was gathered from discussions with brokers, owners, agents, assessors' records, our internal comparables database, and the NWMLS and CBA databases. Adequate comparable information was available to the appraiser.

The Sales Comparison Approach is applied to the adjacent parcel then the across the fence method is used to value the subject property. The Income and Cost Approaches are not typically applied to vacant land sites and these approaches were considered, but not applied.

This report is intended to comply with reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. As such, it presents only summary discussion of the data, reasoning and analyses that were used in the appraisal process. Additional supporting documentation is retained in the appraisers' files.

This appraisal is reported in a summary format. It is a brief recapitulation of the appraisers' data, analyses and conclusions. The appraisal was written by Daniel K. Wick, reviewed by Dennis M. Wick, MAI, SRA, SR/WA and then delivered to the client, which constituted the end of the assignment.

The following information describes and values both the adjacent parcel as though vacant and the subject area to be segregated.

1. OWNERSHIP:

According to the Pierce County Assessor, ownership is vested in:

SUBJECT: State of Washington
Department of Transportation
Transportation Building
Olympia, WA 98504-0001

ADJACENT PARCEL: Bergen Richards, LLC
Attn: James Richards
12310 50th Ave Ct NW
Gig Harbor, WA 98332

2. LOCATION:

SUBJECT: 55xx Soundview Dr NW
Gig Harbor, WA 98504-0001
Which is due south of:

ADJACENT PARCEL 5524 Soundview Dr NW
Gig Harbor, WA 98504-0001

3. LEGAL DESCRIPTIONS:

A legal description was provided by the client. According to Willie Hendrickson, Engineering Technician at the City of Gig Harbor the legal description provided is the subject area to be vacated. The description is long and complex, it is found at the end of this report in the addenda section.

4. DELINEATION OF TITLE (5 years):

According to the Pierce County records, the subject property was obtained by the State of Washington in the distant past. There have been no sales of the subject property in the past 5 years.

5. DESCRIPTION OF SUBJECT PROPERTY including Neighborhood, Zoning, Present Use, Highest and Best Use-Vacant and Improved:

Regional Overview

The Puget Sound Region is geographically defined by three adjacent counties, King, Snohomish and Pierce. These three counties contain about 60% of the State's 6 million residents. In addition to the large population base, the region is home to most of the states' business entities, including aerospace, logging, shipping, trade and the expanding high technology market sector.

The regional population expanded over the past decade by an average of 1.92% per year. As of April 2006, the regional population was 3,220,000. Of the three counties comprising the Puget Sound region, Snohomish County to the north had the highest growth rate of 1.8% per year. The largest county, King, was also the slowest growing with an average growth rate of approximately 0.5% per year.

Overall, the employment growth in Washington averaged 3.2% in the first half of the decade but has slowed considerably in the recent past.

Real Estate and Economic experts forecast a slower and generally balanced economy for real estate in the years to come after several years of rapidly increasing prices. This is primarily due to mortgage interest rates, which are expected to remain steady in the near term. Forecasts are for stable investment returns as vacancy rates remain stable in the region, due primarily to the lack of developable land. Earlier in the last decade, the State of Washington enacted a Growth Management Plan and urban sprawl has definitely slowed in the past 5 years. The availability of vacant land has also decreased significantly, with an attendant increase in land prices.

The regional economy is now significantly slower after the recent growth in the middle of the decade. The state unemployment rate dropped to 4.9%, down from 7.7% in May of 2003. The overall United States Unemployment rate was 5.3% for May of 2006. Statewide job gains over the past 3 months have been minimal.

Boeing has a substantial workforce in the region and is expected to maintain their staffing in the near future. The Economic Forecast Council reported that revenue collections by the State were up significantly from past years and the state currently enjoys a budget surplus.

Interest rate increases in the recent past by the Federal Reserve Bank have stopped and the last open market meeting saw a 0.25% drop in the discount rate, which may be beneficial to the real estate market. The rapid population growth is not expected to return. A more moderate pace is projected, with the fastest growth continuing in Snohomish County. Continued appreciation of single-family homes is expected albeit at a lower rate with price increases becoming more reasonable after the strong growth rates of the past few years.

Overall, the long-term economic outlook for the region is positive. The Puget Sound is now in a mild economic slowdown and the effects are muted and much less than the effect in the majority of the country. Economic improvement is expected to soon return and should continue through the end of the decade.

City Overview: The City of Gig Harbor is located in the northwest part of Pierce County. Gig Harbor is a pocket community to the City of Tacoma, the 2nd largest city in the Puget Sound area and is located towards the south end of the Puget Sound. Gig Harbor has an estimated population of 6,780. The city is composed of a mix of older homes and businesses with many newer infill projects. The City contains a number of business parks, although is mostly known for its maritime and tourism activities. There has been recent growth within and around the city limits, which is partly due to the lack of land in the more urban areas of the Puget Sound Region. The area is serviced by Highway 16 from Tacoma. The highway crosses the Tacoma Narrows Bridge, which was recently expanded with a new 3-lane bridge opening up opportunities for higher traffic volumes to and from the area.

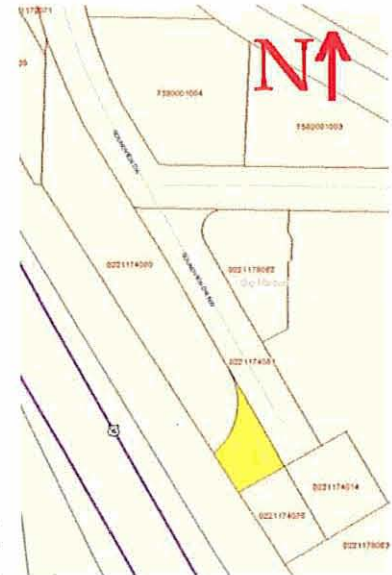
SR-16 is the main north-south freeway linkage and is adjacent to the subject. The subject property is located in the central part of the city, east of SR-16.

Neighborhood Overview: The subject neighborhood is mostly residential in nature with many homes on larger sized lots. Soundview Dr. NW, which turns into Olympic Dr NW, is the main thoroughfare. Olympic Dr traverses SR-16, and then turns into 56th St NW, which is the main east-west arterial; we note that on the east side of SR-16 there are few east-west arterials as the area is narrow lying between SR-16 and the Puget Sound waterway. There is a shopping plaza located directly across the street from the subject. Olympic Dr NW is moderately commercialized near the subject property. Access to SR-16 is convenient with an interchange located about 2 to 3 blocks away. Overall, the immediate neighborhood is adequately served by transportation routes and is conveniently located to commercial services.

Property Description:

The area to be segregated is an irregular shaped area (hi-lited in yellow on the map). According to a survey by WestSound Engineering Inc. (360-878-3770), the width is just over 69' on the southeastern border. The subject is bordered to the northwest by an adjacent parcel; this border has a curved radius of about 72'.

The segmented area is vacant and lightly vegetated with a grassy area and some native vegetation; it is irregular in shape and mostly level. The dimensions are as follows starting at the longest dimension along the easterly side; 137.02 x 69.36 x 38.56 x 113.52 and contains a total of 5,700SF of land according to the site plan presented earlier in this report. The appraiser inspected the entire subject property.



Sewer Capacity:

Within the past three months the area of Gig Harbor has reached its sewer capacity and is currently unable to deliver service to new developments. Effectively, under the current constraints, new developments would be processed for denial due to lack of sewer capacity. We discussed the current situation with one of the city planners, Kristen Moeler. According to Ms. Moeler the city is actively exploring methods in which a new development could go through the planning and permitting process in order to be ready for construction when sewer capacity is expanded. Additional capacity is not expected to be available until early 2010, in about 2½ years.

Depending on the type of development, some limited capacity could become available sooner from expired applications. If the city approves a system to hold applications in a queue system, any capacity that becomes available would be allocated on a first come first serve basis of currently pending applications. The subject's adjacent parcel has a small commercial building, which has some capacity allocated to the existing structure. Expansion or redevelopment with a larger building would likely not be possible at this point in time due to the capacity issue. Consideration will be given to this subject within the value analysis.

Zoning:

The subject property is zoned B-2 – General Business District by the City of Gig Harbor. The purpose of this district is to *“provide areas that offer a wide range of consumer goods and services. It is further intended to group buildings and business establishments in a manner that creates convenient, attractive and safe development. The products and services shall primarily be for sale on the premises only.”* There are a wide variety of permitted commercial uses. Residential uses are only allowed by conditional approval.

The setback requirements in the Code are 20 feet for the front and back, 5 feet for the side yard. According to the City Planner (Stephanie Pawlawski 253-853-7554), there is a 40 foot set back requirement from SR-16, which abuts the subject to the west; the planner told us that some mitigation of this set back can reduce the distance in unusual circumstances. The subject's current use as vacant land is a legal use of the site.

Flood Hazard:

Federal Emergency Management Agency (FEMA), flood insurance maps of the subject neighborhood were checked. According to FEMA map, community panel number 53013 80150 C effective date August 19, 1987; the subject parcel is located in a zone “C”, which is an area of minimal flooding. Please note that the appraiser is not a surveyor, and no guarantees expressed or implied are made regarding this determination.

Utilities:

All utilities are available to the subject site including water, sewer and electricity. We note that as of August 3, 2007 the City of Gig Harbor is unable to process new developments that require sewer usage for approval. This halt in new development is estimated to continue until early 2010.

Assessed Value and Taxes:

The subject property is assessed as part of Soundview Dr NW. Note that the specific area to be vacated is only a portion of the entire tax parcel that is a portion of Soundview Dr NW.

2007 assessment and tax information					
<u>Description</u>	<u>APN</u>	<u>Land Value</u>	<u>Improvement Value</u>	<u>Total</u>	<u>Regular Tax</u>
Adjacent Parcel	022117-408-0	\$365,700	\$0	\$365,700	\$2,982.17
Subject	022117-408-1	\$288,900	\$0	\$288,900	\$0
TOTALS:		\$654,600	\$0	\$654,600	\$2,982.17

Existing Easements, Encumbrances and Encroachments

The appraiser did not receive a title report for the subject or the adjacent parcel to the northwest. A survey provided to the appraisers shows a utility easement along a portion of the adjacent parcel, although does not identify all of it. This appraisal assumes that there are no easements that would impact the value conclusion within this report.

Exposure and Marketing Time

Based on the comparable data and discussions with knowledgeable realtors in the area, both the marketing and the exposure time for the subject is estimated at 270 days.

Highest and Best Use - Introduction

This is defined as that reasonable and probable use that supports the highest present fair market value as of the effective date of the appraisal. The highest and best use of a property must meet four criteria; physically possible; legally permissible; financially feasible and maximally profitable.

There are two types of highest and best use; that of the property as vacant, and of the property as improved. In each situation, the highest and best use must meet four criteria.

The four highest and best use criteria are:

Physically Possible – Uses of the site/property that are physically possible.

Legally Possible – Uses of the site/property allowed by land use and deed restrictions.

Financially Feasible – Possible and legitimate uses, which produce a net return to the land.

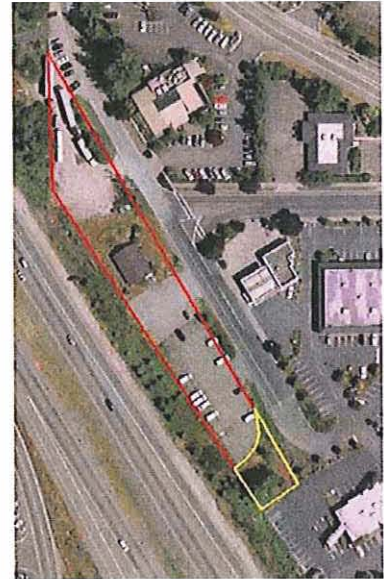
Maximally Productive – The feasible use of the site, which produces the highest net, return or highest present worth, the Highest and Best Use.

The highest and best use concept is based upon traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on future benefits. This theory is based upon wealth maximization of the owner.

The highest and best use of the site/property if vacant and available for use may be different from the highest and best use of the improved property, if applicable. This is valid when the improvement is not a suitable one, but still makes a contribution to the total property value in excess of the land/site value.

In estimating the highest and best use the following tests must be met to meet the above criteria: the use must be legal; it needs to be probable, not speculative or surmised; and there must be a profitable demand for such use giving the highest net return for the longest period of time.

As will be demonstrated in the following discussion, the subject segment of land has a highest and best use as attachment to an adjoining parcel (outlined in red on the map), which the subject (outlined in yellow) would likely be attached to. Therefore, it will take on the zoning and other legal and physical characteristics of this parcel and a highest and best use analysis of this adjacent parcel is appropriate. As such, the highest and best use of the adjacent parcel will be discussed and analyzed with the subject on the following pages.



The adjacent parcel is also irregular in shape and is mostly level. It consists of approximately 1.26 acres, and is an elongated odd shaped parcel, which is about 80' to 95' in width by 450' to 550' in length. There is a paved parking area at the southerly end, which is adjacent to the subject.

Highest and Best Use - Unimproved

Physically Possible: The use to which a site can be developed can be affected by its size, shape, topography, access, and soil type. The subject area to be segregated is mostly level, and is lightly vegetated with native brush and minimal trees; it is 5,700 SF in size and irregularly shaped, the approximate depth of this site is about 69'. There appears to be only a small building footprint the site could allow for. The adjacent parcel to the NW adjoins the subject. It was selected due to its ability to maximize use of the curved area; in other words if the subject were to be attached to the parcel to the south of the subject there would likely be a small portion of the land that would be difficult to utilize due to the curved northerly border of the subject. The selected larger parcel (shown in red in the above map) has similar topography and vegetation compared to the subject. According to the Pierce County Assessor, it contains 54,885 SF (1.26 acres). The appraiser is unaware of any complications with developments on adjacent sites, which have soil types similar to the subject's site.

Legally Permissible: The legal factors influencing the highest and best use of the subject include government regulations such as zoning and other land use ordinances, environmental regulations and building codes. Other factors would be easements and encumbrances, which impact or restrict the use of the subject site. The larger parcel is zoned B-2 by the City of Gig Harbor. The zoning allows for a wide variety of commercial uses. Residential uses are only allowed on a conditional basis, and the location in a commercial environment would suggest that residential uses would not be allowed.

We note that there is a 40' setback from SR-16, which borders the subject and larger parcel to the west, a 20' setback along the east of the site (front yard setback), and a 5' side yard setback. These setbacks tend to diminish any reasonable building footprint. The subject with a maximum depth of about 70 feet would then only have a 10' deep building footprint by 30' in width. According to one of the city planners, Stephanie Pawlaski, a parcel with these set back issues could be allowed some variances that would establish a more reasonable building footprint. The subject, with its small size would likely not be able to mitigate the setbacks in order to achieve a reasonable development size and still have parking. Therefore, attachment to the larger parcel is the only reasonable option.

In regards to the larger parcel, our conclusion is that a potential developer could achieve a reasonable commercial development with some variances from the city. This conclusion is based upon the larger size of the parcel making it a more reasonable candidate to mitigate some of the setback issues.

Financially Feasible: The subject area to be vacated is 5,700 SF and irregular in shape; the only financially feasible use of the subject site, if vacant, is for assemblage to the adjoining parcel. The immediate vicinity contains commercial retail uses, which are permitted by the zoning. The subject site is too small to support any significant development. Assemblage to the adjacent larger parcel is the only financially feasible use.

The larger parcel is located in a retail environment that is proximate to a mid-sized retail strip mall. There is good exposure for signage along the west part of the site that is visible from SR-16. A retail use would likely be the most financially feasible use of the parcel.

CONCLUSION: The only reasonable option for the subject is attachment to the larger parcel. The larger parcel is concluded to have commercial development as its Highest and Best Use.

Highest and Best Use - As Improved

The subject segment is not improved.

6. PROPERTY RIGHTS TO BE ACQUIRED AND EFFECTS OF ACQUISITION/PROJECT:

Property Rights Acquired

Fee Taking

The Subject Site Plan presented previously in this report illustrates the area to be segregated as a section of land that is irregular in shape, and located immediately adjacent to the south property line of the northwesterly larger parcel. The area of vacation totals 5,700 SF according to diagram provided by the client. We note that the survey presented earlier in this report does not specifically present the larger parcel in its entirety. A diagram with square footage was provided by Dave Brereton, City of Gig Harbor, Director of Operations.

Temporary Construction Easement

No easement will be needed.

Effects of Acquisition/Project on Subject Property

Fee Taking

The segregation will result in the elimination of an unused portion of Soundview Dr NW, and will enlarge the southeasterly portion of the larger parcel by the vacated area. None of the buildings on the larger parcel will be physically impacted by the acquisition.

7. VALUATION-BEFORE

A. Land as Though Vacant

As mentioned previously the subject area to be segregated will likely be attached to the "larger parcel" to the northwest. We note that this parcel has a small commercial building of approximately 1,500 SF. The area of segregation is a vacant piece of land that will take on the characteristics of the larger parcel. As such, the larger parcel will be valued as though vacant; when in fact it has a small commercial building on it.

In this section, the market value of the fee simple interest of the larger parcel, as though vacant, will be estimated by comparing it with recent sales of vacant land located in the property's neighborhood or in areas having similar characteristics. Comparables were selected with consideration given to the larger parcel's current attributes, which is a commercial site with a general business zoning located in the City of Gig Harbor, Washington.

1. Scope of the Data Search

A data search was accomplished using Realquest, NWMLS, Comps Inc. and prior appraisals by this firm. Brokers were also contacted to discuss market trends and identify relevant sales data. The search period included two years and covered the immediate neighborhood in addition to more remote areas of the greater neighborhood. I have only included sales in closest proximity with similar highest and best use considerations to the subject property. The sales were confirmed with at least two data sources.

Because of the lack of similar sales in the subject's immediate area the appraiser had to expand the search area to find comparables. Each comparable is located in a similar neighborhood setting.

Unit of Comparison

Common units of comparison are the price per acre and the price per square foot. In this appraisal the price per square foot will be used to value the larger parcel site and subject since this unit of measure is most common in the marketplace.

Adjustments

The limited number of sales in the subject's immediate area and lack of uniformity within this market prevents direct extraction of reliable paired-sale adjustments from the marketplace. The sales of available sites located within the subject's immediate area provide limited use of adjustments by direct paired-sale analysis. Any attempt to apply paired sales adjustments is somewhat subjective and unreliable. Therefore, a general bracketing analysis reflecting market behavior is utilized to determine which comparables are generally superior or inferior to the larger parcel site. This analysis establishes value parameters for the subject allowing for a final conclusion of value.

Location— Locational attributes of the comparables are mostly similar.

Topography/Shape— While the larger parcel is mostly level, comparables 4 and 5 had somewhat severe slopes to address within the development process. Upon our interviews during the confirmation process we were able to ascertain the exact cost above normal for comparable No. 4. Comparable No. 5 was unable to give a specific cost adjustment, although the useable square footage of the site was able to be determined.

Utilities— The comparables have similar utility services available and no adjustments are indicated.

Holding discount adjustment

As discussed earlier, the larger parcel and subject properties are located within an area that currently has no additional sewer capacity for new developments. All of the comparables were sold prior to the City of Gig Harbor placing a hold on issuance of new building permits due to the capacity issue. Currently no new developments that require additional sewer capacity are being approved. The city has told us that it does not expect additional capacity until early 2010. During the interim the city is exploring ways for developments to get through the planning and permitting process, but wait to begin any construction until additional sewer capacity is available.

With the current expectation of additional sewer capacity in early 2010, a time factor for holding land for 1 to 2 years needs to be considered. In the following analysis the comparables will be adjusted in order to account for the holding time. In order to accomplish this analysis I have applied a discounting process that considers the holding time and discounting a typical market participant or developer would consider in holding the property until development could begin.

The discounting considers a variety of factors. The most important of these are the carrying costs associated with interest that a buyer would pay while holding the property and a nominal risk factor for potential changes in the zoning codes and/or a longer holding period due to any unforeseen delays in the city's delivery of additional sewer capacity. First, a potential buyer would consider their costs in holding the property, which would likely amount to a loan with an 8% - 9% interest rate. Secondly, the buyer would consider other risks. Risk factors could include, but are not limited to potential changes in zoning. Next would be consideration for any potential delays that might push the additional capacity availability beyond early 2010; a nominal risk factor of 1% - 3% is reasonable.

Considering that a buyer would be able to work through the planning process immediately, which is estimated at a year, there would be a minimum potential holding period of just over a year. Our conclusion is for a 10% discount (8% interest, and 2% risk) due to the current sewer capacity conditions. This is reflected in the "Financing/Conditions" line item on the following summation chart.

2. Comparative Analysis

Relevant land sale detail data is presented on the following pages. This is followed by a location map of the comparables, and finally a discussion of each sale and relevant photos.

The following Sales comparison analysis is applied to the larger parcel. Once a unit indicator has been concluded for the larger parcel this conclusion will then be correlated to the subject area to be segregated from Soundview Dr NW.

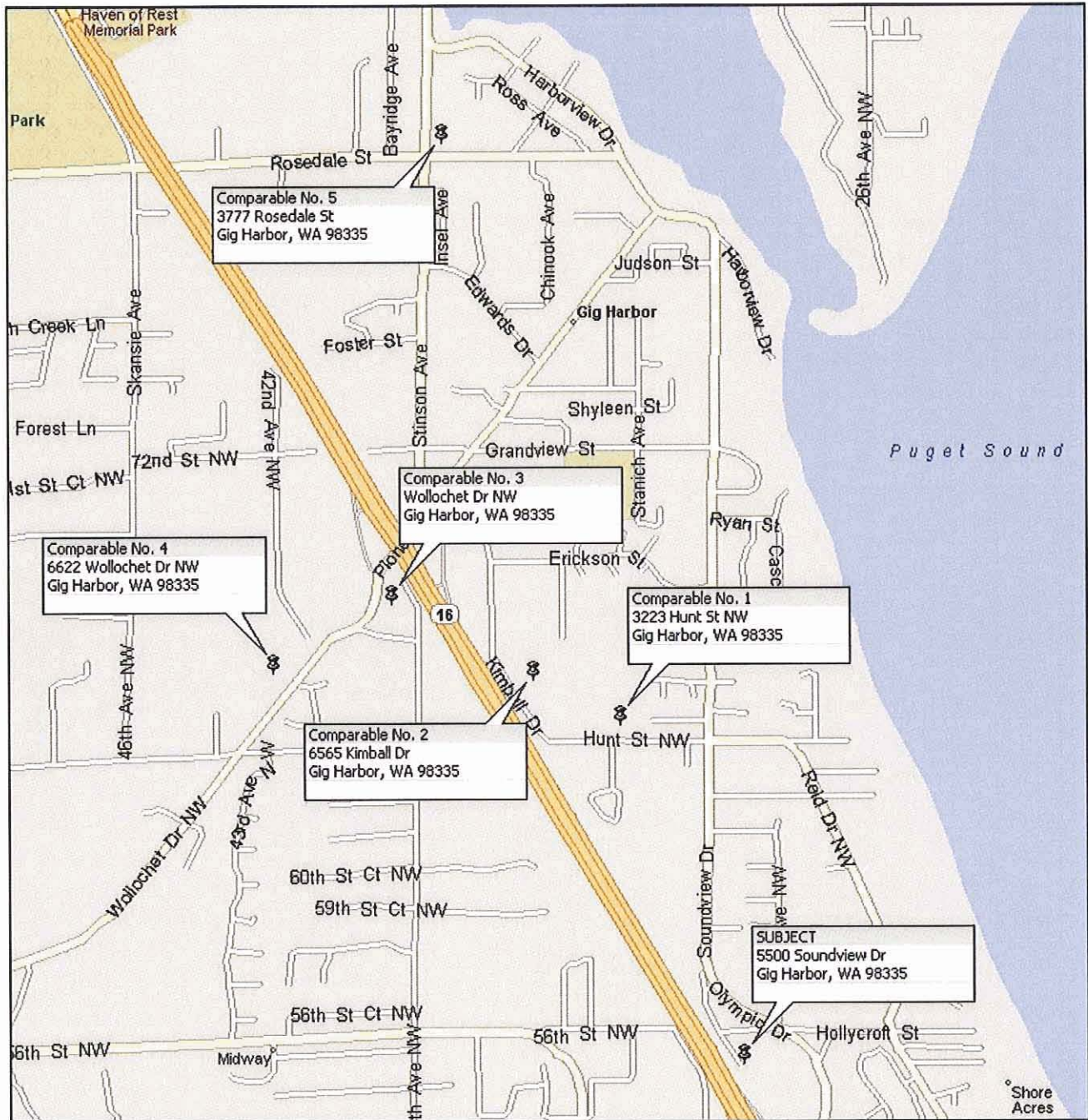
LAND SALE COMPARABLE SUMMATION CHART

Parameter	Larger Parcel	No. 1	No. 2	No. 3	No. 4	No. 5
Name:	Vacant Site	Vacant Site	Vacant Site	Vacant Site	Vacant Land	Vacant Land
Location:	5524 Soundview Dr NW Gig Harbor TB 742-D4	3223 Hunt St NW Gig Harbor 742-C3; 0.6 mi N	6565 Kimball Dr Gig Harbor 742-C3; 0.7 mi NW	69xx Wollochet Dr Gig Harbor 742-C3; 1.0 mi NW	6622 Wollochet Dr Gig Harbor 742-B3; 1.1 mi NW	3777 Rosedale St NW Gig Harbor 742-C1; 1.6 mi N
General Characteristics						
Assessors Parcel No.:	022117-408-0	022108-301-9, 4-1	022108-314-5	022107-800-7	400201-002-0 et al	022105-300-1
Auditors File No:	N/A	20070828-1023	20070828-0985	20051216-1343	20070327-1220 et al	20070314-0446
Sale Date:	N/A	Aug-07	Aug-07	May-05	Mar-07	Mar-07
Sale Price:	N/A	\$1,700,000	\$1,350,000	\$1,425,000	\$1,551,195	\$300,000
Cash Equiv. Sale Price:	N/A	\$1,700,000	\$1,350,000	\$1,425,000	\$3,251,195	\$300,000
Price per SF:	N/A	\$7.81	\$6.57	\$8.87	\$10.16	\$11.44
Buyer:	N/A	Marty & Stacy Paul	Jack Kerstetter	Rush Construction	Rush Construction	John Hodge
Seller:	N/A	Dorothy Stroh	Dorothy Stroh	Talmo Inc.	Talmo Inc.	Batiment
Rights Transferred:	N/A	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing:	N/A	Conventional	Conventional	Conventional	Conventional	Conventional
Conditions of Sale:	N/A	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length
Physical Characteristics						
Size (acres):	1.26	5.00	4.72	3.69	7.34	0.60
Size (SF):	54,885	217,800	205,603	160,736	319,922*	26,221
Zoning:	B2 - Gig Harbor	RB-2 - Gig Harbor	RB-2 - Gig Harbor	RB-2 - Gig Harbor	RB-2 - Gig Harbor	RB-2 - Gig Harbor
Frontage:	Average	Similar	Similar	Inferior	Similar	Similar
Shape:	Irregular	Rectangular	Rectangular	Irregular	Irregular	Rectangular
Access/Corner:	Average/No	Average/No	Average/No	Average/No	Average/No	Average/Yes
Exposure:	Good	Average	Average	Below Average	Average	Average
Topography:	Mostly level	Gentle Slope	Mostly level	Gentle	Severe	Severe
Utilities:	All to the site	All to the site	All to the site	All to the site	All Available	All to the site
Adjustments:						
Rights Transferred:	100%	100%	100%	100%	100%	100%
Financing/Conditions:	100%	90%	90%	90%	90%	90%
Market Conditions:	100%	100%	100%	110%	100%	100%
Subtotal:	N/A	\$7.02	\$5.91	\$8.78	\$9.15	\$10.30
Location:		Inferior	Similar	Similar	Similar	Similar
Access/Corner:		Similar	Similar	Similar	Similar	Similar
Exposure/Frontage:		Inferior	Similar	Inferior	Similar	Similar
Site Size:		Inferior	Inferior	Similar	Inferior	Similar
Zoning:		Similar	Similar	Similar	Similar	Similar
Topography/Shape:		Superior	Similar	Similar	Similar	Inferior
Utilities:		Similar	Similar	Similar	Similar	Similar
Overall Comparison:	N/A	Higher than \$7.02	Higher than \$5.91	Similar to \$8.78	Similar to \$9.15	Lower than \$10.30
Confirmation Name:		Rick Stroh	Rick Stroh	Randall Brand	Randall Brand	Krista Hanberg
Affiliation:		Seller	Seller	Buyer	Buyer	Agent
Telephone:		253-858-2065	253-858-2066	253-858-3636	253-858-3637	253-284-0737
Date/Initials:	11/07 DKW	11/07 DKW	11/07 DKW	11/07 DKW	11/07 DKW	11/07 DKW

Source: Wick & Associates, Metroscan Data Services and County Records

* Site size is based on useable square footage

Land Sale Map



CORRELATION OF COMPARABLE SALES

Five comparable sales are presented. These sales range in price from \$5.91 to \$10.30 per square foot. Two of the comparables suggest a higher subject value, two suggest a similar value, and one a lower subject value.

The comparables range in size from 1.00 acres to 5.00 acres and bracket the larger parcel size of 1.26 acres. In general, price per square foot is a major consideration. The time search was expanded to find similar comparables, and more recent comparables will be emphasized in the analysis. According to local real estate brokers there has been recent price appreciation. Therefore, more recent sales are given a higher weighting. Most sites were larger in size and I have attempted to select the most similar sales in the analysis.

Comparable 1 (\$7.02 per SF) is located approximately a ½ mile north of the subject and larger parcel. It has average exposure on Hunt St NW and has a gentle slope down to the north. The site has a few miscellaneous storage buildings that appear to be unusable; they are considered tear-downs. This site is zoned RB-2, which is a similar commercial zoning compared to the subject, although has an outright allowance for residential uses. The site shape is rectangular. From my interview with the seller I learned that their motivation in selling was driven by the importance of avoiding inheritance tax for their heirs. The comparable is highlighted in yellow on the parcel map.



Analysis: The exposure and visibility are both inferior. The shape of the site is superior to the larger parcel and would have fewer constraints from set back issues as the larger parcel does. Overall, this comparable suggests a higher unit indicator for the larger parcel due to size, exposure, and location.

Comparable 2 (\$5.91 per SF) is also located about a ½ mile north of the larger parcel. The seller is the same as comparable No. 1. This is the sale of leased land. The lessee owns a large commercial office building on the site. The lessor decided to sell the land to the lessor. The site itself consists of about 4.7 acres and is mostly level, and rectangular in shape. According to the seller only the value of the land was considered in the sale. The zoning is again similar to the larger parcel, although has an allowance for residential uses. We note that this site is developed with a commercial office building, and does not utilize any residential uses.



Analysis: This comparable is a recent sale, and the zoning is similar to the larger parcel. The site shape is superior as a large rectangle. While the leased land could be an investment purchase for many buyers, the sale to the lessee was likely convenient for the seller. Overall, the sale suggests a higher larger parcel value per square foot due to the site shape and conditions of sale.

Comparable 3, (\$8.78 per SF) is located about 1.0 mile northwest of the subject on Wollochet Drive NW near the freeway. Wollochet DR NW is a main arterial linking the main harbor area to SR-16. This site is somewhat irregular in shape, although has a good building area. The buyer told us that the site had been excavated for fill dirt for other nearby projects in the past. Therefore, the site is set far down below road grade and SR-16. The site size is about 3.7 acres and it is zoned RB-2.



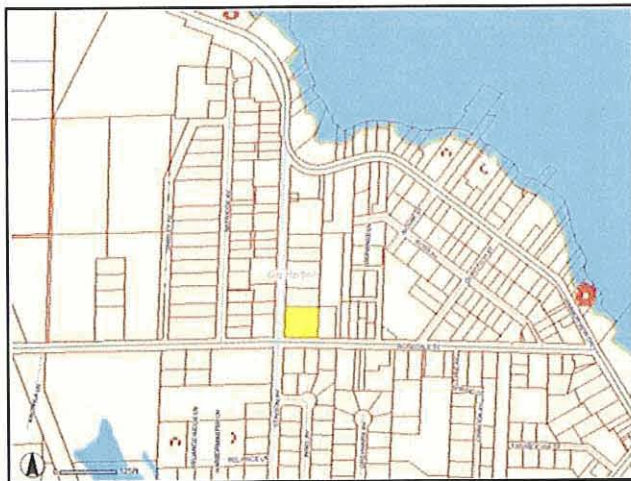
Analysis: This comparable has similar zoning compared to the larger parcel. The site is proximate to SR-16, and has a good building footprint. The site would be a good alternative to the larger parcel, although due to its location it would be more suited for an office development as opposed to a retail site. The relative grade from the roadway and SR-16 suggest it has an inferior exposure comparatively. Overall, a similar to somewhat higher value is suggested.

Comparable 4 (\$9.15 per SF) is located approximately 1.1 miles northwest. The sale included three parcels for a total of 12.24 acres. According to the buyer a significant portion of the site is encumbered by wetlands and severe topography. As such only 60% of the overall purchase is useable for development purposes; we have adjusted the site size to reflect only the useable land area, which was 7.34 acres. The remaining site still had topographical issues with slopes, and the buyer expects additional site costs, above normal, of approximately \$1.7 million in order to build out the development. An adjustment is reflected in the Cash Equivalency line item of grid to account for this unusual development cost. The remaining adjusted price of \$9.15/SF represents another alternative to the subject's larger parcel. While the developer has chosen to build commercial office space, the site has exposure along Wollochet Dr NW and could have some of the frontage built-out as retail.



Analysis: This comparable is a recent sale although much larger in size. The topography presented many more challenges as compared to the subject, suggesting a somewhat more sophisticated buyer pool. Exposure was similar. Overall, the sale suggests a similar to somewhat lower larger parcel value due to the exposure along Wollochet Dr NW.

Comparable 5 (\$10.30 per SF) is located about 1.6 miles north of the subject. The sale was for 1.0 acre near the Gig Harbor marina area. The site has severe slopes, and according to the buyer only 60% of the site was useable; we have adjusted the area to reflect the useable square footage. The rest of the site has good exposure on a corner intersection.



Analysis: The exposure of this comparable is somewhat superior compared to the subject. The location is near the Gig Harbor marina area and the historic "old town" shopping district. Overall, the exposure and location tend to suggest a somewhat lower larger parcel value.

CONCLUSION OF VALUE

The comparables are similarly sized commercial land sales in the larger neighborhood. I note that there have been relatively few recent sales of commercial sites in the Gig Harbor area.

The bracketing process produced two inferior, two generally similar, and one superior sale. The most significant factors in the analysis are the location, lot shape and size. Each comparable is analyzed on a price per SF. The chart below shows the comparables arranged by price per square foot and shows the relative position of the larger parcel.

Sale No.	Location	Date of Sale	Useable Site Size (SF)	Price per SF	Comparison to Subject
5	3777 Rosedale St NW	March 07	44,867	\$10.30	Lower than
4	6622 Wollochet Dr NW	March 07	319,922	\$9.15	Similar to
Larger Parcel	5524 Soundview Dr NW		54,885		
3	69xx Wollochet Dr NW	May 05	160,736	\$8.78	Similar to
1	3223 Hunt St NW	August 07	217,800	\$7.02	Higher than
2	6565 Kimball Dr	August 07	205,603	\$5.91	Higher than

Based on the comparable sales discussion above, the larger parcel should be valued lower than comparable 5 (\$10.30/SF) and higher than comparable 1 (\$7.02/SF). Comparables 3, and 4 narrow that range by suggesting similar values ranging from \$8.78 to \$9.15. I note that the real estate market activity has slowed considerably in the past year and a conservative estimate is appropriate.

Based on the above analysis, the larger parcel is estimated to have a value of **\$9.00 per square foot**.

The subject area is an irregular shaped segment of land that is currently a part of Soundview Dr NW; the area to be segregated contains 5,700 SF. The segment is valued based on the "Across the Fence Methodology" in which it will be attached to the adjacent parcel to the northwest and take on all of the attributes of this parcel including value attributes. The subject land to be segregated and then attached to the larger parcel will have little impact on the development potential of the larger parcel due to its size and the set back issues. The most probable use of the segregated subject area is for parking to an improvement. Our conclusion considers that a parking area complimenting a commercial development would have a 100% contributory value as parking is necessary by the municipal code to allow for any re-development that might occur on the site.

Accordingly, the subject area to be segregated from Soundview Dr NW is concluded to have a value of \$9.00 per square foot. The value of the overall subject area can be calculated at \$51,300 (5,700 SF x \$9.00/SF), which is rounded to:

FIFTY THOUSAND DOLLARS

\$50,000

B. Whole Property

The appraiser has excluded the valuation of any major improvements on the larger parcel. I note that the vegetation in the subject area to be segregated is native to the area and it appears to be natural to the area. No value is given to this vegetation.

8. DESCRIPTION OF THE SUBJECT REMAINDER

There is no remainder.

9. EXPLANATION, MEASUREMENT, AND ALLOCATION OF DAMAGES/SPECIAL BENEFITS:

Damages

The appraiser has not been able to determine any damages to the subject property.

Benefits

The appraiser has not been able to determine any special benefit to the subject property.

ADDENDA

ACQUISITION APPRAISAL SALIENT INFORMATION

(SUMMARY APPRAISAL REPORT)

Property Rights Appraised

Unless specified otherwise in this report, the property rights appraised constitute the fee simple interest.

Date of Value

The effective date of the value opinion for the subject property is specified on page 1 herein.

Competence of Appraiser

The appraiser has both the knowledge and experience required to competently perform this appraisal.

Purpose of the Appraisal

The purpose of this appraisal is to: (1) estimate the Fair Market Value of the subject parcel in the Before Situation; (2) estimate the Fair Market Value of the subject acquisition using an Across the Fence methodology.

Use & Users of the Appraisal

This appraisal is to be used to provide information to the client, the City of Gig Harbor, WA, as a basis for selling the portion of the subject property to be vacated.

Scope of the Appraisal

The scope of the investigation and analysis, as well as the geographical area and time span searched for market data, is described in the valuation section of the body of this appraisal. There are three basic, traditional approaches to the estimation of Fair Market Value: The Cost Approach, the Income Capitalization Approach, and the Market or Direct Sales Comparison Approach. Of these, only the Direct Sales Comparison Approach is employed herein because it is market typical for the subject property whereas the other approaches are not.

Definition of Fair Market Value

"Fair Market Value" is the amount in cash which a well-informed buyer, willing but not obliged to buy the property, would pay, and which a well-informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted and might in reason be applied, (Washington Pattern Instruction 150.08).

Definition of Highest and Best Use

That reasonable and probable use that supports the highest present Fair Market Value as of the effective date of the appraisal. The four criteria the highest and best use must meet are: (1) legal permissibility; (2) physical possibility; (3) financial feasibility, and (4) maximum profitability.

Definition of the Subject Parcel

In condemnation, the portion of a property that has unity of ownership, contiguity, and unity of use, the three conditions that establish the subject parcel for the consideration of severance damages. Also known as the "parent parcel".

Definition of Cash Equivalent

A price expressed in terms of cash (money) as distinguished from a price which is expressed all or partly in terms of the face amount of notes or other securities which cannot be sold at their face amount. Market data in this appraisal are compared to the subject on an all cash basis to satisfy the definition of Fair Market Value.

APPRAISAL ASSUMPTIONS AND LIMITING CONDITIONS

1. The property description supplied to the appraiser is assumed to be correct;
2. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated;
3. Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraisers;
4. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is assumed to be under responsible, financially sound ownership and competent management;
5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render the property more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies which may be required to discover them;
6. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. However, the appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value conclusions in this report are predicated on the assumption that there are no such materials on or in the property that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and value conclusions in this report are null and void should any hazardous material be discovered;
7. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser reserves the right to alter, amend, revise, or rescind any opinions of value based upon any subsequent environmental impact studies, research, or investigation;
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report;
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined and considered in this report;
10. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based;
11. The appraiser will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made;
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the client without the written consent of the appraiser, and in any event, only with properly written qualification and only in its entirety;
13. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media without written consent and approval of the appraiser. Nor shall the appraiser, client, firm, or professional organization of which the appraise is a member be identified without the written consent of the appraiser;
14. The liability of the appraiser, employees, and subcontractors is limited to the client only. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser are in no way responsible for any costs incurred to discover or correct any deficiencies of the property;

15. It is assumed that the public project which is the object of this report, will be constructed in the manner proposed and in the foreseeable future;
16. Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions.

SPECIAL APPRAISAL ASSUMPTIONS AND LIMITING CONDITIONS

None

LEGAL DESCRIPTION

This legal description identifies the subject area to be vacated on Soundview Dr NW

A PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF WICKERSHAM ROAD AND A LINE DRAWN PARALLEL TO AND 150 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLE FROM THE SB LINE SURVEY OF THE SR 16, NARROWS BRIDGE TO OLYMPIC DRIVE IN SECTION 17 TOWNSHIP 21 NORTH RANGE 2 EAST OF THE W.M. IN PIERCE COUNTY, WASHINGTON; THENCE SOUTHEASTERLY ON A LINE PARALLEL WITH SAID SB SURVEY LINE TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION 1120+30; THENCE SOUTHEASTERLY TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION SB 1115+40 AND LYING 177.73 FEET NORTHEASTERLY THEREFROM TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE ALONG AN ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 72.27 FEET, A DISTANCE OF 113.52 FEET TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION SB 1116+12.27 ON SAID SB SURVEY LINE, AND LYING 250 FEET NORTHEAST THEREFROM; THENCE SOUTHEASTERLY TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION SB 1114+75 ON SAID SB SURVEY LINE AND LYING 250 FEET NORTHEAST THEREFROM; THENCE SOUTHWESTERLY TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION 1114+75 ON SAID SB SURVEY LINE AND LYING 180.64 FEET NORTHEAST THEREFROM; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 2925.00 FEET, A DISTANCE OF 26.51 FEET TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION 1115+01.51 AND LYING 179.98 FEET NORTHEASTERLY THEREFROM; THENCE NORTHWESTERLY TO THE TRUE POINT OF BEGINNING AND THE TERMINUS OF THIS DESCRIPTION;

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



PROFESSIONAL SERVICES CONTRACT

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
WICK & ASSOCIATES**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Wick & Associates, a corporation organized under the laws of the State of Washington, located and doing business at 6830 NE Bothell Way, Suite C411, Kenmore, WA 98028 (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in the determining the fair market value of a surplus property and desires that the Consultant perform services necessary to provide the following consultation services.

WHEREAS, the Consultant agrees to perform the services more specifically described in the Scope of Services, dated October 3, 2007 including any addenda thereto as of the effective date of this agreement, all of which are attached hereto as **Exhibit A – Scope of Services**, and are incorporated by this reference as if fully set forth herein.

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

TERMS

I. Description of Work

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

II. Payment

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Two Thousand Three Dollars dollars and no cents (\$2,300.00) 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.

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 November 20, 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 Services 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
Wick & Associates
Daniel Wick
6830 NE Bothell Way, Suite C411
Kenmore, WA 98028
(206) 417-7880
danielwick@comcast.net

David Brereton
Director of Operations
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170
breretond@cityofgigharbor.net

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 24th day of October, 2007.

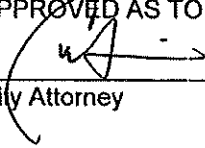
CONSULTANT
By: 
Its Principal

CITY OF GIG HARBOR
By: 
Mayor

Notices to be sent to:
CONSULTANT
Wick & Associates
Daniel Wick
6830 NE Bothell Way, Suite C411
Kenmore, WA 98028
(206) 417-7880
danielwick@comcast.net

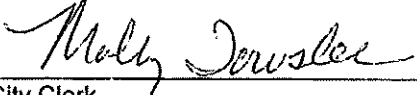
David Brereton
Director of Operations
City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170
breretond@cityofgigharbor.net

APPROVED AS TO FORM:



City Attorney

ATTEST:



City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that Daniel Wick 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 Principal of Wick & Associates Inc., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 27, 2007

Wilma M. Schunke

Wilma M. Schunke
(print or type name)

NOTARY PUBLIC in and for the
State of Washington, residing at:

1411 K Terraza

My Commission expires: 6/12/2010

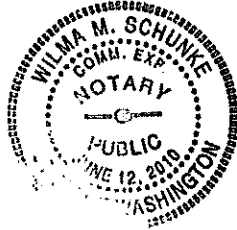


Exhibit A - Scope of Services

W WICK & ASSOCIATES 6880 NE Bothell Way • Suite C411 • Kenmore WA 98028
Phone (206) 417-7880 • Fax (206) 417-7780

October 3, 2007

TO: Molly Towslee, City of Gig Harbor
FROM: Daniel Wick, Appraiser
On behalf of Dennis M. Wick, MAI, SRA, SRWA

RE: Appraisal of a vacant parcel of land described as
Parcel # 0221174081
Pierce County

Dear Ms. Towslee:

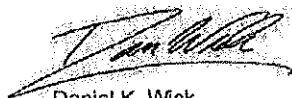
You have requested an appraisal of the above mentioned vacant land. We have completed many projects like this in the past. Our assumption, as you mentioned on the phone, is that the parcel is currently un-developable in its current "As Is" condition.

With the above assumption in mind; our typical approach and general scope of work would be for a "Street Vacation" appraisal using the across the fence method of valuation. The "larger parcel" that the street vacation would be attached to is the parcel to the northwest (parcel # 0221174080). This "larger parcel" would be valued as though vacant, and the price per square foot conclusion of the vacant land would then be applied to the area to be vacated. We note that depending on a variety of circumstances some discounting due to utility could occur.

The fee for this service will be \$2,300 and we can deliver our results within approximately 3 to 4 weeks of your notice to proceed.

Hope this meets your needs. If you have any more questions, please do not hesitate to call.

Cordially,



Daniel K. Wick

Exhibit A

QUALIFICATIONS OF DENNIS M. WICK, MAI, SRA, SRWA

EXPERIENCE:

Since 1989, experience in various types of real property for financing, acquisition, condemnation, estate valuation, partial interests and market valuations in the Pacific Northwest.

WORK HISTORY:

Prior experience with Palmer Groth & Pietka, Campos Appraisals, The Clendaniel Company and Lamb Hanson & Lamb. Commercial Real Estate Agent. Prior experience in mainframe computer hardware engineering on IBM systems.

TYPES OF PROPERTIES APPRAISED:

All types of commercial properties throughout the Pacific Northwest. Most of the appraisals have been located in Washington State. Property types include:

Retail and Mixed Use Properties	Commercial	Offices	Industrial	Vacant Land
Subdivisions	Apartments	Residences	Condominiums	Right of Way Projects

FORMAL EDUCATION:

Masters Degree in Business Admin.	Northwestern Univ.	June 1986
Bachelors Degree in Electrical Engineering.	Bell & Howell Schools	June 1972
Associates Degree in Electronics	DeVry Tech.	June 1967

APPRAISAL COURSES:

Narrative Report Writing Seminar	Appraisal Inst.	Sept 2004
Attacking & Defending Appraisals (Seminar)	Appraisal Inst.	Sept 2004
Office and Brokerage Management	Red Carpet Schools	April 2004
Uniform Standards	Appraisal Inst.	Oct 2003
Instructor for Appraisal of Partial Acquisitions	I.R.W.A.	May 2002
Attacking & Defending Appraisals (Seminar)	Appraisal Inst.	Nov 2001
Appraisal Standards (USPAP)	I.R.W.A.	Nov 2001
Bargaining Negotiations	I.R.W.A.	March 2001
Federal Land Acquisitions	I.R.W.A.	Sept. 2000
Engineering Principals	I.R.W.A.	July 2000
Real Estate Law	I.R.W.A.	July 2000
Appraisal Principals	I.R.W.A.	February 2000
Principals of R.E. Negotiation	I.R.W.A.	February 2000
Real Estate Business Management	Lexington Schools	January 2000
Basic Condemnation Appraising	Appraisal Inst.	March 1999
Advanced Condemnation Appraising	Appraisal Inst.	March 1999
Real Estate Law	Lexington Schools	November 1998
The Appraisal of Partial Acquisitions	I.R.W.A.	October 1998
Condemnation Appraisals & Trial	I.R.W.A.	Sept, 1998

ASSOCIATIONS:

Designated Member of the Appraisal Institute (Both MAI & SRA)
Designated Member, International Right of Way Association (SR/WA)
Appraisal Class Instructor, International Right of Way Association
Approved Appraiser with Washington State Dept. of Transportation
Approved Review Appraiser with Washington State Dept. of Transportation
Expert Review Appraiser for State of Washington, Dept. of Licensing
Past President Northwestern University Alumni Club of Seattle
Expert Witness Volunteer at the UW Law School

QUALIFICATIONS OF THE APPRAISER

QUALIFICATIONS OF DANIEL K. WICK

EXPERIENCE:

Since 2002, Daniel has been involved in real estate brokerage of multi-family and commercial properties. He has experience in valuation, financing, and acquisitions of these types of commercial properties. Over the past 3 years he has been appraising commercial and residential properties; he has recently completed the state requirements for the Certified General Appraiser classification, and received his license. Daniel also has experience in right-of-way and partial acquisition appraisal. Prior to his involvement in commercial real estate Daniel spent ten years in retail and commercial sales.

WORK HISTORY:

Prior real estate experience with Wick & Associates, Cain and Scott Apartment Specialists, and City Center Real Estate & Management. Prior experience in sales with Payne-Larson Furniture and Computer Stores Northwest.

TYPES OF PROPERTIES APPRAISED:

Multi-family, residential, new construction including sub-division analysis and appraisal, vacant land, commercial properties including office, retail, and industrial, partial acquisition, and right-of way projects throughout the greater Puget Sound Region. **His specialty is multi-family and mixed-use apartment buildings.**

APPRAISAL COURSES:

General Applications	Appraisal Institute	April 2007
Basic Income Capitalization	Appraisal Institute	March 2007
The Appraisal of Partial Acquisitions	IRWA	November 2006
Hypothetical Conditions and Ex. Assumptions	Appraisal Institute	February 2006
Basic Appraisal Principles	Appraisal Institute	January 2006
Real Estate Business Management	Red Carpet R.E.	December 2005
Standards of Professional Practice (USPAP)	Appraisal Institute	March 2005
Basic Appraisal Procedures	Appraisal Institute	March 2005
Financial Analysis	Central C.C	Spring 2002
Real Estate Principles & Practices	U.N.K.	Winter 2001

ASSOCIATIONS:

Associate Member of the Appraisal Institute
1st degree Knights of Columbus, Bothell

CERTIFICATES AND LICENSES:

Washington State Real Estate Sales Person Licensee # 49304
Washington State Certified General Real Estate Appraiser License # 1101871



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

Subject: Burnham-Borgen-SR 16 Interchange
(BB16 Level 2 Screening Analysis)

Proposed Council Action:

Select a preferred alternative (or alternatives) from the BB16 Level 2 Screening Analysis and direct staff to prepare a Supplemental Environmental Impact Statement to examine the associated environmental impacts.

Dept. Origin: Engineering Division

Prepared by: Rob Karlinsey, City Administrator

For Agenda of: December 10, 2007

Exhibits: Alternatives 1 thru 4 Boards; Alter. 1-4 w/overlay; Level 2 screening analysis rept. & app.
Initial & Date

Concurred by Mayor: gjh 12/6/07
Approved by City Administrator: RJK 12/6/07
Approved as to form by City Atty: CAM 12/6/07
Approved by Finance Director: GR 12/6/07
Approved by Department Head: _____

Expenditure Required	0	Amount Budgeted	0	Appropriation Required	0
----------------------	---	-----------------	---	------------------------	---

INFORMATION / BACKGROUND.

The City is currently considering determining the scope of transportation improvements necessary at the Burnham-Borgen-SR16 interchange to improve the current and long-term (20 year) level of service (LOS) and safety of the interchange in anticipation of future growth within the Gig Harbor North (GHN) area. The City completed a qualitative Level 1 screening analysis of the interchange location in June, 2007. The Level 1 analysis identified 16 alternative transportation improvement locations that could potentially improve the operation and safety of the interchange. Upon completion of the Level 1 analysis, the three top scoring alternatives were carried forward into a Level 2 Screening Analysis for further study. The intent of the Level 2 Screening Analysis is to provide a recommendation for a preferred alternative(s) that would narrow the concept(s) pursued to transportation improvements for the interchange. The completed Level 2 Screening Analysis Report is included as supporting documentation.

An extensive public outreach was conducted within the community. A public open house event was held on October 17, 2007 to present the four alternatives to the public and to solicit comments. The attendee list and comments received are included in appendix D of the Level 2 Screening Analysis Report. There were also two open house events held November 27, 2007 and December 6, 2007, specifically for the business owners in the Gig Harbor North Area. These events were attended by representatives of Albertsons and Home Depot.

A City Council workshop was held to discuss this issue on November 19, 2007.

The City Administrator, along with Engineering staff, met with several stakeholders individually. The stakeholders included property owners, business owners, elected officials, representatives of Peninsula School District and Pierce Transit, along with emergency service providers, to discuss the Level 2 alternatives and how they impact each stakeholder's interests.

FISCAL CONSIDERATION.

While no fiscal consideration is required for the action of selecting the preferred alternative(s), it should be noted that an allocation of funds will need to be provided in 2008 to fund the cost of the BB16 Supplemental Environmental Impact Statement (SEIS).

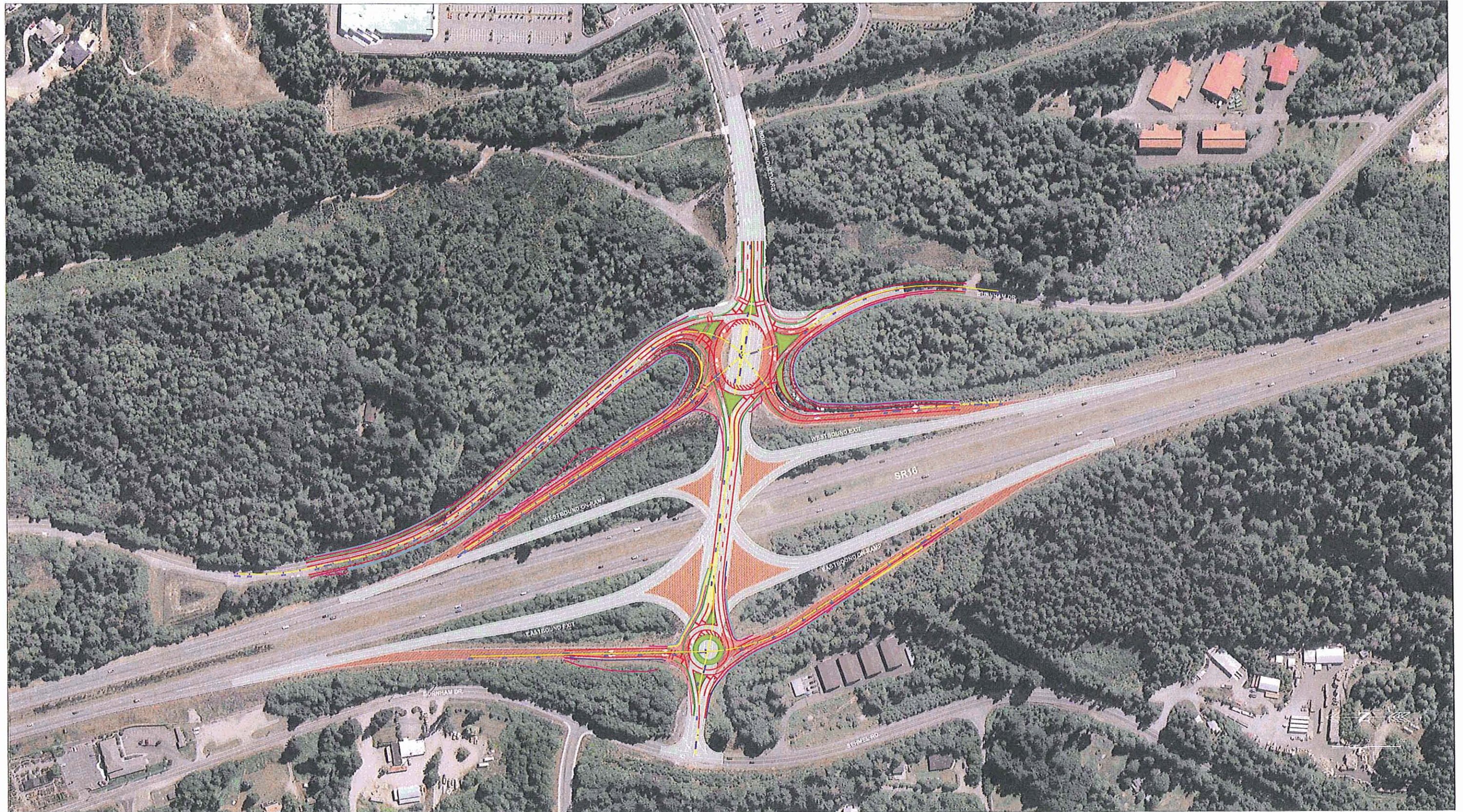
BOARD OR COMMITTEE RECOMMENDATION

The Public Works Committee was briefed on the alternatives in the Level 2 Screening analysis on November 15, 2007

RECOMMENDATION / MOTION. Recommend that the Council adopt the ordinance.

Move to:

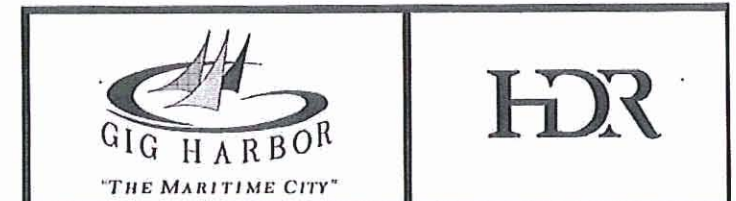
Select a preferred alternative (or alternatives) from the BB16 Level 2 Screening Analysis and direct staff to prepare a supplemental environmental impact statement (SEIS) to the Environmental Impact Statement issued for the 2005 Comprehensive Plan update, that will examine the associated environmental impacts (including, but not limited to, the economic and social impacts).



City of Gig Harbor
 Burnham Drive Interchange
 Single Point Urban Interchange (SPUI)

LEGEND

- PROPOSED ROADWAY
- EXISTING ROADWAY REMOVED

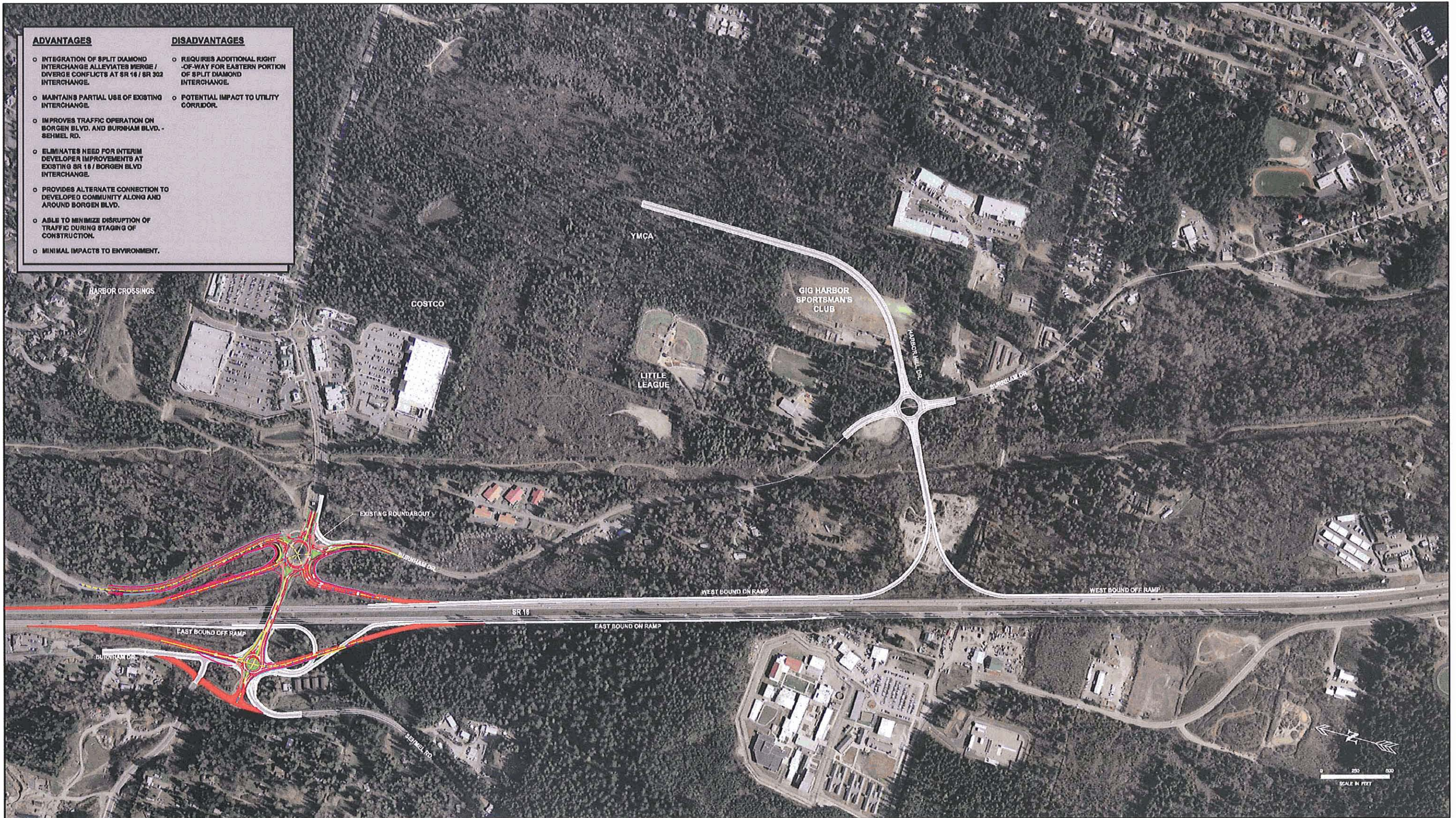


ADVANTAGES

- INTEGRATION OF SPLIT DIAMOND INTERCHANGE ALLEVIATES MERGE / DIVERGE CONFLICTS AT SR 16 / SR 302 INTERCHANGE.
- MAINTAINS PARTIAL USE OF EXISTING INTERCHANGE.
- IMPROVES TRAFFIC OPERATION ON BORGES BLVD. AND BURNHAM BLVD. - BEHME RD.
- ELIMINATES NEED FOR INTERIM DEVELOPER IMPROVEMENTS AT EXISTING SR 16 / BORGES BLVD INTERCHANGE.
- PROVIDES ALTERNATE CONNECTION TO DEVELOPED COMMUNITY ALONG AND AROUND BORGES BLVD.
- ABLE TO MINIMIZE DISRUPTION OF TRAFFIC DURING STAGING OF CONSTRUCTION.
- MINIMAL IMPACTS TO ENVIRONMENT.

DISADVANTAGES

- REQUIRES ADDITIONAL RIGHT -OF-WAY FOR EASTERN PORTION OF SPLIT DIAMOND INTERCHANGE.
- POTENTIAL IMPACT TO UTILITY CORRIDOR.



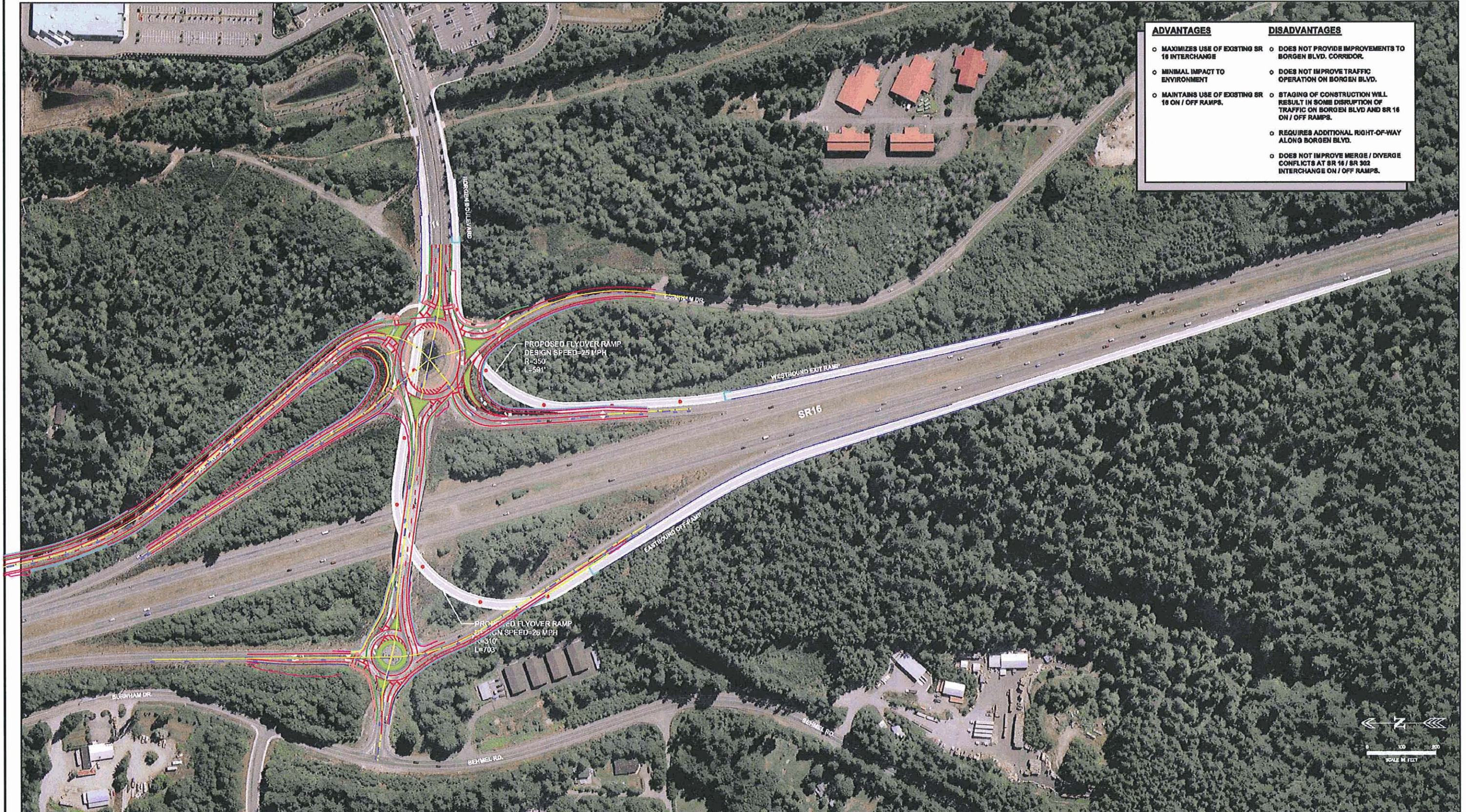
City of Gig Harbor
 Burnham Drive Interchange
 Split Diamond Concept

RAMP DESIGN CRITERIA		
RAMP	DESIGN SPEED	TYPE
WEST BOUND ON RAMP	45 MPH	TAPER
WEST BOUND ON RAMP	45 MPH	TAPER
EAST BOUND ON RAMP	55 MPH	PARALLEL
EAST BOUND ON RAMP	55 MPH	PARALLEL

LEGEND

- PROPOSED ROADWAY
- EXISTING ROADWAY REMOVED



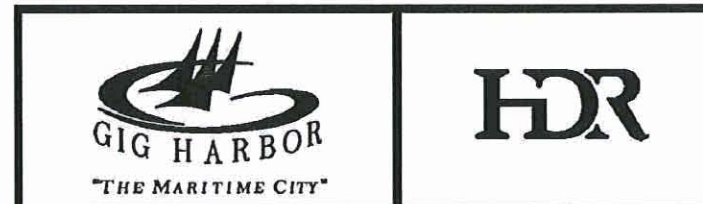


ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> MAXIMIZES USE OF EXISTING SR 16 INTERCHANGE MINIMAL IMPACT TO ENVIRONMENT MAINTAINS USE OF EXISTING SR 16 ON / OFF RAMPS. 	<ul style="list-style-type: none"> DOES NOT PROVIDE IMPROVEMENTS TO BORGES BLVD. CORRIDOR. DOES NOT IMPROVE TRAFFIC OPERATION ON BORGES BLVD. STAGING OF CONSTRUCTION WILL RESULT IN SOME DISRUPTION OF TRAFFIC ON BORGES BLVD AND SR 16 ON / OFF RAMPS. REQUIRES ADDITIONAL RIGHT-OF-WAY ALONG BORGES BLVD. DOES NOT IMPROVE MERGE / DIVERGE CONFLICTS AT SR 16 / SR 302 INTERCHANGE ON / OFF RAMPS.

City of Gig Harbor
 Burnham Drive Interchange
 Flyover Ramps

LEGEND

- PROPOSED ROADWAY
- EXISTING ROADWAY REMOVED
- ABUTMENT
- RETAINING WALL
- COLUMN



ADVANTAGES

- MAXIMIZES USE OF EXISTING SR 16 INTERCHANGE ON / OFF RAMP.
- MINIMAL IMPACT TO ENVIRONMENT.
- MAINTAINS USE OF EXISTING SR 16 ON/OFF RAMP.

DISADVANTAGES

- DOES NOT PROVIDE IMPROVEMENTS TO BORGES BLVD. CORRIDOR.
- DOES NOT IMPROVE TRAFFIC OPERATION ON BORGES BLVD.
- STAGING OF CONSTRUCTION WILL RESULT IN SIGNIFICANT DISRUPTION OF TRAFFIC.
- REQUIRES ADDITIONAL RIGHT-OF-WAY FOR REALIGNMENT OF BURNHAM DR. AND CANTERWOOD DR. NORTH OF SR 16.
- DOES NOT IMPROVE MERGE / DIVERGE CONFLICTS AT SR 16 / SR 362 INTERCHANGE ON / OFF RAMP.
- REQUIRES REMOVAL OF EXISTING ROUNDABOUTS AT INTERCHANGE RAMP TERMINALS AS WELL AS INTERM DEVELOPER IMPROVEMENTS.
- REQUIRES REPLACEMENT OF SR 16 / BORGES BLVD. UNDERCROSSING.



City of Gig Harbor
 Burnham Drive Interchange
 Single Point Urban Interchange (SPUI) - Modified Tight Diamond

LEGEND

- PROPOSED ROADWAY
- EXISTING ROADWAY REMOVED





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

Subject: Master Fee Resolution

Proposed Council Action:

Adopt resolution amending fees for Community Development land use applications, Building permits and Engineering fees

Dept. Origin: Finance

Prepared by: David Rodenbach

For Agenda of: December 10, 2007

Exhibits: Resolution

Initial & Date

Concurred by Mayor: CLH 12/5/07
Approved by City Administrator: RJK 12/3/07
Approved as to form by City Atty: CAM 12/5/07
Approved by Finance Director: DR 12/3/07
Approved by Department Head: _____

Expenditure Required	0	Amount Budgeted	0	Appropriation Required	0
----------------------	---	-----------------	---	------------------------	---

INFORMATION / BACKGROUND

This resolution is the annual December update to the master fee resolution. The resolution was last updated in May 2007.

The resolution has some new fees which are identified in the resolution. The fees included in the resolution are land use development (engineering and planning) and building permit fees.

FISCAL CONSIDERATION

We are proposing a 3.3% cost-of-living fee adjustment. This adjustment is based on the June 2007 bi-monthly consumer price index (CPI-W) for Seattle-Tacoma-Bremerton as published by the Federal Bureau of Labor Statistics. This is also the index used for the city's labor contracts.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Pass resolution amending fees for Community Development land use applications, Building permits and Engineering fees.

RESOLUTION NO.

A RESOLUTION OF THE CITY OF GIG HARBOR, WASHINGTON, WHICH ESTABLISHES FEES FOR COMMUNITY DEVELOPMENT LAND USE APPLICATIONS AND PERMITS; BUILDING PERMIT FEES; AND ENGINEERING FEES; REPEALING RESOLUTION NO. 716 AND ALL PREVIOUS RESOLUTIONS ESTABLISHING FEES FOR THE SAME PURPOSES.

WHEREAS, the City of Gig Harbor has established land use, engineering and other community development fees by Resolution; and,

WHEREAS, the Gig Harbor City Council has requested that the Community Development Department evaluate fees on an annual basis and, as necessary, propose adjustments to the fee schedule; and,

WHEREAS, the last update occurred in May 2007 in Resolution No. 716; and,

WHEREAS, the Community Development Department is proposing several adjustments to the Fee Schedule during this annual evaluation as shown in Exhibit A; and,

WHEREAS, the revised fee schedule provides appropriate adjustments to existing fees, and reflects the City's costs relating to the processing of applications, inspecting and reviewing plans, or preparing detailed statements pursuant to chapter 43.21C RCW; and,

WHEREAS, the proposed fee schedule adjustments are deemed necessary to maintain fair and equitable application fees.

NOW, THEREFORE, THE GIG HARBOR CITY COUNCIL HEREBY AMENDS THE COMMUNITY DEVELOPMENT FEES FOR 2008 AND ESTABLISHES THE FEE SCHEDULE AS PER THE ATTACHED EXHIBIT "A".

APPROVED:

Charles L. Hunter, Mayor

ATTEST:

Molly Towslee, City Clerk
City Clerk

Filed with City Clerk: 05/22/07
Passed by City Council: 05/29/07

Exhibit "A"

**CITY OF GIG HARBOR
COMMUNITY DEVELOPMENT
FEE SCHEDULE**

A. LAND USE PERMIT APPLICATION FEES

When a development proposal involves two or more permits listed in 3 through 15 below being processed concurrently, the highest cost land use permit shall be charged the full fee and all other land use permits charged 50% of the applicable fee. Specified engineering fees, third party review fees and the fees listed in 16 through 24 below are not subject to the 50% reduction.

1) Amendment to Comprehensive Plan	
Land Use Map Designation Map Amendment	\$3,000.00 <u>3,099.00</u>
Urban Growth Area Adjustment	\$1,000.00 <u>1,033.00</u>
Text Amendment	\$1,000.00 <u>1,033.00</u>
2) Amendments to Zoning Code	
Zoning District Boundary	\$3,000.00 <u>3,099.00</u>
Text	\$1,000.00 <u>1,033.00</u>
Height Restriction Area Amendment	\$1,000.00 <u>1,033.00</u>
3) Conditional Use Permit	
Single-family / Accessory Dwelling Unit	\$600.00 <u>516.50</u>
Existing Nonresidential / Multiple-family Dev.	\$1,000.00 <u>1,033.00</u>
New Nonresidential / Multiple-family Dev.	\$3,000.00 <u>3,099.00</u>
4) Variance	
Single Family	\$600.00 <u>516.50</u>
Non-Single Family	\$1,000.00 <u>1,033.00</u>
Administrative Variance	\$250.00 <u>258.25</u>
Interpretation	\$600.00 <u>516.50</u>
5) Site Plan Review	
Site Plan Review	\$3,000.00 <u>3,099.00</u>
Site Plan Review – Engineering	\$1,450.00 <u>1,497.85</u>
Major Site Plan Amendment	\$3,000.00 <u>3,099.00</u>
Major Site Plan Amendment - Engineering	\$1,000.00 <u>1,033.00</u>
Minor Site Plan Amendment	\$600.00 <u>516.50</u>
Minor Site Plan Amendment - Engineering	\$400.00 <u>413.20</u>
Modification to approved landscape/parking plans	\$250.00 <u>258.25</u>
Alternative Landscape Plan	\$600.00 <u>516.50</u>
6) Planned Residential District (PRD)	
(Exclusive of Subdivision fees)	\$3,000.00
Preliminary PRD	\$3,000.00 <u>3,099.00</u>
Final PRD	\$1,000.00 <u>1,033.00</u>
Major PRD Amendment	\$1,000.00 <u>1,033.00</u>
Minor PRD Amendment	\$600.00 <u>516.50</u>

7) Planned Unit Development (PUD)	\$3,000.00
(Exclusive of subdivision fees)	
Preliminary PUD	\$3,000.00 <u>3,099.00</u>
Final PUD	\$1,000.00 <u>1,033.00</u>
Major PUD Amendment	\$1,000.00 <u>1,033.00</u>
Minor PUD Amendment	\$500.00 <u>516.50</u>
8) Performance Based Height Exception	\$1,000.00 <u>1,033.00</u>
9) Transfer of Density Credit Request	\$500.00 <u>516.50</u>
10) Subdivisions	
Preliminary Plat	\$3,000.00 + \$50.00 <u>3,099.00 + 51.65/lot</u>
Preliminary Plat - Engineering	\$1,900.00 <u>1,962.70</u>
Final Plat	\$1,000.00 + \$50.00 <u>1,033.00 + 51.65/lot</u>
Final Plat - Engineering	\$1,500.00 <u>1,549.50</u>
Replats	\$3,000.00 + \$50.00 <u>3,099.00 + 51.65/lot</u>
Plat Alterations/Vacation/Amendments	\$1,000.00 <u>1,033.00</u>
11) Short Subdivisions	
Summary Action	\$1,500.00 <u>1,549.50</u>
Plat Amendment	\$500.00 <u>516.50</u>
Summary Action - Engineering	\$500.00 <u>516.50</u>
Boundary Line Adjustment	\$500.00 <u>516.50</u>
Boundary Line Adjustment - Engineering	\$100.00 <u>103.30</u>
12) Binding Site Plans	
Binding Site Plan	\$1,500.00 <u>1,549.50</u>
Binding Site Plan - Engineering	\$1,450.00 <u>1,497.85</u>
Amendments/Modifications/Vacations	\$500.00 <u>516.50</u>
13) Shoreline Management Permits	
Substantial Development (based upon actual costs or fair market value, whichever is higher)	
< \$10,000	\$1,000.00 <u>1,033.00</u>
> \$10,000 < \$100,000	\$2,000.00 <u>2,066.00</u>
> \$100,000 < \$500,000	\$3,000.00 <u>3,099.00</u>
> \$500,000 < \$1,000,000	\$5,000.00 <u>5,165.00</u>
> \$1,000,000	\$7,500.00 <u>7,747.50</u>
Variance (w/o SDP)	\$1,000.00 <u>1,033.00</u>
Variance with SDP	\$500.00 <u>516.50</u>
Conditional Use (w/o SDP)	\$3,000.00 <u>3,099.00</u>
Conditional Use with SDP	\$1,500.00 <u>1,549.50</u>
Revision	\$500.00 <u>516.50</u>
Request for Exemption	\$400.00 <u>103.30</u>
14) 15) Communications Facilities Application Review	
General Application Review	\$500.00 <u>516.50</u>
Special Exception	\$500.00 <u>516.50</u>
Conditional Use	\$3,000.00 <u>3,099.00</u>

15) 14) Wetlands/Critical Areas Analysis

a) City staff review:

Steep Slopes/Erosion Hazard/Landslide Hazard	\$600.00 <u>516.50</u>
Critical Habitat/Streams	\$600.00 <u>516.50</u>
Aquifer Recharge Hydrogeologic Report	\$600.00 <u>516.50</u>
Wetlands Preliminary Site Investigation	\$600.00 <u>516.50</u>
Wetlands Report Review	\$600.00 <u>516.50</u>
Reasonable Use Permit	\$1,600.00 <u>1,549.50</u>
Flood Plain Development Permit	\$600.00 <u>516.50</u>

Formatted: Indent: Left: 0"

b) Third Party review:

Third Party review of wetland analysis report	Actual Cost
Critical areas analysis report	Actual Cost
Third Party review of wetland monitoring report	Actual Cost
Critical areas mitigation/monitoring report	Actual Cost

Formatted: No underline

Formatted: No underline

Formatted: No underline

16) Design Review

a) Administrative Approval/DRB Recommendation/Exceptions:

Up to 10,000 sq. ft. nonresidential floor area (NRFA)	\$75.00 <u>77.48</u> /each 1,000 sq. ft.
10,001-20,000 sq. ft. NRFA	\$100.00 <u>103.30</u> /each 1,000 sq. ft.
>20,000 sq. ft. NRFA	\$125.00 <u>129.13</u> /each 1,000 sq. ft.
Multifamily (3 or more attached dwelling units)	\$200.00 <u>206.60</u> per building + \$25.00 <u>25.63</u> /dwelling unit
Subdivision	\$600.00 <u>516.50</u>
Site plan or site plan amendment without NRFA	\$600.00 <u>516.50</u>
Single-family/duplex dwelling	\$75.00 <u>77.48</u>

b) Administrative Review of Alternative Designs:

Single-family/duplex dwelling	\$250.00 <u>258.25</u>
Tenant Improvement	\$600.00 <u>516.50</u>

c) Amendments to approved plans:

Minor Adjustment to Hearing Examiner Decisions	\$600.00 <u>516.50</u>
All other amendments to approved plans	50% of fees required by 16a above

17) Sign Permits

All signs less than 25 sq. ft.	\$40.00 <u>41.32</u>
Change of Sign, all sizes	\$40.00 <u>41.32</u>
Request for Variance	\$600.00 <u>516.50</u>
Projecting	\$70.00 <u>72.31</u>
Wall Sign, non-illuminated:	
25-50 sq. ft.	\$70.00 <u>72.31</u>
51-99 sq. ft.	\$90.00 <u>92.97</u>
>100 sq. ft.	\$110.00 <u>113.63</u>
Wall Sign, illuminated:	
25-50 sq. ft.	\$80.00 <u>82.64</u>
51-99 sq. ft.	\$100.00 <u>103.30</u>
>100 sq. ft.	\$120.00 <u>123.96</u>
Ground Sign, non-illuminated:	
25-50 sq. ft.	\$400.00 <u>103.30</u>
51-100 sq. ft.	\$420.00 <u>123.96</u>

Ground Sign, illuminated:	
25-50 sq. ft.	\$120.00 <u>123.96</u>
51 -100 sq. ft.	\$140.00 <u>144.62</u>
Master Sign Plan Review (per Building)	
1 - 5 Tenants	\$100.00 <u>103.30</u>
6 - 12 Tenants	\$150.00 <u>154.95</u>
13+ Tenants	\$200.00 <u>206.60</u>
18) Development Agreements	\$500.00 <u>516.50</u> + City Attorney fees
19) Special Use Permit	\$60.00 <u>51.65</u>
20) Temporary Use Permit	\$50.00 <u>51.65</u> (Note: From 17.01.090)
21) Land Clearing Permit	\$250.00 <u>258.25</u>
22) Change of non-conforming use	\$1,000.00 <u>1,033.00</u>
23) Historic Registry Nomination Preservation	\$100.00
Local Register Nomination/Removal	\$100.00 <u>103.30</u>
Certificate of Appropriateness/Waiver	\$100.00 <u>103.30</u>
Special Property Tax Valuation	\$100.00 <u>103.30</u>
24) Appeals/Reconsideration	
To the Hearing Examiner:	
Reconsideration	\$150.00 <u>154.95</u>
Administrative Variance	\$250.00 <u>258.25</u>
Administrative Decision	\$250.00 <u>258.25</u>
To the Building Code Advisory Board:	\$500.00 <u>516.50</u>
B. ENVIRONMENTAL REVIEW (SEPA)	
1) Checklist	\$300.00 <u>309.90</u>
2) Environmental Impact Statement	
Prepared by Staff	Actual Cost
Prepared by Consultant	Actual Cost
3) Appeals of Decisions	
Administrator's Final Determination (DNS or EIS)	\$250.00 <u>258.25</u>

C. ANNEXATION PETITION

Less than 10 acres	\$400.00 <u>413.20</u>
10 - 50 acres	\$1,200.00 <u>1,239.60</u>
50 - 100 acres	\$2,000.00 <u>2,066.00</u>
100 + acres	\$3,500.00 <u>3,615.50</u>

D. REQUESTS FOR INFORMATION

- 1) Land-use information, verbal No Charge
- 2) Land-use information, written response requested related to active permit No Charge
- 3) Land-use information, written response requested, file search required Cost of Copying Requested Documents

E. STAFF PREAPPLICATION REVIEW

~~\$300.00~~ 309.90 (includes a written summary of the meeting)

F. ADVERTISING FEES:

For those applications which require a notice of public hearing to be published in a newspaper of general circulation, the applicant shall bear the costs of all advertising.

G. COPY SERVICES/ADDRESS LABELS

1) Zoning Map/Comprehensive Plan Land Use Map (24" x 36")	\$6.25 <u>6.46</u>
2) Zoning Code	\$38.00 <u>39.25</u>
3) Comprehensive Plan	\$36.00 <u>37.19</u>
4) Shoreline Master Program	\$44.25 <u>11.62</u>
5) Critical Areas Map (24"x 36")	\$6.25 <u>6.46</u>
6) Visually Sensitive Area (24"x 36")	\$6.25 <u>6.46</u>
7) Design Manual	\$17.40 <u>11.97</u>
8) Full Size Bond Reproduction (By Outside Service)	\$0.60 <u>0.62</u> per SF
9) Full Size Bond Reproduction (In House)	\$6.25 <u>6.46</u>
10) 8-1/2" x 11" & 11" x 17" Copies	\$0.15 <u>0.16</u>
11) 8-1/2" x 11" & 11" x 17" Color Copies	\$0.25 <u>0.26</u>
12) Address labels of property owners w/in 300 feet of project	<u>included in permit fees</u>

H. FEE WAIVERS AND REQUIREMENTS

Application fees may be reimbursed at the following rate (percent of total fee):

Request to withdraw application prior to any public notice issued	100%
Request to withdraw application after <u>any</u> public notice issued.	85%
Request to withdraw application after substantial review of project (1 st comprehensive review letter on project)	50%
<u>Request to withdraw application after issuance of staff report or SEPA threshold determination</u>	<u>35%</u>
Request to withdraw application following a public hearing <u>or</u> <u>issuance of administrative decision</u>	35% <u>0%</u>

Request to withdraw application after final action on permit by
Hearing Examiner or City Council _____ 0%

Traffic report preparation fees, if addressed in a Hearing Examiner appeal, may be reimbursed to the extent directed by the Examiner in the Examiner's final decision.

I. REVIEW OF PROJECTS IN UGA OUTSIDE CITY LIMITS WHERE CITY SEWER AND/OR WATER IS REQUESTED

The fee for city staff review of applications which have submitted a request to the City Council for utility extension services is 50% of the comparable land use permit fee as set forth in section A.

Utility Extension Request ~~\$500~~ 516.50

J. ENGINEERING FEES

Traffic Report Preparation

PM Peak Hour Trips	Base Fee	Fee for Additional
2-10	\$1,250.00 <u>1,291.25</u>	\$0.00
Over 10	\$1,250.00 <u>1,291.25</u>	Plus \$10.00 per trip over 10

Engineering Permit Fees:

Public Works Variance	\$1,200 <u>1,239.60</u>
Building Review-Single Family Residence (SFR)	\$80 <u>82.64</u>
Right of way (Residential)	\$400 <u>103.30</u>
Right of way (Commercial)	\$150 <u>154.95</u>
Right of way (Temporary)	\$25 <u>25.83</u>
Water CRC (Non-SFR)	\$80 <u>82.64</u>
Sewer CRC (Non-SFR)	\$80 <u>82.64</u>
Transportation CRC (Non-SFR)	\$80 <u>82.64</u>
Comprehensive Plan Change (Utility Element fees)	\$1,200 <u>1,239.60</u> (plus consultant fees)
Utility System Consistency Review fees)	\$1,200 <u>1,239.60</u> (plus consultant fees)

Engineering Plan Review Fees:

Water: linear feet	\$150.00 <u>154.95</u> for 1st 150 linear feet (lf) + \$0.28 <u>29</u> /lf
Sewer: linear feet	\$150.00 <u>154.95</u> for 1st 150 linear feet (lf) + \$0.28 <u>29</u> /lf
Street or street w/curb, gutter and sidewalk	\$150.00 <u>154.95</u> for 1st 150 linear feet (lf) + \$0.37 <u>38</u> /lf
Curb, gutter and sidewalk only	\$150.00 <u>154.95</u> for 1st 150 linear feet (lf) + \$0.37 <u>38</u> /lf
Storm: Number of catch basins	\$110.00 <u>113.63</u> for 1st + \$15.00 <u>50</u> for each additional
Storm: Retention and detention facilities	\$150.00 <u>154.95</u> each facility
Lighting (per luminaire)	\$120.00 <u>123.96</u> + \$40.00 <u>10.33</u> per luminaire
Signals	\$600.00 <u>516.50</u> per intersection
Right-of-way access	\$40.00 <u>41.32</u> for each Access
Resubmittal (3rd submittal)	\$80.00 <u>82.64</u> per hour (8 hour minimum)

Engineering Construction Inspection Fees:

Water: linear feet	\$270.00 <u>278.91</u> for 1st 150 linear feet (lf) + \$1.50 <u>55</u> /lf
Sewer: linear feet	\$270.00 <u>278.91</u> for 1st 150 linear feet (lf) + \$1.50 <u>55</u> /lf
Sewer: residential step system	\$490.00 <u>196.27</u> for each residence

Street	\$ 270.00 <u>278.91</u> for 1st 150 linear feet (lf) + \$ 1.40 <u>1.14</u> /lf
Curb, gutter and sidewalk only	\$ 270.00 <u>278.91</u> for 1st 150 linear feet (lf) + \$ 1.40 <u>1.14</u> /lf
Storm	\$ 130.00 <u>134.29</u> per retention area + \$ 0.55 <u>0.57</u> /lf pipe
Lighting (per luminaire)	\$ 130.00 <u>134.29</u> + \$ 15.00 <u>15.00</u> per luminaire
Signals	\$ 1,030.00 <u>1,063.99</u> per intersection
Right-of-Way Access - Overhead	\$ 290.00 <u>299.57</u> for 1st 150 linear feet (lf) + \$0.08/lf
Right-of-Way Access – Underground	\$ 290.00 <u>299.57</u> for 1st 150 linear feet (lf) + \$ 0.45 <u>0.16</u> /lf

| Grease interceptor permit \$~~195.00~~ 330.00

K. BUILDING PERMIT FEES

**Table 1-1
Building Permit Fees**

Total Valuation	Fee
\$1.00 to \$500.00	\$ 30.50 <u>31.50</u>
\$501.00 to \$2,000.00	\$ 30.50 <u>31.50</u> for the first \$500.00 plus \$ 4.50 <u>4.65</u> for each additional \$100.00 or fraction thereof to and including \$2,000.00
\$2,001 to \$25,000	\$ 88.00 <u>90.90</u> for the first \$2,000.00 plus \$ 18.50 <u>19.11</u> for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$ 493.00 <u>509.26</u> for the first \$25,000.00 plus \$ 13.00 <u>13.42</u> for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$ 844.00 <u>837.76</u> for the first \$50,000.00 plus \$ 10.00 <u>10.33</u> for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$ 1,252.00 <u>1,293.32</u> for the first \$100,000.00 plus \$ 8.00 <u>8.27</u> for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$ 4,075.00 <u>4,209.47</u> for the first \$500,000.00 plus \$ 6.50 <u>6.71</u> for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	\$ 7,067.00 <u>7,300.21</u> for the first \$1,000,000.00 plus \$ 4.50 <u>4.64</u> for each additional \$1,000.00 or fraction thereof
Demolition Permit	\$ 109.00 <u>112.59</u>
Building Permit Plan Review Fees	
Building permit plan review fees	The fee for review of building plans will equal 65% of the permit fee in addition to the permit fee.

Base Plan Fees	
Base Plan Application Filing Fee.	\$ 50.00 <u>51.65</u>
New Base Plan Review Fee.	150% of plan review fee calculated under T. 1-1 for new construction.
Establish base plan from plan previously approved by the City.	100% of plan review fee calculated under T 1-1 for new construction.
Subsequent plan review fee for use of established base plan.	70% of the plan review fee calculated under T 1-1 for new construction.

Grading Plan Review Fees	
100 Cu. Yds. or less	\$30.40 <u>31.40</u>
101 to 1000 Cu Yds.	\$47.00 <u>48.55</u>
1,001 to 10,000 Cu. Yds.	\$63.00 <u>65.07</u>
10,001 to 100,000 Cu. Yds.	\$63.00 <u>65.07</u> for the first 10,000 plus \$31.50 <u>32.53</u> each additional 10,000 or fraction thereof.
100,001 to 200,000 Cu. Yds.	\$340.00 <u>351.22</u> for the first 100K plus \$17.50 <u>18.07</u> for each additional 10,000 or fraction thereof.
200,001 Cu. Yds. or more	\$507.00 <u>523.73</u> for the first 200,000 plus \$10.00 <u>10.33</u> for each additional 10,000 or fraction thereof.
Grading Permit Fees	
100 Cu. Yds. or less	\$47.00 <u>48.55</u>
101 to 1000 Cu. Yds.	\$47.00 <u>48.55</u> for the first 100 Cu. Yds. plus \$23.00 <u>23.76</u> for each additional 100 Cu. Yds or fraction thereof.
1,001 to 10,000 Cu. Yds.	\$245.50 <u>253.60</u> for the first 1,000 Cu. Yds. plus \$18.50 <u>19.11</u> for each additional 1,000 Cu. Yds. or fraction thereof.
10,001 to 100,000 Cu. Yds.	\$409.50 <u>423.01</u> for the first 10,000 Cu. Yds. plus \$84.00 <u>86.77</u> for each additional 10,000 Cu. Yds. or fraction thereof.
100,001 Cu. Yds or more	\$1,159.00 <u>1197.24</u> for the first 100,000 Cu. Yds. plus \$47.00 <u>48.55</u> for each additional 10,000 Cu. Yds. or fraction thereof.

Table 1-2
Square Foot Construction Costs^{a,b,c}

Group (2006 IBC/IRC)		Type of Construction								
		IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
A-1	Assembly, theaters, with stage	180.22	174.42	170.37	163.36	151.92	151.11	158.20	140.76	135.70
	Theaters, without stage	166.23	160.44	156.38	149.39	137.93	137.14	144.23	126.77	121.71
A2	Assembly, nightclubs	\$135.94	\$132.13	\$128.82	\$123.98	\$115.98	\$114.57	\$119.46	\$105.64	\$102.14
	Restaurants, bars, banq. halls	134.85	131.04	126.64	122.90	113.81	113.48	118.37	103.47	101.06
A-3	Assembly, churches	166.91	161.12	157.06	150.06	138.59	137.79	144.91	127.44	122.38
	General, comm.. halls, libraries museums	138.20	132.41	127.26	121.34	108.78	109.87	116.20	97.63	93.65
A-4	Assembly, arenas	134.85	131.04	126.19	122.90	113.81	113.48	118.37	103.47	101.06
B	Business	138.82	133.79	129.53	123.47	110.48	109.88	118.76	98.67	94.94
E	Educational	145.77	140.85	136.82	130.76	120.62	117.77	126.44	107.77	103.74
F-1	Factory/Industrial, mod. Hazard	84.18	80.32	75.52	73.23	63.28	64.36	70.25	53.96	51.27
F-2	Factory/Industrial, low hazard	83.10	79.23	75.52	72.15	63.28	63.28	69.16	53.96	50.18

Group (2006 IBC/IRC)		Type of Construction								
		IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
H-1	High hazard, explosives	79.07	75.20	71.49	68.12	59.41	59.41	64.81	50.10	N.P.
H-2-4	High hazard	79.07	75.20	71.49	68.12	59.41	59.08	65.13	50.10	46.31
H-5	HPM	138.82	133.79	129.53	123.47	110.48	109.88	118.76	98.67	94.94
I-1	Institutional, supervised	137.07	132.37	128.81	123.58	113.38	133.32	119.84	104.21	100.08
I-2	Institutional, incapacitated	231.07	226.05	221.79	215.73	202.35	N.P.	211.02	190.53	N.P.
I-3	Institutional, restrained	157.69	152.66	148.41	142.35	130.69	128.99	137.63	118.87	112.97
I-4	Institutional, day care	137.07	132.37	128.81	123.58	113.38	113.32	119.84	104.21	100.08
M	Mercantile	101.30	97.49	93.08	89.33	80.78	80.45	84.80	70.43	68.03
R-1	Residential, hotels	138.45	133.74	130.18	124.96	114.82	114.76	121.27	105.64	101.53
R-2	Residential, multi-family	138.44	132.78	128.52	122.25	110.29	110.20	118.02	99.27	94.32
R-3	Residential, 1/2 family	131.49	127.85	124.70	121.27	115.52	115.25	119.24	109.99	102.10
R-4	Residential, care/asst. living	137.07	132.37	128.81	123.58	113.38	113.32	119.84	104.21	100.08
S-1	Storage, moderate hazard	77.98	74.11	69.31	67.03	57.24	58.32	64.05	47.93	45.23
S-2	Storage, low hazard	76.89	73.03	69.31	65.95	57.24	57.24	62.96	47.93	44.14
U	Utility, miscellaneous	\$59.55	\$56.30	\$52.96	\$50.31	\$43.64	\$43.64	\$47.49	\$35.88	\$34.16

- a. Private garages use utility, miscellaneous
b. Unfinished basements (all use group) = \$15.00 per sq. ft.
c. N.P. = not permitted

**Table 1-3
Plumbing Permit Fees**

Permit Issuance

1. For issuing each permit ~~\$25.00~~ 25.83
2. For issuing each supplemental permit ~~\$13.00~~ 13.43

Unit Fee Schedule (in addition to items 1 and 2 above)

1. For each plumbing fixture on one trap or a set of fixtures on one trap (including water, drainage piping and backflow protection therefor) ~~\$9.00~~ 9.30
2. For each building sewer and each trailer park sewer ~~\$18.50~~ 19.11
3. Rainwater Systems - per drain (inside building) ~~\$9.00~~ 9.30
4. For each cesspool (where permitted) ~~\$34.50~~ 32.53
5. For each private sewage disposal system ~~\$50.00~~ 51.65
6. For each water heater and/or vent ~~\$9.00~~ 9.30
7. For each gas-piping system of one to five outlets ~~\$6.50~~ 6.72
8. For each additional gas-piping system outlet (per outlet) ~~\$2.50~~ 2.58

**Table 1-3
Plumbing Permit Fees - cont.**

9. For each industrial waste pretreatment interceptor including its trap and vent, except kitchen-type grease interceptors functioning as fixture traps	\$19.00	<u>19.63</u>
10. For each installation, alteration, or repair of water piping and/or water treating equipment, each	\$9.00	<u>9.30</u>
11. For each repair or alteration of drainage or vent piping, each fixture	\$9.00	<u>9.30</u>
12. For each lawn sprinkler system on any one meter including backflow protection devices therefore	\$9.00	<u>9.30</u>
13. For atmospheric-type vacuum breakers not included in item 12: 1 to 5	\$6.50	<u>6.72</u>
over 5, each	\$1.50	<u>1.50</u>
14. For each backflow protective device other than atmospheric-type vacuum breakers: 2 inch (51 mm) diameter and smaller	\$9.00	<u>9.30</u>
over 2 inch (51 mm) diameter	\$18.50	<u>19.11</u>
15. For each gray water system	\$50.00	<u>51.65</u>
16. For initial installation and testing for a reclaimed water system (excluding initial test)	\$38.00	<u>39.25</u>
17. For each annual cross-connection testing of a reclaimed water system (excluding initial test)	\$38.00	<u>39.25</u>
18. For each medical gas piping system serving one to five inlet(s)/outlet(s) for a specific gas	\$63.00	<u>65.08</u>
19. For each additional medical gas inlet(s)/outlet(s)	\$6.50	<u>6.72</u>

Plan Review Fee

A plan review fee equal to 65% of the permit fee shall be charged in addition to the permit fee for all plumbing permits. **Exception:** No plan review fee will be charged for plumbing permits related to residential construction regulated under the International Residential Code.

**Table 1-4
Mechanical and Fuel Gas Permit Fees**

Permit Issuance		
1. For issuing each permit	\$30.50	<u>31.50</u>
Unit Fee Schedule (in addition to issuance fee above)		
2. HVAC units up to and including 100,000 Btu	\$19.50	<u>20.14</u>
3. HVAC units over 100,000 Btu	\$24.00	<u>24.79</u>
4. Each appliance vent or diffuser without appliance	\$10.00	<u>10.33</u>
5. Repair of each appliance & refrigeration unit	\$17.50	<u>18.08</u>
6. Each boiler / compressor 100,000 Btu or 3 hp	\$19.50	<u>20.14</u>
Each over 100K to 500K Btu or over 3 hp to 15 hp	\$35.00	<u>36.15</u>
Each over 500K to 1,000K Btu or over 15 hp to 30 hp	\$48.00	<u>49.58</u>
Each over 1,000K to 1,750K Btu or over 30 hp to 50 hp	\$70.50	<u>72.83</u>
Each over 1,750K or over 50 hp	\$117.50	<u>121.38</u>
7. Each air handler up to 10,000 cfm	\$14.50	<u>14.99</u>
8. Each air handler over 10,000 cfm	\$24.00	<u>24.79</u>
9. Each VAV box	\$14.50	<u>14.99</u>

**Table 1-4
Mechanical and Fuel Gas Permit Fees - cont.**

10. Each evaporative cooler other than portable type	\$14.50	<u>14.99</u>
11. Each ventilation fan connected to a single duct	\$10.00	<u>10.33</u>
12. Each ventilation system not part of a system under permit	\$14.00	<u>14.46</u>
13. Each hood served by mech. exhaust system including the ductwork	\$14.00	<u>14.46</u>
14. Each piece of equipment regulated by the mechanical code but not listed in this table (fireplace inserts)	\$14.00	<u>14.46</u>
15. Each fuel gas piping system of one to five outlets	\$ 6.50	<u>6.71</u>
16. Each additional fuel gas outlet	\$ 2.50	<u>2.58</u>

Plan Review Fee

A plan review fee equal to 65% of the permit fee shall be charged in addition to the permit fee for all mechanical permits. **Exception:** No plan review fee will be charged for mechanical permits related to residential construction regulated under the International Residential Code.

**Table 1-5
Fire System Permit Fees**

Type of Fire Protection System	Fees (includes plan review, testing, and inspection)
Fire Alarm Systems	
New Com./Multi. Fam. (first 4 zones)	\$434.50 <u>448.84</u> plus \$1.50 per device
Additional zones	\$54.50 <u>56.30</u> ea. plus \$1.50 per device
Tenant Improvement	\$326.00 <u>336.75</u> plus \$1.50 per device
Additional Zones	\$54.50 <u>56.30</u> plus \$1.50 per device
Residential (1-2 fam. dwellings)	\$174.50 <u>180.26</u> plus \$1.50 per device
Sprinkler supervision/notification only	\$185.00 <u>191.10</u> plus \$1.50 per device
System upgrade	One half the above listed fees for new work.
Fire Sprinkler Systems	
NFPA 13, 13 R Systems	
1. Each new riser up to 99 heads	\$190.00 <u>196.27</u> +3.00/head
2. Each wet riser over 99 heads	\$532.00 <u>549.56</u>
3. Each dry riser over 99 heads	\$664.50 <u>683.33</u>
4. Each new deluge or pre-action system	\$664.50 <u>683.33</u>
5. Each new combination system	\$858.00 <u>886.31</u>
6. Sprinkler underground	\$437.00 <u>141.52</u>
7. Revision to existing system	\$60.00 61.98+ 2.25/ head
8. High piled stock or rack system	
Add to riser fee	\$342.00 <u>353.29</u>
NFPA 13D systems	
1. Per dwelling unit fee	\$274.00 <u>283.04</u>
Standpipe Systems	
1. Each new Class 1 system	
Dry system	\$263.00 <u>271.68</u>
Wet system	\$377.00 <u>389.44</u>
2. Each new Class 2 system	\$456.00 <u>471.05</u>

**Table 1-5
Fire System Permit Fees – cont.**

3. Each new Class 3 system	\$456.00	<u>471.05</u>
Fire Pumps	\$827.50	<u>854.80</u>
Type I Hood Suppression Systems		
1. Pre-engineered	\$215.00	<u>222.09</u>
2. Custom engineered	\$377.00	<u>389.44</u>
Fixed Pipe Fire Suppression		
1. Pre-engineered	\$228.00	<u>235.52</u>
2. Custom engineered	\$624.50	<u>541.80</u>

**Table 1-6
Additional Services**

1. Inspections outside of normal business hours	\$60.00	<u>61.98</u> per hour ¹
2. Reinspection fee	\$60.00	<u>61.98</u> per hour
<u>Reinspection fees double accumulatively when work requiring reinspection is not corrected prior to request for reinspection. (2nd reinspection = 123.96; 3rd reinspection = 247.92 etc.)</u>		
3. Inspections for which no fee is specifically indicated	\$60.00	<u>61.98</u> per hour
4. Fire Code Operational Permit Inspection	\$60.00	<u>61.98</u> per hour
5. Additional plan review required by changes, additions or revisions to approved plans (per hour - minimum charge one-half hour)	\$60.00	<u>61.98</u> per hour
6. Temporary Certificate of Occupancy	\$217.50	<u>224.68</u>
7. Certificate of Occupancy for change in use	\$60.00	<u>61.98</u>
8. Adult Family Home licensing inspection	\$60.00	<u>61.98</u>
9. Investigation fee for work without a permit	100% of the permit fee in addition to the permit fee.	
10. Expedited plan review by third party contract	Actual Cost but not less than 65% of the permit fee.	

¹ A two hour minimum fee will be charged for all additional services involving employee overtime.

**Table 1-7
Fire Code Operational and Construction Permit Fees**

Operation	Fee
Aerosol Products	\$60.00 <u>61.98</u>
Amusement Buildings	\$60.00 <u>61.98</u>
Aviation Facilities	\$119.50 <u>123.44</u>
Carnivals and fairs	\$60.00 <u>61.98</u>
Battery systems	\$119.50 <u>123.44</u>
Cellulose nitrate film	\$60.00 <u>61.98</u>
Combustible dust producing operations	\$60.00 <u>61.98</u>
Combustible fibers	\$60.00 <u>61.98</u>
Exception: Permit not required for agricultural storage	

**Table 1-7
Fire Code Operational and Construction Permit Fees - cont.**

Compressed gases	\$60.00	<u>61.98</u>
Exception: Vehicles using CG as a fuel for propulsion		
See IFC T. 105.6.9 for permit amounts		
Covered mall buildings - Required for:	\$60.00	<u>61.98</u>
placement of retail fixtures and displays, concession equipment,		
displays of highly combustible goods and similar items in the mall;		
display of liquid or gas fired equipment in the mall;		
use of open flame or flame producing equipment in the mall.		
Cryogenic fluids	\$60.00	<u>61.98</u>
Exception: Vehicles using cryogenic fluids as a fuel for propulsion		
or for refrigerating the lading.		
See IFC T. 105.6.11 for permit amounts		
Dry cleaning plants	\$60.00	<u>61.98</u>
Exhibits and trade shows	\$60.00	<u>61.98</u>
Explosives	\$119.50	<u>123.44</u>
Fire hydrants and valves	\$60.00	<u>61.98</u>
Exception: Authorized employees of the water company		
or fire department.		
Flammable and combustible liquids	\$119.50	<u>123.44</u>
In accordance with IFC 105.6.17		
Floor finishing	\$60.00	<u>61.98</u>
In excess of 350 sq. ft. using Class I or Class II liquids		
Fruit and crop ripening	\$60.00	<u>61.98</u>
Using ethylene gas		
Fumigation and thermal insecticidal fogging	\$60.00	<u>61.98</u>
Hazardous materials	\$60.00	<u>61.98</u>
See IFC T. 105.6.21 for permit amounts		
HPM facilities	\$119.50	<u>123.44</u>
High piled storage	\$119.50	<u>123.44</u>
In excess of 500 sq. ft.		
Hot work operations	\$60.00	<u>61.98</u>
In accordance with IFC 105.6.24		
Industrial ovens	\$60.00	<u>61.98</u>
Lumber yards and woodworking plants	\$60.00	<u>61.98</u>
Liquid or gas fueled vehicles or equipment	\$60.00	<u>61.98</u>
In assembly buildings		
LP Gas	\$119.50	<u>123.44</u>
Exception: 500 gal or less water capacity container		
serving group R-3 dwelling		
Magnesium working	\$60.00	<u>61.98</u>
Miscellaneous combustible storage	\$60.00	<u>61.98</u>
In accordance with IFC 105.6.30		
Open burning	\$60.00	<u>61.98</u>
Exception: Recreational fires		
Open flames and torches	\$60.00	<u>61.98</u>
Open flames and candles	\$60.00	<u>61.98</u>
Organic coatings	\$60.00	<u>61.98</u>
Places of assembly	\$60.00	<u>61.98</u>

**Table 1-7
Fire Code Operational and Construction Permit Fees - cont.**

Private fire hydrants	\$60.00	<u>61.98</u>
Pyrotechnic special effects material	\$60.00	<u>61.98</u>
Pyroxylin plastics	\$60.00	<u>61.98</u>
Refrigeration equipment	\$60.00	<u>61.98</u>
Regulated under IFC Ch. 6		
Repair garages and motor fuel dispensing facilities	\$60.00	<u>61.98</u>
Rooftop heliports	\$119.50	
Spraying or dipping	\$60.00	<u>61.98</u>
Using materials regulated under IFC Ch. 15		
Storage of scrap tires and tire byproducts	\$60.00	<u>61.98</u>
Temporary membrane structures, tents and canopies	\$60.00	<u>61.98</u>
Except as provided in IFC 105.6.44		
Tire re-building plants	\$60.00	<u>61.98</u>
Waste handling	\$60.00	<u>61.98</u>
Wood products	\$60.00	<u>61.98</u>

Required Construction Permits

Automatic fire extinguishing systems	Ref. Table 1-5
Compressed gases except as provided under IFC 105.7.2	Ref. Table 1-3
Fire alarm and detection systems and related equipment	Ref. Table 1-5
Fire pumps and related equipment	Ref. Table 1-5
Flammable and combustible liquids - in accordance with IFC 105.7.5	\$119.50 <u>123.44</u>
Hazardous materials	\$119.50 <u>123.44</u>
Industrial ovens regulated under IFC Ch. 21	\$119.50 <u>123.44</u>
LP Gas - installation or modification of LP gas system	Ref. Table 1-4
Private fire hydrants - installation or modification of private fire hydrants	Ref. Table 1-5
Spraying or dipping - installation or modification of a spray room, dip tank, or booth	\$119.50 <u>123.44</u>
Standpipe system	Ref. Table 1-4
Temporary membrane structures tents and canopies	Included in Op.
Except as provided under IFC 105.7.12	Permit Fee



Business of the City Council
City of Gig Harbor, WA

Subject: 2008 Contract for Lobbying Services

Proposed Council Action:

Authorize the Mayor to execute one-year, state & federal contracts for lobbying services with Gordon, Thomas Honeywell.

Dept. Origin: Administration

Prepared by: Rob Karlinsey

For Agenda of: December 10, 2007

Exhibits:

Initial & Date

Concurred by Mayor:

CLK 11/19/07

Approved by City Administrator:

RSK 11/15/07

Approved as to form by City Atty:

CAM 11/19/07

Approved by Finance Director:

DF 11/19/07

Approved by Department Head:

Expenditure		Amount		Appropriation	
Required	\$102,079	Budgeted	\$102,079	Required	\$0

INFORMATION / BACKGROUND

There are two proposed contracts for consulting services with Gordon, Thomas Honeywell. The first one is for state lobbying services, and the second contract is for federal lobbying services. These contracts are both one-year in duration (January-December 2008) and are a continuation of this year's services.

Under these two agreements, GTH will continue to pursue state and federal earmarks and will also assist on any policy/legislative matters that may affect the City.

FISCAL CONSIDERATION

\$100,000 was included in the budget for these two contracts. Sufficient funds are available in the 2008 budget to cover the full \$102,079.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute one-year, state & federal contracts for lobbying services with Gordon, Thomas Honeywell.

LOBBYIST REGISTRATION

L1
 (12/03)
 THIS SPACE FOR OFFICE USE

1. Lobbyist Name <p style="text-align: center;">Gordon Thomas Honeywell Governmental Affairs</p> <hr/> Permanent Business Address <p>1201 Pacific Ave., Suite 2100</p> <hr/> <table style="width:100%; border: none;"> <tr> <td style="width:33%;">City</td> <td style="width:33%;">State</td> <td style="width:33%;">Zip</td> </tr> <tr> <td>Tacoma</td> <td>WA</td> <td>98401</td> </tr> </table>	City	State	Zip	Tacoma	WA	98401	Business Telephone Numbers Permanent (253) 620-6500 Temporary () Cell Phone (253) 209-8818 or Pager <hr/> E-Mail Address <p>tims@gth-gov.com</p>
City	State	Zip					
Tacoma	WA	98401					
2. Temporary Thurston County address during legislative session <p style="text-align: center;">N/A</p>	Employer's occupation, business or description of purpose of organization <hr/> E-Mail Address <p style="text-align: right;">hsanders@gth-gov.com</p>						
3. Employer's name and address (person or group for which you lobby) <p>City of Gig Harbor – ATTN: Rob Karlinsey 3510 Grandview St. Gig Harbor, WA 98335</p>							
4. Name and address of person having custody of accounts, receipts, books or other documents which substantiate lobbyist reports. (Person responsible for producing the annual L3 report) <p>Hallee Sanders 1201 Pacific Ave., Suite 2100 Tacoma, WA 98401</p>	E-Mail Address <p style="text-align: right;">hsanders@gth-gov.com</p>						
5. What is your pay (compensation) for lobbying? \$ <u>2,083.00</u> per <u>month</u> (hour, day, month, year) Other: Explain: <p style="text-align: center;">Jan 08 – Dec 08</p>	Description of employment (check one or more boxes) <input type="checkbox"/> Full time employee <input type="checkbox"/> Part time or temporary employee <input checked="" type="checkbox"/> Contractor, retainer or similar agreement <input type="checkbox"/> Unsalariated officer or member of group <input type="checkbox"/> Sole duty is lobbying <input type="checkbox"/> Lobbying is only a part of other duties						
6. Are you reimbursed for lobbying expenses? Explain which expenses. <input type="checkbox"/> Yes: \$ _____ per _____ <input type="checkbox"/> Yes: I am reimbursed for expenses. <input checked="" type="checkbox"/> No: I am not reimbursed for expenses.	Does employer pay any of your lobbying expenses directly? If yes, explain which ones.						
7. How long do you expect to lobby for this organization? <input checked="" type="checkbox"/> Permanent lobbyist <input type="checkbox"/> Only during legislative session <input type="checkbox"/> Other, Explain:							
8. Is your employer a business or trade association or similar organization which lobbies on behalf of its members? If "yes," attach a list showing the name and address of each member who has paid the association fees, dues or other payments over \$500 during either of the past two years or is expected to pay over \$500 this year. <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. However, no member has paid, pays, or is expected to pay over \$500. <input type="checkbox"/> Yes. The list is attached							
9. Does your employer have a connected, related or closely affiliated political action committee which will provide funds for you to make political contributions including purchase tickets to fund raising events? If so, list the name of that political action committee. <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Name of the committee is:							
10. If lobbyist is a company, partnership or similar business entity which employs others to perform actual lobbying duties, list name of each person who will lobby. (See WAC 390-20-143 and 144 for instructions.) <p style="text-align: center;">Tim Schellberg, Noah Reandeau, James McMahan, Aaron Toso, Briahna Taylor</p>							

11. Areas of interest. Lobbying is most frequent before legislative committee members or state agencies concerned with following subjects: <table style="width:100%; border: none;"> <tr> <td style="width:50%;"> CODE SUBJECT 01 <input type="checkbox"/> Agriculture 02 <input type="checkbox"/> Business and consumer affairs 03 <input type="checkbox"/> Constitutions and elections 04 <input type="checkbox"/> Education 05 <input type="checkbox"/> Energy and utilities 06 <input type="checkbox"/> Environmental affairs - natural resources - parks 07 <input type="checkbox"/> Financial institutions and insurance 08 <input checked="" type="checkbox"/> Fiscal </td> <td style="width:50%;"> CODE SUBJECT 09 <input type="checkbox"/> Higher education 10 <input type="checkbox"/> Human services 11 <input type="checkbox"/> Labor 12 <input type="checkbox"/> Law and justice 13 <input checked="" type="checkbox"/> Local government 14 <input checked="" type="checkbox"/> State government 15 <input checked="" type="checkbox"/> Transportation 16 <input type="checkbox"/> Other – Specify: </td> </tr> </table>	CODE SUBJECT 01 <input type="checkbox"/> Agriculture 02 <input type="checkbox"/> Business and consumer affairs 03 <input type="checkbox"/> Constitutions and elections 04 <input type="checkbox"/> Education 05 <input type="checkbox"/> Energy and utilities 06 <input type="checkbox"/> Environmental affairs - natural resources - parks 07 <input type="checkbox"/> Financial institutions and insurance 08 <input checked="" type="checkbox"/> Fiscal	CODE SUBJECT 09 <input type="checkbox"/> Higher education 10 <input type="checkbox"/> Human services 11 <input type="checkbox"/> Labor 12 <input type="checkbox"/> Law and justice 13 <input checked="" type="checkbox"/> Local government 14 <input checked="" type="checkbox"/> State government 15 <input checked="" type="checkbox"/> Transportation 16 <input type="checkbox"/> Other – Specify:	Remarks: <hr/> EMPLOYER'S AUTHORIZATION: Confirming the employment authority to lobby described in this registration statement. EMPLOYER'S SIGNATURE, NAME TYPED OR PRINTED, AND TITLE DATE <p>Rob Karlinsey, City Administrator</p>
CODE SUBJECT 01 <input type="checkbox"/> Agriculture 02 <input type="checkbox"/> Business and consumer affairs 03 <input type="checkbox"/> Constitutions and elections 04 <input type="checkbox"/> Education 05 <input type="checkbox"/> Energy and utilities 06 <input type="checkbox"/> Environmental affairs - natural resources - parks 07 <input type="checkbox"/> Financial institutions and insurance 08 <input checked="" type="checkbox"/> Fiscal	CODE SUBJECT 09 <input type="checkbox"/> Higher education 10 <input type="checkbox"/> Human services 11 <input type="checkbox"/> Labor 12 <input type="checkbox"/> Law and justice 13 <input checked="" type="checkbox"/> Local government 14 <input checked="" type="checkbox"/> State government 15 <input checked="" type="checkbox"/> Transportation 16 <input type="checkbox"/> Other – Specify:		
CERTIFICATION: I hereby certify that the above is a true, complete and correct statement. 12. LOBBYIST'S SIGNATURE DATE 			

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

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

RECITALS

WHEREAS, the City desires to obtain lobbying services; and

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

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

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

TERMS

I. Description of Work

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

II. Payment

A. The City shall pay the Consultant an amount not to exceed Twenty Seven Thousand, Seventy-Nine Dollars and No Cents (\$27,079.00), or Two Thousand and Eighty Three Dollars and No Cents (\$2,083.00) per month, beginning January 1, 2008, for the services described in Section I herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. PROVIDED, HOWEVER, the City reserves the right to direct the Consultant's compensated services under the time frame set forth in Section IV herein before reaching the maximum amount. The Consultant's staff and billing rates shall be as described in **Exhibit B**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill at rates in excess of the

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

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

III. Relationship of Parties

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

IV. Duration of Work

The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** beginning on January 1, 2007. The parties agree that the work described in **Exhibit A** shall be completed by December 31, 2008.

V. Termination

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

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

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

VI. Discrimination

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

VII. Indemnification

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

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

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

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

VIII. Insurance

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

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

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

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

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

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

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

G. The Consultant shall request from his insurer a modification of the ACORD certificate to include language that prior written notification will be given to the City of Gig

Harbor at least 30-days in advance of any cancellation, suspension or material change in the Consultant's coverage.

IX. Exchange of Information

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

X. Ownership and Use of Records and Documents

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

XI. City's Right of Inspection

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

XII. Consultant to Maintain Records to Support Independent Contractor Status

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

XIII. Work Performed at the Consultant's Risk

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

XIV. Non-Waiver of Breach

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

XV. Resolution of Disputes and Governing Law

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

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

XVI. Written Notice

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

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

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

XVII. Assignment

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

XVIII. Modification

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

XIX. Entire Agreement

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

Dated: November 7, 2007

Kimberly S Snyder

Kimberly S - Snyder
(print or type name)

NOTARY PUBLIC in and for the
State of Washington, residing at:

Gig Harbor

My Commission expires: 2/1/08



STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

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

Dated: _____

(print or type name)

NOTARY PUBLIC in and for the
State of Washington, residing at:

My Commission expires: _____

Exhibit A Scope of Work

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

The Consultant shall:

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

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

1. Develop a 2009 legislative appropriations request for a Maritime Pier and Fuel Dock.
2. Pursue emergency funding from the State Capital budget to assist with costs related to the City of Gig Harbor sewer expansion and outfall costs.
3. Seek new sources of funding for the Gig Harbor North traffic improvements.

Exhibit B Billing Rates

As described in Section II of this agreement, a monthly service fee of Two Thousand and Eighty Three Dollars and No Cents (\$2,083.00) per month shall be charged to provide the services described in this agreement. This fee will cover all work performed by Tim Schellberg and his staff. In addition to Mr. Schellberg, it is anticipated that three Consultant staff members will also be providing services. They include: James McMahan and Briahna Taylor, who will serve in an assistant governmental affairs role and Hallee Sanders who will serve an administrative assistant role to Mr. Schellberg.

**Pierce County Regional Council
2401 South 35th Street, Room 228
Tacoma, Washington 98409
(253) 798-3726**

November 20, 2007

RE: Zoo/Trek Authority Board

Dear Mayors and Elected Officials:

The Board for the Zoo / Trek Authority (ZTA) has an opening for representation from the Pierce County Regional Council (PCRC). This representative is to be elected by the twenty-two cities and towns (excluding City of Tacoma) within the ZTA boundary. Metro Parks is requesting your cooperation in the nomination and selection of a representative to fill this at-large position. Accordingly, we ask that you please present this item at your next council meeting for discussion.

As information, this representative will fill a vacancy in Position 1 for a term of three years.

In accordance with the interlocal agreement, nominees must be an elected official from cities and towns, other than Tacoma, representing at least 60% of the combined populations of those cities. The following election procedure will be followed:

1. If your council wishes to submit a nomination, the enclosed nomination form must be submitted to Paula Manning, Pierce County Regional Council Clerk, no later than **5 p.m. on Monday, December 31, 2007**. You may fax, mail, or e-mail the nomination form to the clerk at fax number 253-798-3680, e-mail at pmanning@co.pierce.wa.us or mail to 2401 South 35th St., Room 228, Tacoma, WA 98409.
2. No later than **January 4, 2008**, a ballot listing the prospective nominee will be mailed to the city and town councils. Your council will have until **5 p.m. on February 15, 2008**, to return your ballot to the Clerk of the PCRC.
3. **Each city and/or town may select for a candidate for Position 1. Nominations for Position 1 must be from the smaller eleven cities/towns in population.** If at the close of nominations, no candidate has been nominated, that nomination will remain open for an additional seven days and be available to any elected city or town official (excluding Tacoma).

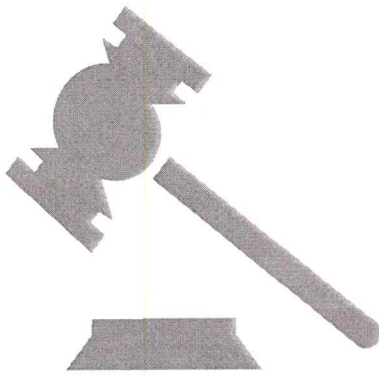
There is a need for immediate attention to this issue. There is an informational sheet is enclosed for a brief summary of the ZTA. I wish to express my appreciation for your prompt cooperation.

Sincerely,



Paula Manning
Clerk, Pierce County Regional Council
Enclosure

- c. Mike Lonergan, Chair, Pierce County Regional Council
✓ City and Town Clerks



ZOO / TREK AUTHORITY BOARD

Nomination Form Position One

Cities/Towns Eligible for Position One

Position One represents the smaller eleven cities and towns in population.

- | | | |
|-----|---------------|---|
| 1. | Buckley | 4,555 |
| 2. | Carbonado | 655 |
| 3. | Eatonville | 2,380 |
| 4. | Milton | 5,695 in Pierce County; +825 in King County |
| 5. | Orting | 5,940 |
| 6. | Pacific | 110 in Pierce County; +5,945 in King County |
| 7. | Roy | 870 |
| 8. | Ruston | 750 |
| 9. | South Prairie | 440 |
| 10. | Steilacoom | 6,220 |
| 11. | Wilkeson | 455 |

The town/city of _____ wishes to nominate
Councilmember _____ to serve as a member
of the Zoo / Trek Authority Board, representing the towns and cities of the Pierce Council
Regional Council with the exception of City of Tacoma.

Date: _____ By: _____

**This form must be received by Clerk of the Pierce County Regional Council by
5 p.m., Friday, December 31, 2007. You may fax this form to (253) 798-3680.**

Brief Summary of Important Aspects of the Zoo / Trek Authority Board

1. The Zoo Trek Authority Board (ZTA) was created to represent sales tax collected throughout Pierce County for the Point Defiance Zoo & Aquarium and Northwest Trek Wildlife Park. The sales tax was passed by voters in September, 2000. 1/10th of a cent in sales tax was approved for Zoo/Trek/Parks throughout the County. ZTA receives 50% of that collection and ZTA oversees that portion.
2. The ZTA meets quarterly on the first Wednesday of the months: February, June, September, and November, 2008.
3. Regular meetings are held in the board room of Metro Parks Tacoma's main offices on 19th in Tacoma at 5:00-6:30 pm. There is generally one meeting at the Zoo and one at Trek each year on the quarterly schedule.
4. Primary functions:
 - A. Understand ZTA biannual budget; formally pass the budget in concert with MetroParks Board's parallel action.
 - B. Review each facility's business plan annually, connecting recommendations to the budget.
 - C. Gain an understanding and familiarity with the ZTA key issues and needs and advocate on their behalf.
5. Representatives:
 - A. Pierce County Council appoints three representatives;
 - B. City of Tacoma appoints two representatives; and
 - C. PCRC appoints two representatives:

Position One

Position One represents the smaller eleven cities and towns in population.

1.	Buckley	4,555
2.	Carbonado	655
3.	Eatonville	2,380
4.	Milton	5,695 in Pierce County; +825 in King County
5.	Orting	5,940
6.	Pacific	110 in Pierce County; +5,945 in King County
7.	Roy	870
8.	Ruston	750
9.	South Prairie	440
10.	Steilacoom	6,220
11.	Wilkeson	455

Position Two

Position Two represents the larger eleven cities and towns in population.

1.	Auburn	6,170 in Pierce County; +44,030 in King County
2.	Bonney Lake	15,740
3.	DuPont	7,045
4.	Edgewood	9,560
5.	Fife	7,180
6.	Fircrest	6,270
7.	Gig Harbor	6,780
8.	Lakewood	58,950
9.	Puyallup	36,790
10.	Sumner	9,035
11.	University Place	31,300

Appointment process:

1. Nominations are needed from cities/towns.
2. Ballots are created, sent to cities/towns for action from its council, and sent back to the PCRC clerk.
3. The clerk counts the ballots and the PCRC Chair and clerk verify the appointment.