

Gig Harbor City Council Meeting

**January 26, 2009
6:00 p.m.**



**AGENDA FOR
GIG HARBOR CITY COUNCIL MEETING
January 26, 2009 – 6:00 p.m.**

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meetings: a) Jan. 12, 2009; b) Jan. 15, 2009.
2. Receive and File: a) Municipal Court Year-End Report; b) GHPD Monthly Report for December; c) Quarterly Finance Report.
3. Liquor License Renewals: a) El Pueblito; Albertson's; Hy lu Hee Hee; and Olympic Drive Mart; b) Liquor License Application: Forza Coffee.
4. Third Amendment to Agreement – Gig Harbor Peninsula Historical Society.
5. Eddon Boat Building Restoration – Consultant Service Contract for Construction Testing and Inspection Services.
6. Resolution No. 783 – Surplus Equipment.
7. Award of Official Newspaper Bid.
8. Approval for Hotel Motel Contracts: a) Tacoma Regional Convention & Visitors Bureau; b) Kitsap Visitors & Convention Bureau.
9. Appointment for Lodging Tax Advisory Committee 2009.
10. Addendum to Agreement for Legal Services – Morris & Taraday, P.C.
11. Gig Harbor Senior Estates: Release of Encumbrances.
12. WWTP Outfall Extension – US Coast Guard Easement for Sewage Outfall Pipeline.
13. Pierce County Stormwater Mapping Inventory Service Agreement – Amendment No. 1.
14. Canterwood Boulevard – Change Order No. 2.
15. SR-16 Burnham/Borgen Interchange Supplemental Agreement No. 3 Local Agency Standard Consultant Agreement – Interchange Traffic Modeling & IJR Document.
16. Approval of Payment of Bills for Jan. 26, 2009: Checks #59932 through #60100 in the amount of \$2,135,406.53.

PRESENTATIONS: Community Hero Award – Gary Glein.

OLD BUSINESS: None scheduled.

NEW BUSINESS:

1. Public Hearing and First Reading of Ordinance – Gross Floor Area Definition.
2. First Reading of Ordinance - Acceptance of the 96th Street Annexation.
3. Olympic / 56th Improvement Project – Change Orders.

4. Wastewater Treatment Plant Phase 1 Improvements – Construction Contract Award/Prospect Construction.
5. Wastewater Treatment Plant Phase 1 Improvements – Consultant Services Contract for Construction Testing Services/CTL, Inc.

STAFF REPORT:

1. Affordable Housing Needs Report – Jim Carney.

PUBLIC COMMENT:

MAYOR’S REPORT / COUNCIL COMMENTS:

ANNOUNCEMENT OF OTHER MEETINGS:

1. Planning & Building Committee – Monday, Feb. 2nd, at 5:15 p.m. in Planning & Building Conf. Room.
2. Joint LTAC / City Council Meeting: Mon. Feb. 2nd at 6:00 p.m.
3. GH North Traffic Options Committee – Wednesday, Feb. 25th, at 9:00 a.m. in Community Rooms A & B.

EXECUTIVE SESSION: To discuss potential litigation per RCW 42.30.110(1)(i); property acquisition per RCW 42.30.110(b) and Guild Negotiations per RCW 42.30.140(4)(a).

ADJOURN:

GIG HARBOR CITY COUNCIL MEETING OF JANUARY 12, 2009

PRESENT: Councilmembers Ekberg, Young, Franich, Malich, Kadzik, and Mayor Hunter. Councilmember Payne arrived later in the meeting and Councilmember Conan was absent.

CALL TO ORDER: 6:00 p.m.

PLEDGE OF ALLEGIANCE:

The Mayor announced the need to amend the agenda to move the Workstudy Session to up under Staff Reports to meet legal meeting requirements. He also said that the Executive Session has been moved to the end of the meeting and amended to discuss a personnel matter only.

CONSENT AGENDA:

1. Approval of the Minutes of: a) Special City Council Meeting of December 1, 2008; b) Special City Council Meeting of December 15, 2008; and c) City Council Meeting of Dec. 8th, 2008.
2. Receive and File: a) FEMA Mitigation Plan Approval; b) Memorandums on Contracts for Utility Comp Plans; c) GHPD Monthly Report for November.
3. Correspondence / Proclamations: Pierce County READS.
4. Liquor License Renewals: Thai Hut; Cigar Land; Gig Harbor Chevron; Brix 25 Restaurant; Kimball Espresso Gallery; and Fondi.
5. Resolution No. 781- Amending the Arts Commission Meeting Time.
6. Resolution No. 782 - Rejecting All Bids on the Skansie Reservoir Repainting Project.
7. Pierce County Historic Preservation Grant Agreement – City Park Re-Roofing Project.
8. Healthy Harbor Contract: Beth Wolfe DBA Wolfe Events NW LLC.
9. WSDOT Interlocal Agreement for Geotechnical Services for BB16/Hospital Mitigation Improvements, Phase 2.
10. Well No. 10 Drilling Project - Construction Contract Award.
11. Canterwood Blvd. Change Order No. 1 – Delete Work at Wetland 1.
12. Cash Set Aside Agreement with Franciscan Health System.
13. Approval of Payment of Bills for January 12, 2009: Checks #59655 through #59931 in the amount of \$2,343,424.15.
14. Approval of Payroll for the month of December: Checks #5312 through #5336 and direct deposits in the amount of: \$339,251.62.

Councilmember Malich asked that Consent Agenda item Number 6 regarding the rejection of bids on the Skansie Reservoir Repainting move to new business.

MOTION: Move to adopt the Consent Agenda as amended.
Young / Ekberg – unanimously approved.

PRESENTATIONS: Proclamation: Pierce County READS – Lynn Zeiher.

Mayor Hunter presented Ms. Zeiher with the signed proclamation. Ms. Zeiher thanked the Mayor and Council and passed out items to promote the book “*Three Cups of Tea*,” currently being used in the program to encourage reading in Pierce County.

OLD BUSINESS: None scheduled.

NEW BUSINESS:

1. Interim Financing for Wastewater Treatment Plant Expansion Project. David Rodenbach, Finance Director, gave a brief overview of the information and background on interim financing.

David Trageser of D.A. Davidson provided options and answered questions. He recommended putting the interim financing at abeyance for now.

After discussion, Council agreed with this recommendation. Staff was directed to keep a close eye on any legislation on the Public Works Trust Fund and keep tabs on the bond market to move quickly if the need arises.

Mayor Hunter stressed the need for a draw schedule from the contractor awarded the bid for the project in order to plan for funding.

2. Public Meeting – Rossi Annexation. Tom Dolan, Planning Director, explained that he received an e-mail from the property owner asking that this be removed from consideration to give more time to clear up the sewer issues.

3. Mayor Pro Tem / Council Committees – 2009. Mayor Hunter presented the recommended Council Committees for 2009.

MOTION: Move to accept these appointments for the Council Committees and to recommend Derek Young for Mayor Pro Tem.
Ekberg / Kadzik – unanimously approved.

4. Public Hearing - Latecomers Agreement – Olympic Property Group. David Stubchaer, Public Works Director, explained that an error in the calculations for the latecomer’s fees had been identified and suggested that this be brought back at the January 26th meeting after corrections had been made.

Because this agenda item had been advertised as a public hearing Mayor Hunter opened the public hearing at 6:51 p.m.

John Chadwell – Olympic Property Group. Mr. Chadwell said that he would be happy to get together with staff to correct the error to bring back at the next meeting.

There were no further public comments and the public hearing closed at 6:54 p.m. Councilmember Payne came into the meeting at this time.

Mr. Stubchaer and Mr. Chadwell addressed questions regarding the methodology for developing the data.

A letter from Tom Sturgeon was read into the record. Mr. Sturgeon agreed to the assessment but voiced a desire to pay on a lot by lot basis after it is short plated.

Mr. Chadwell explained that none of the other assessments had been set up in this manner and clarified that this had not been discussed during any of their meetings.

5. Eddon Boat Change Order Authority. David Stubchaer presented the information for this recommendation for change order authority to meet the June 30, 2009 completion date.

Council requested that any change order activity be included in the council agenda in a "receive and file" report.

MOTION: Move to authorize the Public Works Director to approve change orders for work under the Eddon Boat Building Restoration contract, in an aggregate amount not to exceed the available grant funds for the project.
Malich / Payne – five voted in favor. Councilmember Franich voted no.

6. Resolution No. 782 - Rejecting All Bids on the Skansie Reservoir Repainting Project. David Stubchaer explained that the low bidder wanted to use a substitute paint project and rather than go to the second low bidder, it was decided to clarify the specifications and rebid the project.

MOTION: Move to adopt Resolution No. 782 rejecting all bids on the Skansie Reservoir Repainting Project.
Malich / Franich – unanimously approved.

STAFF REPORT:

1. 2009 Comprehensive Plan Amendment - Grandview / Stinson: Process and Schedule. Tom Dolan first explained that Council could initiate a Comp Plan Amendment. He then reported that the Planning Commission would do the best they could, but at this point he anticipates that the Comp Plan Amendments for 2009 will be before Council in November or December. He added that he met with Mike Paul and Carl Halsan who have indicated that they are willing to wait if Council wishes to bring this forward as a Comp Plan Amendment in 2009, but they want the amendment that came before Council in November as the proposed amendment.

2. Snow Event Report. David Stubchaer summarized the report from the Public Works Crew and gave an overview of overtime costs. Rob Karlinsey addressed questions on the Declaration of Emergency explaining that this action would allow the city to apply for FEMA funding.

Council complimented the crew for a job well done during the storm events.

3. Canterwood Annexation Update. Tom Dolan explained that the review had not been completed and due to the complexity of the issues, recommended that a full report come back to Council at the second meeting in February. He said that staff met with Russell Tanner from Canterwood who understands that this will be a two-year process to get the zoning in place and to address other issues such as fire-flow.

Rob Karlinsey added that staff is working on an annexation development model as a helpful tool to evaluate future annexations.

Mr. Dolan then announced that the 96th Street Annexation would be coming to Council at the next meeting and should be complete by February 20th. The Burnham / Sehmel Annexation is currently at the Boundary Review Board and should come before Council at the end of February and be completed by the end of March. Both annexations will add 600+ new acres to the city limits.

4. Downtown Business Strategy – Rod Stevens. Mayor Hunter said that the group would move into the community rooms for this presentation.

MAYOR’S REPORT / COUNCIL COMMENTS:

Mayor Hunter welcomed Angela Belbeck, the city’s new legal counsel from Ogden Murphy and Wallace.

PUBLIC COMMENT:

Jack Bujacich – 3607 Ross Avenue. Mr. Bujacich agreed with what was said about the job well done by the Public Works Crew during the recent storm events. He said that they did an outstanding job.

Bill Fogerty – 3614 Butler Drive3614 Butler Drive. Mr. Fogerty also praised the efforts of the Public Works Crew. He then added that he witnessed two children fall in front of Spiros, and other people slipping and falling at the Post Office. He requested that the city put some “teeth” into the regulation for sidewalk clearing.

Council and staff moved into the community rooms for the presentation by Rod Stevens on the Downtown Business Strategy.

Rob Karlinsey thanked Rod Stevens and the Ad Hoc Committee and introduced the members present: Al Takas, Julie Amman, Lee Desta, Steve Lynn, Eric Meyer, Bob

Dragoo, Chris Amman, and Mike Fisher. Ad Hoc Committee members who couldn't be present: John Moist, Julie Tapero, and Jason DuPuis.

Rod Stevens began the presentation by complimenting the process of working with the Ad Hoc Committee. He stressed the downtown's importance to the city's economic development future and acknowledged that these are terrible times for retail. He asked the question "Where is Gig Harbor going to be in five years...a bedroom community for Tacoma or a destination in its own rights?"

Rod gave an overview of the strategy five principals: 1) A Gathering Place; 2) Walk to Coffee; 3) Reward Renovation; 4) Make Gilich a Lane; and 5) Leverage the Public Places.

After discussing the need to play on the authentic qualities of Gig Harbor, create more things to do downtown and creating new jobs, Rod presented a list of things to do move forward in the next 6-12 months:

- Consolidate plans and coordinate efforts.
- Talk with the landowners.
- Create a Citizen's Planning Committee for the harbor.
- Look for money.
- Spend money on small, tangible improvements.
- Create a target list of businesses.

The group discussed ways to keep the character of the downtown and the need to revise the city code to encourage and reward renovation. Rod stressed the need to envision what you want the downtown to become and then work backwards from there. There was discussion on the importance of having a "non-governmental" organization to act in a leadership role. Rod finalized by saying we have the ability to talk to each other which is an important starting point.

The Council and staff moved back into the Council Chambers to continue the meeting.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Operations and Public Projects: Thu. Jan. 15th at 3:00 p.m.
2. SR16/Burnham Dr/Borgen Boulevard Interim Improvements Public Meeting: Jan. 21st at 3:30 p.m.
3. Boards and Commission Candidate Review Committee – Mon. Jan. 26th at 4:30 p.m.
4. GH North Traffic Options Committee – Wed., Feb. 25, at 9:00 a.m. in Community Rooms A & B.

EXECUTIVE SESSION: To discuss potential litigation per RCW 42.30.110(1)(i).

MOTION: Move to adjourn to Executive Session at 8:35 p.m. for approximately fifteen minutes to discuss a personnel matter per RCW 42.30.140(4)(a).
Payne / Kadzik – unanimously approved.

MOTION: Move to go back into regular session at 8:50 p.m.
Conan / Payne – unanimously approved.

ADJOURN:

MOTION: Move to adjourn at 8:50 p.m.
Kadzik / Ekberg – unanimously approved.

CD recorder utilized:
Tracks 1001 – 1030

Charles Hunter, Mayor

Molly Towslee, City Clerk

GIG HARBOR CITY COUNCIL SPECIAL MEETING
January 15, 2009 – 5:00 p.m.

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

CALL TO ORDER: 5:12 p.m.

PLEDGE OF ALLEGIANCE:

NEW BUSINESS:

1. Settlement Agreement and Promissory Note – Harbor Cove. Steve Misiurak, City Engineer, presented the background information. He said that both staff and legal counsel recommend approval of the Settlement Agreement.

Rob Karlinsey, City Administrator, briefly went over the payment schedule for the agreement, with the final payment to be received by December 31, 2009.

There was discussion on the terms of the settlement agreement and payment schedule.

MOTION: Move to approve the Settlement Agreement and Mutual Release and Promissory Note as presented.
Ekberg / Conan – unanimously approved.

There was further discussion on the placement of signage at the shoreline to prevent disturbing the cap on contaminated soils for at least five years.

Legal Counsel Bill Joyce called into the meeting at 5:18 p.m. to answer any questions.

ADJOURN:

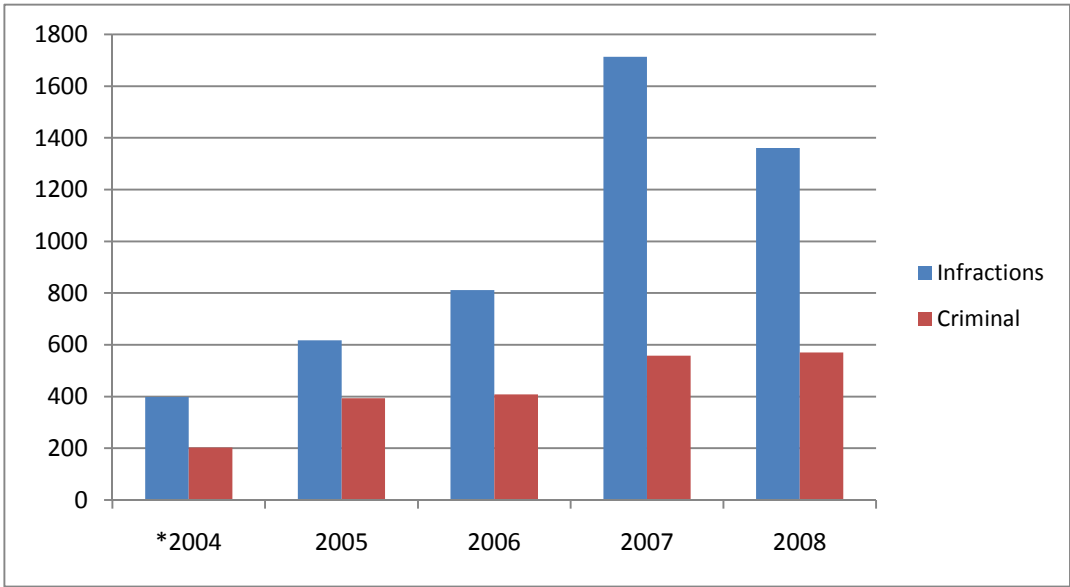
MOTION: Move to adjourn at 5:23 p.m.
Conan / Kadzik – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1001

Charles Hunter, Mayor

Molly Towslee, City Clerk

Gig Harbor Municipal Court: Annual Caseload Filing Data

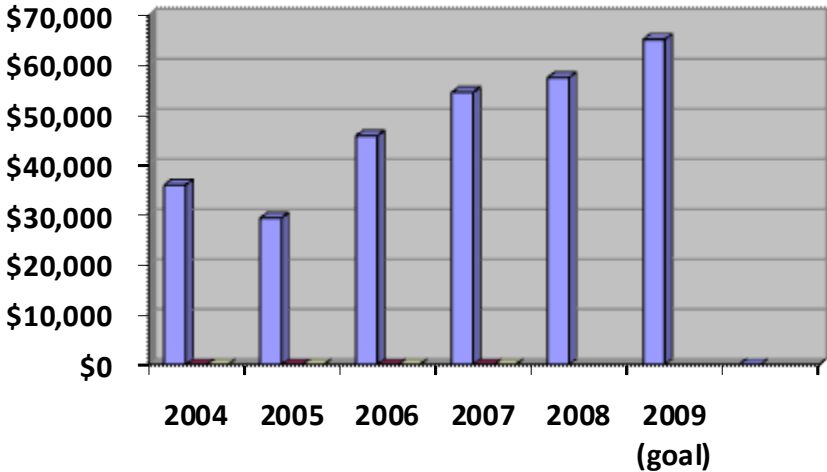


Infraction
Violations: 398 617 811 1,713 1,361

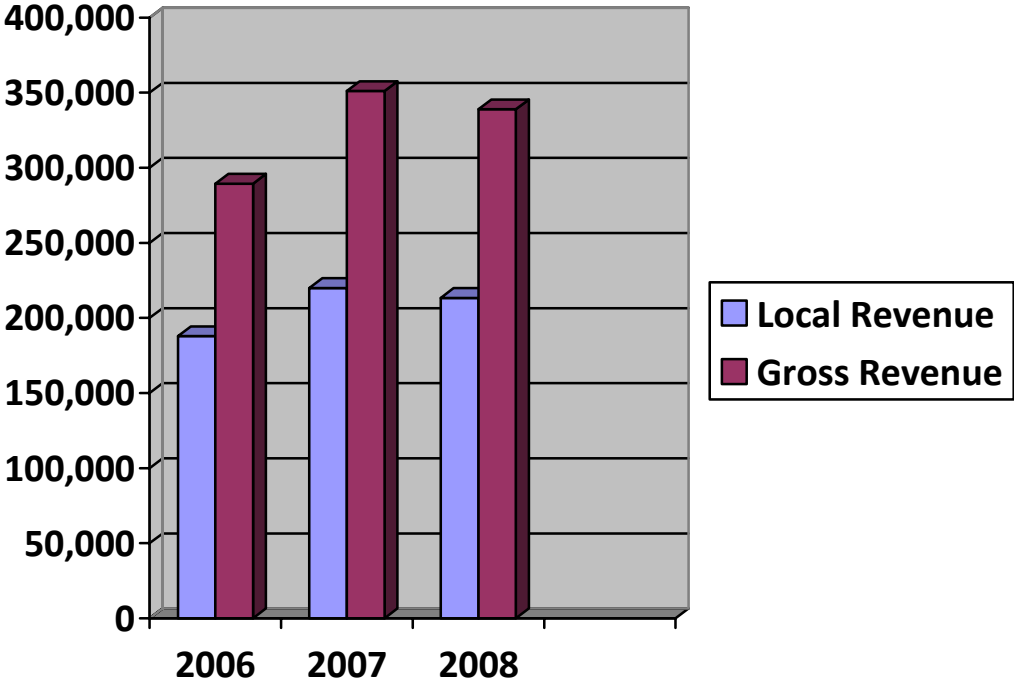
Criminal
Violations: 203 394 408 558 570

*2nd Court Clerk hired.

Annual: Court Collections (not gross or local revenue)



Court Revenue:



	2006	2007	2008
Local Revenue	187,883	219,888	213,323
Gross Revenue	289,368	351,103	338,887

Much of the slight dip in gross revenue is the direct result of reduced infraction filings. *Local Revenue is revenue that remains within the city. Much of traffic infraction revenue is shared with various Washington State agencies. The City of Gig Harbor retains 47% of the revenue collected on the typical traffic infraction.



POLICE

TO: MAYOR CHUCK HUNTER AND CITY COUNCIL
 FROM: CHIEF OF POLICE MIKE DAVIS
 SUBJECT: GHPD 2008 END OF YEAR REPORT
 DATE: JANUARY 26, 2009

DEPARTMENTAL ACTIVITIES

- 2008 YTD **calls for service** when compared to 2007 YTD **calls for service** show an increase of 2841 dispatched calls. This is a dramatic increase of over 53%!
- In 2008 we had 303 more **reports written** by our officers than in 2007 YTD. Our demand for services has increased dramatically, which may account for the decrease in other officer initiated activity such as traffic infractions. We have also been down one position since the first of the year and a second position since September.
- **DUI arrests** for 2008 YTD were down by one (1) compared to 2007 YTD. Our **traffic infractions** were down 265 this year; and our **criminal traffic citations** were up by 72. Statistics show our 2008 YTD **traffic accidents** have increased by 43 accidents when compared to 2007 YTD. Thankfully, most of the accidents continue to be non-injury.
- 2008 YTD statistics show our **misdemeanor** arrests are up by 97 and our **felony arrests** are up by 43 when compared to 2007.

Category	December 2008					
	December 2007	December 2008	Change	YTD 2007	YTD 2008	Change
Calls for Service	236	683	447	5365	8206	2841
General Reports	72	130	58	1785	2088	303
Criminal Traffic	10	16	6	233	305	72
Infractions	46	92	46	1505	1243	-262
Criminal Citations	5	8	3	229	183	-46
Warrant Arrests	5	1	-4	101	44	-57
Traffic Reports	11	16	5	167	209	42
DUI Arrests	3	1	-2	73	72	-1
Misdemeanor Arrests	15	29	14	386	483	97
Felony Arrests	4	7	3	45	88	43
FIR's	0	0	0	28	12	-16

The Reserve Unit provided a total of 29 hours of support to our regular officers in December. Ed Santana—14 hours, Lori Myers—0 hours, Kris Johnson—15 hours

COPS volunteer Ken McCray volunteered 5 hours in the month of December and Connie Easley had over 40 hours donated, much of it connected to our Holiday Helpers Program. Connie was very instrumental in filling in for CSO Lynn Mock during her medical leave.

During the month of December the **Marine Services Unit (MSU)** had the following hours and activities: Lighted Boat Parade, one officer for three hours and training with our new patrol boat, two officers for a total of four hours

Below are the officer response times for our Priority 1, 2 and 3 calls for December 2008 YTD. Priority 1 calls are the most serious calls and usually involve an in-progress crime. Our 2008 end of year average response time to all calls was 6.67 seconds. Our 2008 performance measure goal for average response time to all calls was 7.00 seconds, so we did very well with this performance measure, especially considering the short staffing we experienced the last half of the year.

2008 December YTD
Response Times

	P1	P2	P3	
January	4.5	7.7	10.2	
February	4.6	7.3	9.1	
March	3	7.2	8	
April	3.52	7.48	10	
May	0.03	6.7	9.7	
June	3.4	6.7	9.2	
July	3.3	6.8	10.3	
August	2.97	7.39	9.09	
September	4.4	6.65	9.02	
October	2.33	6.68	7.19	
November	4.07	7.55	9.19	
December	3.9	9.9	11	
Totals	40.02	88.05	111.99	
Minutes	3.34	7.34	9.33	YTD

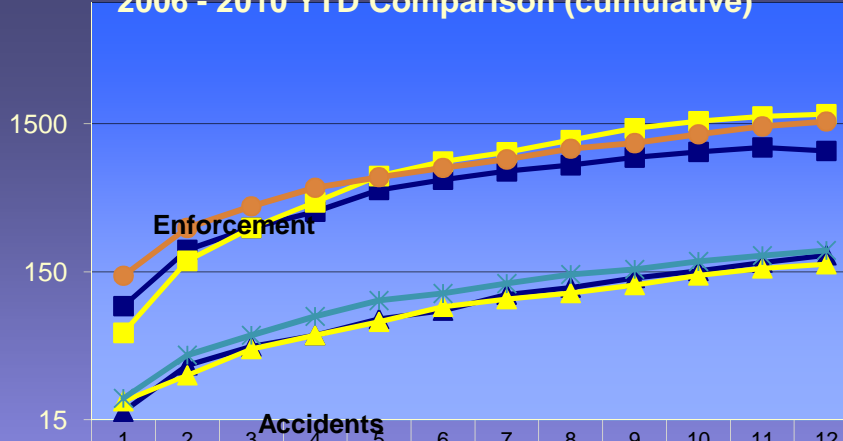
TRAFFIC ACCIDENTS FOR DECEMBER 2008					
DATE	TIME	LOCATION	TYPE	CASE#	AGE
12/1/2008	1100	Borgen Blvd at 51st ave	H&R-R/A	GH081555	
12/2/2008	2010	4641 Point Fosdick Dr	H&R-P-Lot	GH081560	
12/5/2008	1735	Point Fosdick Dr at Olympic DR	INJ-INT	GH081577	42
12/7/2008	1336	9900 blk of Brunham DR	Non	GH081583	26
12/9/2008	1420	4800 blk Rosedale St	Non	GH081587	17
12/10/2008	900	4831 Point Fosdick Dr	H&R-P-Lot	GH081585	
12/11/2008	1631	4800 blk Point Fosdick Dr	Non	GH081598	48
12/12/2008	1809	38th Ave at 56th ST	INJ-INT	GH081601	41
12/13/2008	1040	Pioneer Way at Stinson Ave	Non	GH081603	20
12/13/2008	2315	6750 Kimball Way	H&R	GH081607	
12/14/2008	1046	3519 Harborview Dr	INJ-Private Prop	GH081608	53
12/14/2008	1800	56th St at 38th Ave	H&R-INT	GH081610	19
12/14/2008	1821	Borgen Blvd at Peacock Hill Ave	H&R/ R/A	GH081611	
12/16/2008	604	4800 Blk Borgen Blvd	INJ	GH081615	89
12/16/2008	1455	5101 Rosedale St	P-Lot	GH081617	16
12/18/2008	1240	11000 Blk of Burnham Blvd	Non	GH081623	42
12/18/2008	1235	2900 Blk of Harborview DR	H&R	GH081624	
12/18/2008	1800	7633 Beardsley	H&R-Private Prop	GH081625	
12/18/2008	1400	5300 blk of Borgen Blvd	H&R-P-Lot	GH081626	
12/20/2008	1613	Vernhardson St at Milton Ave	Non-Private Prop	GH081629	33
12/23/2008	2334	5100 Blk of Olympic Dr	INJ-DUI-Reckless	GH081636	22
12/23/2009	2333	Olympic Dr at SR 16	H&R	GH081635	
12/25/2008	2019	10300 Blk of Peacock Hill Ave	INU-DUI-Veh Assault	GH081638	22
12/26/2008	1500	10990 Harbor Hill Dr	H&R-P-Lot	GH081640	74
12/28/2008	1555	Wollochet Dr at Hunt St	Non	GH081649	16
12/28/2008	2000	7314 Stinson Ave	H&R-P-Lot	GH081651	24
12/30/2008	1820	11330 51st Ave	H&R-P-Lot	GH081658	16
12/31/2008	1230	5000 blk Olympic Dr	Non Inj	GH081661	44
12/30/2008	1930	56th St at 32nd Ave	INT-Non	GH081665	37

Accident Summary:

- 29-Total collisions
- 5- Injury collisions (two serious)
- 18- Non-Injury collisions
- 7-parking lot collisions

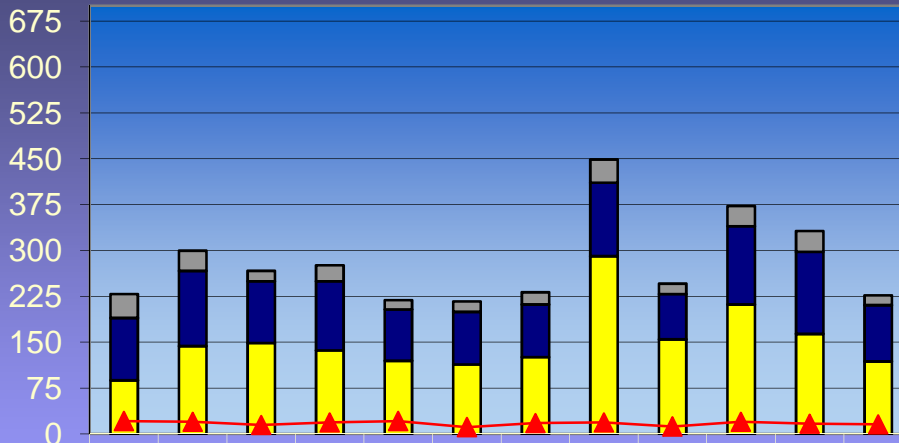
Trends: Traffic Enforcements vs. Accidents 2006 - 2010 YTD Comparison (cumulative)

Consent Agenda - 2b



2006 Infractions + Citations	88	211	297	382	536	628	717	788	888	970	1038	985
2007 Infractions + Citations	58	178	297	442	665	833	961	1164	1396	1563	1682	1738
2008 Infractions + Citations	141	297	415	554	653	756	862	1020	1111	1272	1440	1553
2009 Infractions + Citations												
2010 Infractions + Citations												
2006 reportable accidents	17	35	47	56	72	82	105	117	136	152	173	194
2007 reportable accidents	20	30	45	56	69	87	98	108	122	142	158	169
2008 reportable accidents	21	41	56	75	96	107	125	144	156	176	193	209
2009 reportable accidents												
2010 reportable accidents												

Annual Traffic Enforcement vs. Accidents Comparison Monthly Totals



Criminal Traffic Citations	39	33	17	26	15	17	20	38	17	33	34	16
Infractions	102	123	101	113	84	86	86	120	74	128	134	92
Verbal Warnings	88	144	149	137	120	114	126	291	155	212	164	119
Accidents	21	20	15	19	21	11	18	19	12	20	17	16



TO: MAYOR HUNTER AND CITY COUNCIL
FROM: DAVID RODENBACH, FINANCE DIRECTOR *DR*
DATE: JANUARY 26, 2009
SUBJECT: 2008 FOURTH QUARTER FINANCE REPORT

The 2008 fourth quarter financial reports are attached.

Total resources for all funds (revenues and beginning fund balances) came in at 79% of the 2008 annual budget. Annual revenues (excluding beginning fund balances) were 73% and expenditures (excluding ending fund balances) were 68% of the annual budget.

General fund revenues (excluding beginning balance) were 89% of budget in 2008, while general fund expenditures were 87% of budget. Sales taxes came in at 91% of budget, while utility taxes came in at 95% of budget. Development fees came in at \$1 million which was about 56% of budget. General fund expenditures were within the 2008 annual budget.

The Street Operating Fund ended 2008 with expenditures coming in at 96% of budget as amended.

2008 Hotel-Motel taxes collected were \$265,214 (\$272,975 in 2007 and \$228,953 in 2006) while related tourism expenditures were \$296,260.

The Civic Center Debt Reserve Fund had interest earnings of \$102,000 and has an ending fund balance of \$3,922,000 (This ending balance includes an account receivable from the Park Development Fund in the amount of \$1,040,098).

Water, Sewer and Storm operating revenues were 95%, 100% and 93% of budget (excluding beginning fund balances and year-end accruals); and Water, Sewer and Storm expenses (excluding ending fund balances) were 74%, 84% and 73% of budget.

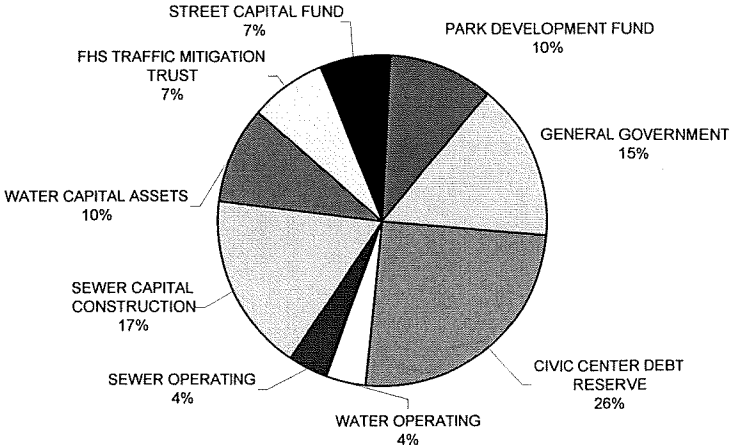
CITY OF GIG HARBOR
 CASH AND INVESTMENTS
 YEAR TO DATE ACTIVITY
 AS OF DECEMBER 31, 2008

FUND NO.	DESCRIPTION	BEGINNING BALANCE	REVENUES	EXPENDITURES	OTHER CHANGES	ENDING BALANCE
001	GENERAL GOVERNMENT	\$ 3,406,538	\$ 9,919,190	\$ 11,471,720	\$ (103,185)	\$ 1,750,824
101	STREET FUND	353,725	2,139,772	2,328,364	(39,714)	125,420
102	STREET CAPITAL FUND	-	9,398,432	8,796,256	217,000	819,176
105	DRUG INVESTIGATION FUND	89,645	15,157	29,535	(560)	74,707
107	HOTEL-MOTEL FUND	226,392	270,473	296,260	(10,297)	190,308
108	PUBLIC ART CAPITAL PROJECTS	91,911	7,498	-	-	99,409
109	PARK DEVELOPMENT FUND	10,836	4,619,737	3,578,832	109,558	1,161,300
110	CIVIC CENTER DEBT RESERVE	3,820,228	101,972	1,040,098	-	2,882,102
208	LTGO BOND REDEMPTION	22,484	3,338,811	3,315,491	-	45,803
209	2000 NOTE REDEMPTION	36,935	159,415	191,000	-	5,350
210	LID NO. 99-1 GUARANTY	91,885	2,490	-	-	94,375
211	UTGO BOND REDEMPTION	90,654	308,971	265,691	-	133,933
301	PROPERTY ACQUISITION FUND	9,786	212,259	100,000	-	122,045
305	GENERAL GOVT CAPITAL IMPR	65,195	209,113	100,000	-	174,308
309	IMPACT FEE TRUST	843,850	884,228	1,719,000	(587)	8,492
401	WATER OPERATING	369,180	936,886	795,907	(64,675)	445,483
402	SEWER OPERATING	356,181	2,106,992	1,890,750	(128,733)	443,691
407	UTILITY RESERVE	183,169	4,964	-	-	188,133
408	UTILITY BOND REDEMPTION	6,680	311,281	317,037	(188)	736
410	SEWER CAPITAL CONSTRUCTION	2,393,486	2,998,799	3,404,049	4,462	1,992,698
411	STORM SEWER OPERATING FUND	65,002	751,085	579,025	(40,269)	196,792
420	WATER CAPITAL ASSETS	609,524	826,836	373,257	23,981	1,087,084
605	LIGHTHOUSE MAINTENANCE TRUST	2,033	55	-	-	2,088
607	EDDON BOATYARD TRUST	284,055	2,011	-	(104,402)	181,664
608	FHS TRAFFIC MITIGATION TRUST	44,161	2,150,053	1,355,291	-	838,922
631	MUNICIPAL COURT	-	128,331	128,331	7,457	7,457
		\$ 13,473,535	\$ 41,804,809	\$ 42,075,893	\$ (130,152)	\$ 13,072,301

COMPOSITION OF CASH AND INVESTMENTS
 AS OF DECEMBER 31, 2008

	MATURITY	RATE	BALANCE
CASH ON HAND			\$ 1,300
CASH IN BANK			293,063
LOCAL GOVERNMENT INVESTMENT POOL		2.3892%	12,777,938
			<u>\$ 13,072,301</u>

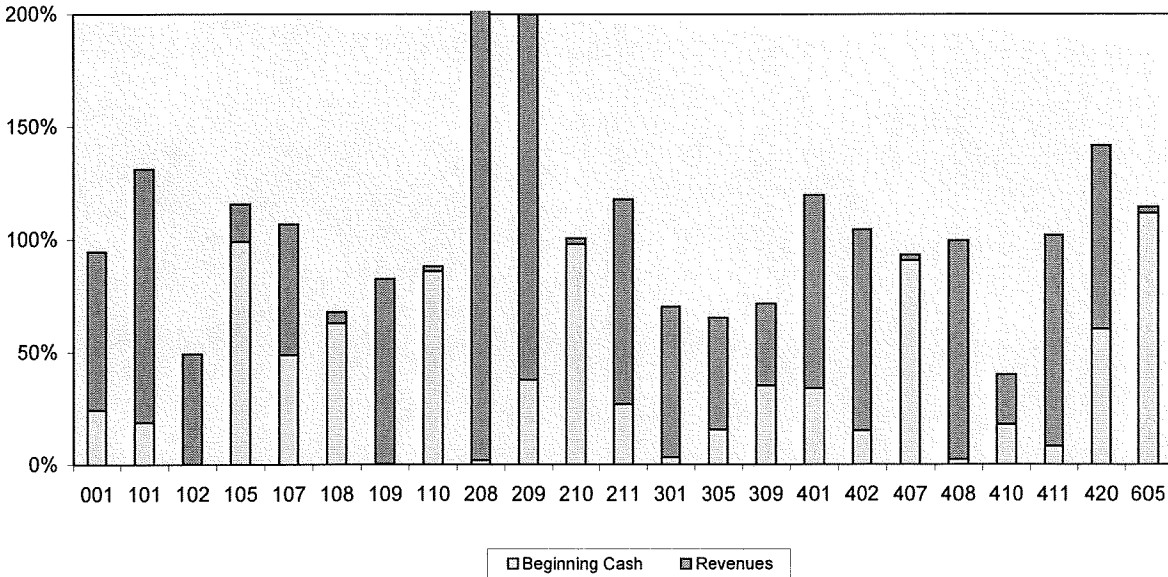
Ending Cash Balances by Fund



**CITY OF GIG HARBOR
YEAR-TO-DATE RESOURCE SUMMARY
AND COMPARISON TO BUDGET
AS OF DECEMBER 31, 2008**

FUND NO.	DESCRIPTION	ESTIMATED RESOURCES	ACTUAL Y-T-D RESOURCES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT	\$ 14,093,305	\$ 13,325,729	\$ 767,576	95%
101	STREET FUND	1,900,521	2,493,497	(592,976)	131%
102	STREET CAPITAL FUND	19,075,178	9,398,432	9,676,746	49%
105	DRUG INVESTIGATION FUND	90,655	104,802	(14,147)	116%
107	HOTEL-MOTEL FUND	465,971	496,865	(30,894)	107%
108	PUBLIC ART CAPITAL PROJECTS	146,507	99,409	47,098	68%
109	PARK DEVELOPMENT FUND	5,614,108	4,630,574	983,534	82%
110	CIVIC CENTER DEBT RESERVE	4,452,300	3,922,200	530,100	88%
208	LTGO BOND REDEMPTION	1,224,093	3,361,295	(2,137,202)	275%
209	2000 NOTE REDEMPTION	98,145	196,350	(98,205)	200%
210	LID NO. 99-1 GUARANTY	93,686	94,375	(689)	101%
211	UTGO BOND REDEMPTION	338,704	399,624	(60,920)	118%
301	PROPERTY ACQUISITION FUND	316,088	222,045	94,043	70%
305	GENERAL GOVT CAPITAL IMPR	420,584	274,308	146,276	65%
309	IMPACT FEE TRUST	2,414,156	1,728,078	686,078	72%
401	WATER OPERATING	1,091,135	1,306,065	(214,930)	120%
402	SEWER OPERATING	2,359,923	2,463,174	(103,251)	104%
407	UTILITY RESERVE	202,020	188,133	13,887	93%
408	UTILITY BOND REDEMPTION	319,219	317,960	1,259	100%
410	SEWER CAPITAL CONSTRUCTION	13,468,640	5,392,284	8,076,356	40%
411	STORM SEWER OPERATING FUND	801,621	816,087	(14,466)	102%
420	WATER CAPITAL ASSETS	1,015,105	1,436,360	(421,255)	141%
605	LIGHTHOUSE MAINTENANCE TRUST	1,826	2,088	(262)	114%
607	EDDON BOATYARD TRUST		286,066	(286,066)	
608	FHS TRAFFIC MITIGATION TRUST		2,194,213	(2,194,213)	
631	MUNICIPAL COURT		128,331	(128,331)	
		\$ 70,003,490	\$ 55,278,344	\$ 14,725,146	79%

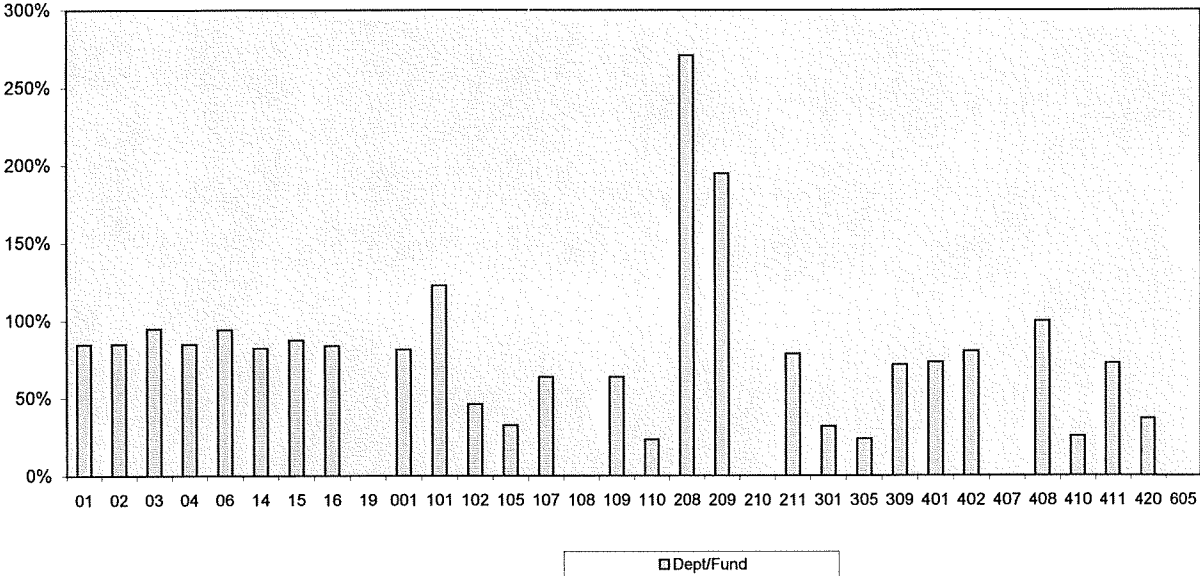
Resources as a Percentage of Annual Budget



**CITY OF GIG HARBOR
YEAR-TO-DATE EXPENDITURE SUMMARY
AND COMPARISON TO BUDGET
FOR PERIOD ENDING DECEMBER 31, 2008**

FUND NO.	DESCRIPTION	ESTIMATED EXPENDITURES	ACTUAL Y-T-D EXPENDITURES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT				
01	NON-DEPARTMENTAL	\$ 4,428,903	\$ 3,750,636	\$ 678,267	85%
02	LEGISLATIVE	34,100	28,936	5,164	85%
03	MUNICIPAL COURT	441,495	418,295	23,200	95%
04	ADMINISTRATIVE/FINANCIAL	1,587,549	1,346,376	241,173	85%
06	POLICE	3,266,530	3,076,431	190,099	94%
14	COMMUNITY DEVELOPMENT	2,106,170	1,729,606	376,564	82%
15	PARKS AND RECREATION	937,900	819,744	118,156	87%
16	BUILDING	360,700	301,695	59,005	84%
19	ENDING FUND BALANCE	929,958	-	929,958	
001	TOTAL GENERAL FUND	14,093,305	11,471,720	2,621,585	81%
101	STREET FUND	1,900,521	2,328,364	(427,843)	123%
102	STREET CAPITAL FUND	19,075,178	8,796,256	10,278,922	46%
105	DRUG INVESTIGATION FUND	90,655	29,535	61,120	33%
107	HOTEL-MOTEL FUND	465,971	296,260	169,711	64%
108	PUBLIC ART CAPITAL PROJECTS	146,507	-	146,507	
109	PARK DEVELOPMENT FUND	5,614,108	3,578,832	2,035,276	64%
110	CIVIC CENTER DEBT RESERVE	4,452,300	1,040,098	3,412,202	23%
208	LTGO BOND REDEMPTION	1,224,093	3,315,491	(2,091,398)	271%
209	2000 NOTE REDEMPTION	98,145	191,000	(92,855)	195%
210	LID NO. 99-1 GUARANTY	93,686	-	93,686	
211	UTGO BOND REDEMPTION	338,704	265,691	73,013	78%
301	PROPERTY ACQUISITION FUND	316,088	100,000	216,088	32%
305	GENERAL GOVT CAPITAL IMPR	420,584	100,000	320,584	24%
309	IMPACT FEE TRUST	2,414,156	1,719,000	695,156	71%
401	WATER OPERATING	1,091,135	795,907	295,228	73%
402	SEWER OPERATING	2,359,923	1,890,750	469,173	80%
407	UTILITY RESERVE	202,020	-	202,020	
408	UTILITY BOND REDEMPTION	319,219	317,037	2,182	99%
410	SEWER CAPITAL CONSTRUCTION	13,468,640	3,404,049	10,064,591	25%
411	STORM SEWER OPERATING FUND	801,621	579,025	222,596	72%
420	WATER CAPITAL ASSETS	1,015,105	373,257	641,848	37%
605	LIGHTHOUSE MAINTENANCE TRUST	1,826	-	1,826	
607	EDDON BOATYARD TRUST	-	-	-	
608	FHS TRAFFIC MITIGATION TRUST	-	1,355,291	(1,355,291)	
631	MUNICIPAL COURT	-	128,331	(128,331)	
		\$ 70,003,490	\$ 42,075,893	\$ 27,927,597	60%

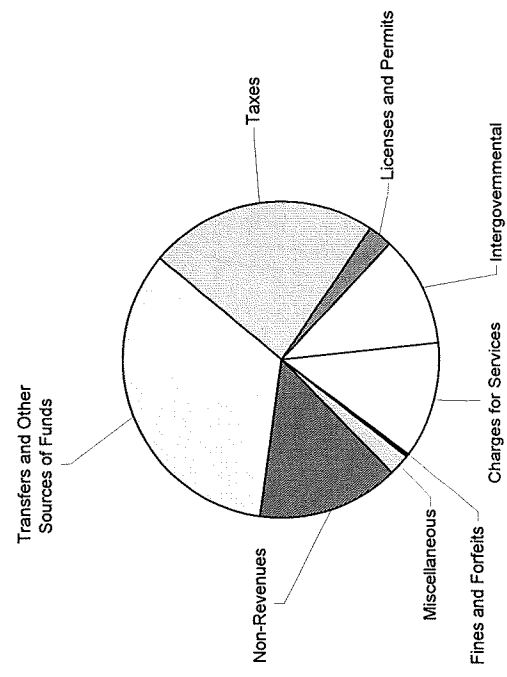
Expenditures as a Percentage of Annual Budget



CITY OF GIG HARBOR
 YEAR-TO-DATE REVENUE SUMMARY
 BY TYPE
 FOR PERIOD ENDING DECEMBER 31, 2008

TYPE OF REVENUE	AMOUNT
Taxes	\$ 9,767,640
Licenses and Permits	1,012,755
Intergovernmental	4,739,786
Charges for Services	4,984,749
Fines and Forfeits	129,238
Miscellaneous	991,834
Non-Revenues	6,067,411
Transfers and Other Sources of Funds	14,111,396
Total Revenues	41,804,809
Beginning Cash Balance	13,473,535
Total Resources	\$ 55,278,344

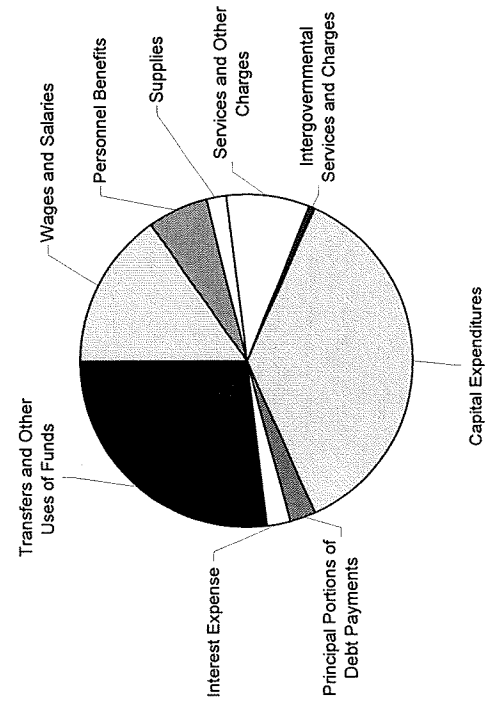
Revenues by Type - All Funds



CITY OF GIG HARBOR
 YEAR-TO-DATE EXPENDITURE SUMMARY
 BY TYPE
 FOR PERIOD ENDING DECEMBER 31, 2008

TYPE OF EXPENDITURE	AMOUNT
Wages and Salaries	\$ 6,408,308
Personnel Benefits	2,530,520
Supplies	712,900
Services and Other Charges	3,383,720
Intergovernmental Services and Charges	288,779
Capital Expenditures	15,429,553
Principal Portions of Debt Payments	1,089,817
Interest Expense	952,678
Transfers and Other Uses of Funds	11,279,620
Total Expenditures	42,075,893
Ending Cash Balance	13,072,301
Total Uses	\$ 55,148,193

Expenditures by Type - All Funds



CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2008

	SPECIAL REVENUE FUNDS														TOTAL SPECIAL REVENUE
	001 GENERAL GOVERNMENT	101 STREET	102 ST CAP	105 DRUG INVESTIGATION	107 HOTEL - MOTEL	108 PUBLIC ART PROJECTS	109 PARK DVL P FUND	110 CIVIC CTR DEBT RSRV ACQUISITION	301 PROPERTY	305 GEN GOVT CAPITAL IMP	309 IMPACT FEE TRUST FUND	605 LIGHTHOUSE MAINT	607 EDDON BOATYARD	608 FHS TRFC MITIGATION	
ASSETS															
CASH	39,346	2,784	18,367	2,653	4,267	2,229	26,037	64,619	2,736	3,908	190	47	4,079	18,838	167
INVESTMENTS	1,711,478	122,636	800,809	72,055	186,041	97,180	1,135,263	2,817,483	119,309	170,400	8,301	2,041	177,584	820,085	7,290
RECEIVABLES	1,327,355	28,414	844	-	37,175	-	-	-	-	-	-	-	-	-	-
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	3,078,179	153,634	820,020	74,707	227,483	99,409	1,161,300	2,882,102	122,045	174,308	8,492	2,088	181,664	838,922	7,457
LIABILITIES															
CURRENT	410,188	105,755	217,844	-	6,262	-	109,558	-	-	-	1,711	-	-	-	7,457
LONG TERM	4,531	13,207	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	414,720	118,962	217,844	-	6,262	-	109,558	-	-	-	1,711	-	-	-	7,457
FUND BALANCE:															
BEGINNING OF YEAR	4,215,989	223,463	-	89,085	247,008	91,911	10,836	3,820,228	9,786	65,195	841,552	2,033	179,653	44,161	-
Y-T-D REVENUES	9,919,190	2,139,772	9,398,432	15,157	270,473	7,498	4,619,737	101,972	212,259	209,113	884,228	55	2,011	2,150,053	128,331
Y-T-D EXPENDITURE	(11,471,720)	(2,328,364)	(6,796,256)	(29,535)	(296,260)	-	(3,578,832)	(1,040,098)	(100,000)	(100,000)	(1,719,000)	-	-	(1,355,291)	(128,331)
ENDING FUND BALANCE	2,663,459	34,872	602,176	74,707	221,221	99,409	1,051,742	2,882,102	122,045	174,308	6,781	2,088	181,664	838,922	-
TOTAL LIAB. & FUND BAL	3,078,179	153,634	820,020	74,707	227,483	99,409	1,161,300	2,882,102	122,045	174,308	8,492	2,088	181,664	838,922	7,457

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2008

	208	209	210	211	TOTAL
	LTGO BOND	2000 NOTE	LID 99-1	UTGO BOND	TOTAL
	REDEMPTION *****	REDEMPTION*****	GUARANTY	REDEMPTION*****	DEBT
					SERVICE
ASSETS					
CASH	\$ 1,027	\$ 120	\$ 2,116	\$ 3,003	\$ 6,266
INVESTMENTS	44,776	5,230	92,259	130,930	273,195
RECEIVABLES	-	-	-	7,770	7,770
FIXED ASSETS	-	-	-	-	-
OTHER	-	-	-	-	-
TOTAL ASSETS	45,803	5,350	94,375	141,704	287,232
LIABILITIES					
CURRENT	-	-	-	-	-
LONG TERM	-	-	-	3,670	3,670
TOTAL LIABILITIES	-	-	-	3,670	3,670
FUND BALANCE:					
BEGINNING OF YEAR	22,484	36,935	91,885	94,754	246,057
Y-T-D REVENUES	3,338,811	159,415	2,490	308,971	3,809,687
Y-T-D EXPENDITURE	(3,315,491)	(191,000)	-	(265,691)	(3,772,182)
ENDING FUND BALANCE	45,803	5,350	94,375	138,034	283,562
TOTAL LIAB. & FUND BAL	45,803	5,350	94,375	141,704	287,232

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2008

	PROPRIETARY										TOTAL
	401	402	407	408	410	411	420	TOTAL PROPRIETARY		TOTAL	
	WATER OPERATING	SEWER OPERATING	UTILITY RESERVE	UTILITY BOND REDEMPTION	SEWER CAP. CONST.	STORM SEWER OPERATING	WATER CAP. ASSETS				
ASSETS											
CASH	\$ 10,086	\$ 10,046	\$ 4,218	\$ 16	\$ 44,678	\$ 4,412	\$ 24,373	\$ 97,830	\$	\$ 294,363	
INVESTMENTS	435,397	433,645	183,915	719	1,948,020	192,380	1,062,711	4,256,788		12,777,938	
RECEIVABLES	94,294	288,982	-	-	-	128,883	-	512,159		1,913,718	
FIXED ASSETS	3,580,182	9,556,587	-	-	1,307,327	524,714	224,840	15,193,649		15,193,649	
OTHER	-	-	-	-	-	-	-	-	-	-	
TOTAL ASSETS	4,119,959	10,289,260	188,133	736	3,300,025	850,390	1,311,924	20,060,426		30,179,668	
LIABILITIES											
CURRENT	16,785	47,174	-	851,971	150,019	19,546	32,738	1,118,232		1,977,008	
LONG TERM	45,937	50,246	-	1,096,138	-	40,718	-	1,233,039		1,254,447	
TOTAL LIABILITIES	62,722	97,420	-	1,948,109	150,019	60,264	32,738	2,351,271		3,231,455	
FUND BALANCE:											
BEGINNING OF YEAR	3,916,259	9,975,598	183,169	(1,941,617)	3,555,256	618,066	825,607	17,132,338		27,219,297	
Y-T-D REVENUES	936,886	2,106,992	4,964	311,281	2,998,799	751,085	826,836	7,936,842		41,804,809	
Y-T-D EXPENDITURE	(795,907)	(1,890,750)	-	(317,037)	(3,404,049)	(579,025)	(373,257)	(7,360,025)		(42,075,853)	
ENDING FUND BALANCE	4,057,237	10,191,841	188,133	(1,947,373)	3,150,005	790,126	1,279,186	17,709,155		26,948,213	
TOTAL LIAB. & FUND BAL	4,119,959	10,289,260	188,133	736	3,300,025	850,390	1,311,924	20,060,426		30,179,668	

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
BY FUND TYPE
AS OF DECEMBER 31, 2008

	GENERAL GOVERNMENT	SPECIAL REVENUE	DEBT SERVICE	TOTAL GOVERNMENTAL	PROPRIETARY	TOTAL ALL FUND TYPES
ASSETS						
CASH	\$ 39,346	\$ 150,921	\$ 6,266	\$ 196,533	\$ 97,830	\$ 294,363
INVESTMENTS	1,711,478	6,536,476	273,195	8,521,150	4,256,788	12,777,938
RECEIVABLES	1,327,355	66,433	7,770	1,401,559	512,159	1,913,718
FIXED ASSETS	-	-	-	-	15,193,649	15,193,649
OTHER	-	-	-	-	-	-
TOTAL ASSETS	3,078,179	6,753,831	287,232	10,119,241	20,060,426	30,179,668
LIABILITIES						
CURRENT	410,188	448,587	-	858,775	1,118,232	1,977,008
LONG TERM	4,531	13,207	3,670	21,408	1,233,039	1,254,447
TOTAL LIABILITIES	414,720	461,794	3,670	880,184	2,351,271	3,231,455
FUND BALANCE:						
BEGINNING OF YEAR	4,215,989	5,624,913	246,057	10,086,959	17,132,338	27,219,297
Y-T-D REVENUES	9,919,190	20,139,090	3,809,687	33,867,967	7,936,842	41,804,809
Y-T-D EXPENDITURE	(11,471,720)	(19,471,966)	(3,772,182)	(34,715,868)	(7,360,025)	(42,075,893)
ENDING FUND BALANCE	2,663,459	6,292,037	283,562	9,239,058	17,709,155	26,948,213
TOTAL LIAB. & FUND BAL.	\$ 3,078,179	\$ 6,753,831	\$ 287,232	\$ 10,119,241	\$ 20,060,426	\$ 30,179,668

CITY OF GIG HARBOR



**2008 / 4TH QUARTER
PERFORMANCE AND WORKLOAD
MEASURES**

ADMINISTRATION

Administration

Performance Measures

	2007 Actual	2008 Actual	2008 Goal
Percent of Citizens Agreeing with Survey Questions:			
Pleased with Overall Direction of the City	63%	58%	65%
Receive Good Value for Taxes Paid	48%	61%	51%
The City Listens to its Citizens	55%	43%	60%
City has a Strong Sense of Community	87%	84%	88%

Workload Measures

	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
Population	6,765	6,765	6,780	6,910
City-wide Assessed Property Valuation	1,012,515,695	1,167,739,135	1,448,681,937	1,699,571,402
Total Capital Project Budget	2,800,000	2,200,000	11,000,000	28,000,000

City Clerk Office

Performance Measures

	Public Records Requests (respond within 5 days)	Ordinance /Resolutions (within 4 working days)	Council Packets on time	Minutes done within 6 days
2007 Total	100%	100%	N/A	40%
2008 Estimate	100%	100%	67%	83%

Workload Measures

	Passports	Business Licenses	Request for Public Records	Council Packets # of Pages	Ordinances & Resolutions	Minutes -# of pages
2007 4 th Quarter	276	151	37	1342	5	35
2008 4 th Quarter	276	N/A	26	1653	24	64
2007 Total	1762	618	135	5435	98	210
2008 Estimate	1500	600	200	6500	100	200
2008 Total	1185	124	142	6475	76	234

POLICE

Performance Measures

	2007 4 th Qtr	2008 4 th Qtr	2007 Actual	2008 Estimate	2008 Actual
% of citizens who feel safe in general according to survey	N/A	N/A	N/A	75%	Data not available at this time
UCR Violent crimes per 1000 population	N/A	N/A	2.2	2	Data not available at this time
UCR Property crimes per 1000 population	N/A	N/A	70	69	Data not available at this time
Average police emergency response time in minutes	N/A	6.9	6.5	7	6.67

Workload Measures

	2007 4 th Qtr	2008 4 th Qtr	2007 Actual	2008 Estimate	2008 Actual
Number of dispatched calls for service	762	1371	5365	8500	8206
Number of office walk in requests for service	807	656	2186	2074	2311
Number of cases assigned for follow-up	68	64	198	202	242
Number of police reports written	231	315	1785	2026	2088

Note: UCR stats are published yearly

MUNICIPAL COURT

Performance Measures

	2007 4 th Quarter	2008 4 th Quarter	2007 Year End	2008 Year End
Infraction Filings	412	370	1,712	1,361 (-351)
Infraction Hearings	296	168	904	822
Criminal Filings	149	146	558	570 (+12)
Criminal Hearings	822	895	3,049	3,437

Workload Measures

	2007 4 th Quarter	2008 4 th Quarter	2007 Year End	2008 Year End
Collection Assignments	144/\$121,722	Awaiting Data	637/\$417,433	Awaiting Data
Collection Recovery	\$16,176	11,553	\$54,410	\$57,322
% PC Compliance	100%	100%	100%	100%
% Spdy Compliance	100%	100%	100%	100%

- * The court is waiting for data from the collection agent to confirm cases assigned to collections by the court clerk.
- * New court collections recovery record
- * The Court does not set gross revenue or case filing goals.
- * Judge Dunn does not influence nor comment on revenue or case filings.

BUILDING AND FIRE SAFETY

Performance Measures

	2007 4 th Quarter	2008 4 th Quarter	2007 Actual	2008 Actual
Triage new building permit applications within 1 week of receipt of complete application	N/A	92%	N/A	90%
Provide first review or plan approval letter within 28 days of receipt of complete application	N/A	95%	N/A	80%
Provide second review or approval letter within 14 days of receipt of re-submittals	N/A	95%	N/A	90%
Provide inspections within 24 hours of request	99%	99%	100%	98%
Attend scheduled pre-application conferences	100%	100%	100%	100%
Provide requested PL/ENG comments within 1 week of request	N/A	95%	N/A	95%

Workload Measures

	2007 4 th Quarter	2008 4 th Quarter	2007 Actual	2008 Actual
Inspections per day per inspector/asst. BO/FM (max)	1.5	4	1.5	4
Major projects assigned per inspector/asst. BO/FM (max)	N/A	11	N/A	10
Minor projects assigned per inspector/asst. BO/FM (max)	N/A	50	N/A	35
Plan review letters completed per week	7.5	2	3	8
Special projects per staff member (max at one time)	1	2	0.5	2
Professional development activities (per month min)	1	0.5	0.5	0.5

PLANNING DEPARTMENT

Performance Measures

	2007 Actual *	2008 1 st Qtr	2008 2 nd Qtr	2008 3 rd Qtr	2008 4 th Qtr	2008 Total
% of land use cases processed under 120 days	N/A	98%	100%***	94%	98%	97%
% of preliminary plats processed under 90 days	N/A	None Approved	0%****	67%	50%	50%
% of short plats processed under 30 days	N/A	0%**	None Approved	100%	None Approved	50%

* Data not tracked in 2007

** Reflects one case processed in 92 days

*** Does not include projects that waived the review timeline for DRB review

**** Reflects one plat, procedure in 19.05.008(F) followed

Workload Measures

	2007 Actual	2008 1st Qtr*	2008 2nd Qtr*	2008 3rd Qtr*	2008 4th Qtr	2008 Total
Number of land use cases	496	122	120	76	72	376
Amount of fees collected	\$300,000	\$ 59,933	\$ 54,958	\$ 21,965	\$94,999	\$198,764

* Report used to generate these numbers was not entirely accurate, report has been revised but these quarterly numbers have not been recalculated.

PUBLIC WORKS

Parks

Performance Measures

	2007 Actual	2008 Estimate	2007 4 th Qtr Actual	2008 4 th Qtr Actual
Landscaping Maintained (sq ft/FTE)	360,000	420,000	Not submitted	90,000 ¹
Parks cleaned per day	100%	100%	Not submitted	100%
Complaints addressed within 24 hrs	100%	100%	Not submitted	100%

Workload Measures

	2007 Actual	2008 Estimate	2007 4 th Qtr Actual	2008 4 th Qtr Actual
Acres of park space & streetscapes	65.2	71.7	Not submitted	17.92
Community event sponsored hours	1008	1100	Not submitted	282
Acres of park land (per FTE)	10.86	12.56	Not submitted	N/A
Park related phone calls	54	60	Not submitted	12

Streets

Performance Measures

	2007 Actual	2008 Estimate	2007 4 th Qtr Actual	2008 4 th Qtr Actual
Streets swept (miles/FTE)	200	250	Not submitted	1,700 ²
Streets maintain (lane miles/FTE)	5.9	5.6	Not submitted	5.6

Workload Measures

	2007 Actual	2008 Estimate	2007 4 th Qtr Actual	2008 4 th Qtr Actual
Streetlights	405	450	Not submitted	405
Lane miles maintained	76	76	Not submitted	76
Street signs repaired	247	250	Not submitted	30
Pavement markings (feet)	312,267	315,000	Not submitted	0 ³
Sidewalks maintained (feet)	94,160	111,860	Not submitted	27,965
Street-related phone calls	86	90	Not submitted	25

1. Number is averaged over the whole year due to seasonal mowing schedule.
2. Indicates number of miles of street sweeping in 4th quarter.
3. Project completed in 3rd quarter.

Water

Performance Measures

	2007 Actual	2008 Estimate	2007 4th Qtr Actual	2008 4th Qtr Actual
Meters read per FTE	2029	2065	Not submitted	789.5
After hrs emer. responses w/in 45 min.	100%	100%	Not submitted	100%

Workload Measures

	2007 Actual	2008 Estimate	2007 4th Qtr Actual	2008 4th Qtr Actual
Gallons of storage capacity	4,550,000	4,550,000	Not submitted	4,550,000
Number of gallons pumped per year	308,000,000	370,000,000	Not submitted	52,891,000
Number of water related calls	71	78	Not submitted	23

Stormwater

Performance Measures

	2007 Actual	2008 Estimate	2007 4th Qtr Actual	2008 4th Qtr Actual
Percent of storm ponds brushed	100%	100%	Not submitted	100%
Progress toward NSDES Phase II comp.	0	100%	Not submitted	5%

Workload Measures

	2007 Actual	2008 Estimate	2007 4th Qtr Actual	2008 4th Qtr Actual
Catch basins cleaned	579	650	Not submitted	163
Catch basins installed	4	4	Not submitted	0
Catch basins maintained	1350	1400	Not submitted	1500
Storm ponds maintained	11	12	Not submitted	12

Wastewater

Performance Measures

	2007 Actual	2008 Estimate	2007 4 th Qtr Actual	2008 4 th Qtr Actual
Dewatering w/ thickening process	2,179,991 g	--	Not submitted	771,340 g
Reduction in lift station callout OT	Info not available	Info not available	Not submitted	Info not available
Plant performance award	Yes	Yes	Not submitted	Yes

Workload Measures

	2007 Actual	2008 Estimate	2007 4 th Qtr Actual	2008 4 th Qtr Actual
Raw sewage treated	297.35 mg	313.59 mg	Not submitted	77.03 mg
Wet Tons of bio-solids produced	933	1183.6	Not submitted	266
Work orders for lift station/plant maintenance ⁴	442/487		Not submitted	91/130
Lift station checks	884	884	Not submitted	221

Engineering

Performance Measures

	2007 4th Quarter	2008 4th Quarter	2007 Actual	2008 Estimate
% of projects on time/under budget	Not submitted	83%	100%	100%
Ratio of PW variances approved w/in 6 weeks of application	Not submitted	0/1	2/3	2/3

Workload Measures

	2007 4th Quarter	2008 4th Quarter	2007 Actual	2008 Estimate
Number of capital projects construction surveyed by staff	Not submitted	0	2	3
Traffic modeling completed by staff	Not submitted	0	1	3

4. Work Order numbers do not include most of the unscheduled or emergency repairs

FINANCE

Finance

Performance Measures

	2007 2nd Quarter	2008 2nd Quarter	2007 Actual	2008 Estimate
Maintain city bond rating (Moody's A2)	A2	A2	A2	A2
Unqualified audit financial statement opinion	yes	yes	yes	yes

Workload Measures

	2007 4th Quarter	2008 4th Quarter	2007 Actual	2008 Actual
Number of invoices processed	2571	2558	9243	9300
Number of transactions receipted	4245	3978	17,883	17,027
Number of utility bills processed	3670	3815	13,935	13891
Number of payroll checks processed	616	654	2579	2894
Number of business licenses processed	N/A	114	618	581

Information Technology

Performance Measures

	2006 Actual	2007 Actual	2008 Actual	2009 Estimate
* Average Cost of IT per Citizen	26	26	31	29
* Average Cost of IT per Employee	1800	1667	1880	1661
Average Number of Employees per IT staff	48	54	60	59
Average Number of Workstations per IT staff	45	58	72	71
Ratio of Employees to printers	3.3	2.9	3.1	3
Network uptime	99%	99%	99%	99%

Information Technology numbers reported based on fiscal year numbers. Quarterly numbers are not available.

* In Dollars.

Workload Measures

	2006 Actual	2007 Actual	2008 Actual	2009 Estimate
Number of IT staff	2	2	2	2
Number of servers maintained	10	11	12	12
Number of workstations	90	118	145	142
Number of printers	32	35	77	77
Number of remote sites	3	3	3	4
Average monthly help desk calls	140	225	310	310

Information Technology numbers reported based on fiscal year numbers. Quarterly numbers are not available.

MARKETING

Performance Measures

	2007 Actual	2007 4th Qtr Actual	2008 4th Qtr Actual	2009 Estimate
Occupancy Percentages	56.3%	63.0%	56.0%	60.0%
% Change in Visitor Info Requests	399%	--	106%	25%
Editorial Medial Value	\$445,512	\$71,000	\$94,000	\$300,000

Workload Measures

	2007 Actual	2007 4th Qtr Actual	2008 4th Qtr Actual	2009 Estimate
Promotion and Advertising Budget	\$82,000	\$20,500	\$20,500	\$95,800
Number of Filled Requests	26,950	13,650	10,691	33,700
Hosted Media	6	2	0	3

C091080-2

WASHINGTON STATE LIQUOR CONTROL BOARD

DATE: 1/05/09

LICENSED ESTABLISHMENTS IN INCORPORATED AREAS CITY OF GIG HARBOR
 (BY ZIP CODE) FOR EXPIRATION DATE OF 20090430

	LICENSEE	BUSINESS NAME AND ADDRESS	LICENSE NUMBER	PRIVILEGES
1	LA FAMILIA LOPEZ, INC.	EL PUEBLITO FAMILY MEXICAN RESTAURANT 3226 HARBORVIEW DR STE 7 GIG HARBOR WA 98332 2182	358890	SPIRITS/BR/WN REST LOUNGE +
2	NEW ALBERTSON'S, INC.	ALBERTSON'S NO. 406 11330 51ST AVE NW GIG HARBOR WA 98332 7890	083474	GROCERY STORE - BEER/WINE
3	GMAS 2 CORP.	HY IU HEE HEE 4309 BURHAM DR GIG HARBOR WA 98335 0000	367497	SPIRITS/BR/WN REST LOUNGE -
4	OLYMPIC DRIVE MART, INC.	OLYMPIC DRIVE MART 5119 OLYMPIC DR NW GIG HARBOR WA 98335 1704	080805	GROCERY STORE - BEER/WINE



NOTICE OF LIQUOR LICENSE APPLICATION

Consent Agenda - 3b

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

DATE: 1/13/09

TO: MOLLY TOWSLEE, CITY CLERK
RE: NEW APPLICATION

UBI: 602-879-479-001-0001

License: 404390 - 1U County: 27
Tradename: FORZA COFFEE COMPANY
Address: 5275 OLYMPIC DR NW WA 98335-2306
GIG HARBOR

Phone No.: 253-576-1296 SCOTT TEODORO

APPLICANTS:

- HARBOR BEANS, LLC
ROY, CHAD MICHAEL 1976-05-25
ROY, EMILY ANN (Spouse) 1978-10-05
TEODORO, SCOTT RICHARD 1978-07-20
TEODORO, ERICA MICHELLE (Spouse) 1979-03-04

Privileges Applied For:
BEER/WINE REST - BEER/WINE
OFF PREMISES

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

- 1. Do you approve of applicant ? YES NO
2. Do you approve of location ? YES NO
3. If you disapprove and the Board contemplates issuing a license, do you wish to request an adjudicative hearing before final action is taken? (See WAC 314-09-010 for information about this process) YES NO
4. If you disapprove, per RCW 66.24.010(8) you MUST attach a letter to the Board detailing the reason(s) for the objection and a statement of all facts on which your objection(s) are based.

DATE

SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE



Subject: Third Amendment to the Agreement between the City of Gig Harbor and the Gig Harbor Peninsula Historical Society

Proposed Council Action: Authorize the Mayor on behalf of Council to execute a Third Amendment to the Agreement between the City of Gig Harbor and the Gig Harbor Peninsula Historical Society

Dept. Origin: Administration
Prepared by: Lita Dawn Stanton Special Projects
For Agenda of: January 26, 2009

Exhibits: Third Amendment to the Agreement

Initial & Date
Concurred by Mayor: [Signature] 1/14/09
Approved by City Administrator: [Signature]
Approved as to form by City Atty: [Signature]
Approved by Finance Director: [Signature] 1/14/09
Approved by Department Head:

Table with 3 columns: Expenditure Required, Amount Budgeted, Appropriation Required. Values: \$80,000, \$80,000, -0-

INFORMATION / BACKGROUND

In November of 2006, an Agreement between the City and the Gig Harbor Peninsula Historical Society (GHPHS) was signed for the purpose of developing a final Purchase and Sale Agreement for the Triangle property at Donkey Creek and a Conservation Easement over Harbor Museum property. The agreement on the terms and conditions of Conservation Easement has been extended from November 1, 2008 to February 28, 2009 in order to complete the environmental assessment of the area and develop the final terms and consideration of the Conservation Easement. This fulfills objective #20 in the Parks Development Section of the 2008 Budget.

FISCAL CONSIDERATION

none

BOARD OR COMMITTEE RECOMMENDATION

n/a

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute the Third Amendment to the Agreement between the City of Gig Harbor and the Gig Harbor Peninsula Historical Society.

**THIRD AMENDMENT
TO
AGREEMENT BETWEEN
THE CITY OF GIG HARBOR AND
THE GIG HARBOR PENINSULA HISTORICAL SOCIETY**

THIS THIRD AMENDMENT to that certain Agreement Between the City of Gig Harbor and the Gig Harbor Peninsula Historical Society entered on October 30, 2006, as amended (the "Agreement"), is made and entered into as of the ____ day of _____, 2009, by and between the CITY OF GIG HARBOR, a Washington municipal corporation (the "City"), and the GIG HARBOR PENINSULA HISTORICAL SOCIETY, a Washington nonprofit corporation (the "Society"), collectively referred to as the "parties."

RECITALS

WHEREAS, the Agreement provides that the Society is to convey and the City is to purchase a specified Conservation Easement and further sets out the schedule for payments and conveyance of the Conservation Easement, subject to certain conditions; and

WHEREAS, the parties desire an extension of time to allow the parties to satisfy the conditions of conveyance, and in particular, additional time for completion of environmental inspection of the subject property;

NOW, THEREFORE, in consideration of the mutual promises contained in the Agreement and this Amendment, the parties hereto agree as follows:

AMENDMENT

Section 1. Section 3.3 of the Agreement is hereby amended to read as follows:

3.3 The City's contributions to the Society, and the schedule for conveyance of the Conservation Easement and sale of the Donkey Creek Property shall occur under the following timetable, subject to the conditions set forth in this Section 3 and Section 4:

<u>DATE</u>	<u>AMOUNT</u>	<u>CONVEYANCE/SALE</u>
Not later than 4-1-08	\$80,000.00	Donkey Creek Property
4-1-09 <u>3-31-09</u>	\$80,000.00	Conservation Easement
12-31-10	\$80,000.00	
12-31-11	\$80,000.00	

12-31-12 \$80,000.00

Section 2. Section 4.3.2 of the Agreement is hereby amended to read as follows:

4.3.2 Agreement on the terms and conditions of a Conservation Easement on or before ~~November 1, 2008~~ February 28, 2009.

EXCEPT AS EXPRESSLY MODIFIED BY THIS THIRD AMENDMENT, ALL TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date first written above.

CITY OF GIG HARBOR

GIG HARBOR PENINSULA
HISTORICAL SOCIETY

By: _____
Mayor Charles L. Hunter

By: _____
Its: _____

ATTEST:

Molly Towslee, City Clerk

APPROVED AS TO FORM:

Angela S. Belbeck, City Attorney



Subject: Eddon Boat Building Restoration
Construction Testing and Inspection Services

Proposed Council Action: Authorize the Mayor on behalf of Council to approve the Construction Testing and Inspection Services with Krazan and Associates, Inc.

Dept. Origin: Administration
Prepared by: Lita Dawn Stanton
Special Projects
For Agenda of: January 26, 2009
Exhibits: Contract
Exhibit A & B

Initial & Date

Concurred by Mayor: CLH 1/14/09
Approved by City Administrator: PK 1/15/09
Approved as to form by City Atty: e-mail JDS
Approved by Finance Director: OP 1/14/09
Approved by Department Head:

Expenditure	Amount	Appropriation
Required \$15,542.00	Budgeted \$964,522.00	Required \$ -0-

INFORMATION / BACKGROUND

Eddon Boat Park was acquired through the 2005 Voted General Obligation (UTGO) Bond. As part of the acquisition, the historic boat building was identified for preservation and restoration so that its traditional and culturally significant use, boat building, could also be preserved for the community. In 2006, Washington State approved the City's \$1 million grant request to restore the boat building for public access. That work is to be completed by June 30, 2009. Work includes electrical, structural, fire, safety, ADA access, a public viewing platform, heating, plumbing, mechanical, roofing and restrooms at the brick house. As part of that work, Krazan will provide the required "construction testing and inspection services" for the project (see Exhibit A & B).

FISCAL CONSIDERATION

This project is funded entirely through the Washington State Heritage Capital Projects Grant fund.

BOARD OR COMMITTEE RECOMMENDATION

n/a

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute the Construction Testing and Inspection Services contract with Krazan & Associates, Inc. in an amount not to exceed \$15,542.00.

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
KRAZAN & ASSOCIATES, INC**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (the "City"), and Krazan & Associates, Inc, a corporation organized under the laws of the State of Washington (the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in Restoration of the Eddon Boat Building and desires that the Consultant perform services necessary to provide the following consultation services; 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;

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

TERMS

1. Retention of Consultant - Scope of Work. The City hereby retains the Consultant to provide professional services as defined in this Agreement and as necessary to accomplish the scope of work attached hereto as **Exhibit A** and incorporated herein by this reference as if set forth in full. The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this Agreement.

2. Payment.

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Fifteen Thousand Five Hundred Forty-two Dollars and no cents (\$15,542.00) for the services described in Section 1 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. 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 18 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.

3. 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 subconsultant of the Consultant shall be or shall be deemed to be the employee, agent, representative or subconsultant 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 subconsultants of the Consultant. The Consultant will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and subconsultants 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.

4. Duration of Work. The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** immediately upon execution of this Agreement. The parties agree that the work described in **Exhibit A** shall be completed by June 15, 2009; provided however, that additional time shall be granted by the City for excusable days or extra work.

5. Termination. The City reserves the right to terminate this Agreement at any time upon ten (10) days written notice to the Consultant. Any such notice shall be given to the address specified above. In the event that this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the notice to terminate. In the event that services of the Consultant are terminated by the City for fault on part of the Consultant, the amount to be paid shall be determined by the City with consideration given to the actual cost incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the City at the time of termination, the cost of the City of employing another firm to complete the work required, and the time which may be required to do so.

6. Non-Discrimination. The Consultant agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman,

{ASB714519.DOC;1/00008.900000}

because of race, color, creed, religion, national origin, marital status, sex, sexual orientation, age or handicap, except for a bona fide occupational qualification. The Consultant understands that if it violates this provision, this Agreement may be terminated by the City and that the Consultant may be barred from performing any services for the City now or in the future.

7. Indemnification.

A. The Consultant agrees to hold harmless, indemnify and defend the City, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the Consultant, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the Consultant, its officers, agents, subconsultants or employees, in connection with the services required by this Agreement; provided, however, that:

1. The Consultant's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the City, its officers, agents or employees; and

2. The Consultant's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the Consultant and the City, or of the Consultant and a third party other than an officer, agent, subconsultant or employee of the Consultant, shall apply only to the extent of the negligence or willful misconduct of the Consultant.

B. 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.

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

8. 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, subconsultants or subcontractors.

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 coverages 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 upon request.

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.

9. 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.

10. Ownership and Use of Work Product. Any and all documents, drawings, reports, and other work product produced by the Consultant under this Agreement shall become the property of the City upon payment of the Consultant's fees and charges therefore. The City shall have the complete right to use and re-use such work product in any manner deemed appropriate by the City, provided, that use on any project other than that for which the work product is prepared shall be at the City's risk unless such use is agreed to by the Consultant.

11. 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.

12. Records. The Consultant shall keep all records related to this Agreement for a period of three years following completion of the work for which the Consultant is retained. The Consultant shall permit any authorized representative of the City, and any person authorized by the City for audit purposes, to inspect such records at all reasonable times during regular business hours of the Consultant. Upon request, the Consultant will provide the City with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the Consultant, but the Consultant may charge the City for copies requested for any other purpose.

13. 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 subconsultants 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.

14. 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.

15. Resolution of Disputes and Governing Law.

A. 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.

B. 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 Public Works Director 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 prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

16. Written Notice. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth below. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

CONSULTANT:
Krazan & Associates, Inc.
ATTN: Jeffrey Bowers
1230 Finn Hill Road NW, #A
Poulsbo, WA 98335
(360) 598-2126

City of Gig Harbor
ATTN: Lita Dawn Stanton
3510 Grandview Street
Gig Harbor, WA 98335
(253) 851-6170

17. Subcontracting or Assignment. The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City.

18. Entire Agreement. This Agreement represents the entire integrated agreement between the City and the Consultant, superseding all prior negotiations, representations or agreements, written or oral. This Agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto.

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

CONSULTANT

CITY OF GIG HARBOR

By: _____
Its: _____

By: _____
Mayor Charles L. Hunter

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

GEOTECHNICAL ENGINEERING • ENVIRONMENTAL ENGINEERING
CONSTRUCTION TESTING AND INSPECTIONS

December 3, 2008

KA Proposal No. P08-187PR1

Ms. Lita Dawn Stanton
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Phone: (253) 853-7609
Fax: (253) 858-3188

RE: CONSTRUCTION TESTING AND INSPECTION SERVICES
Eddon Boat Building
Gig Harbor, WA

Dear Ms. Stanton:

We greatly appreciate and thank you for the opportunity to submit this Proposal and Agreement for Testing and Inspection services for the above referenced project at the specific rates as stated below. Should you have any questions, please feel free to contact me directly. I look forward to working with you.

The fee charges for projects under this Agreement are:

Scope: Testing & Inspection Project Services	UNIT	RATES	Hr./Ea.	Estimated Cost
Soils Compaction Inspection	32	\$50.00	hr.	\$1,600.00
Nuclear Densometer Rental/Security Fee	8	\$10.00	ea.	\$80.00
Asphalt Inspection		\$50.00	hr.	\$0.00
Reinforced Concrete Inspection	56	\$50.00	hr.	\$2,800.00
Structural Masonry Inspection	10	\$50.00	hr.	\$500.00
Structural Steel/Welding/Bolting Inspection	26	\$70.00	hr.	\$1,820.00
Fab Shop Inspection	18	\$70.00	hr.	\$1,260.00
Epoxy Anchor Bolt Inspection	19	\$50.00	hr.	\$950.00
Lateral Wood / Framing Inspection	27	\$65.00	hr.	\$1,755.00
Project Management	9	\$85.00	hr.	\$765.00
Report Preparation/Processing	0	\$45.00	hr.	\$0.00
Mileage/Trip	0	\$0.60	ea.	\$0.00
Moisture Density Relationship {ASTM D1557}	4	\$180.00	ea.	\$720.00
Soil Sieve Analysis {ASTM C136}	4	\$85.00	ea.	\$340.00
Compressive Strength Samples {concrete, grout, mortar}	64	\$18.00	ea.	\$1,152.00
Masonry Composite Prisms		\$80.00	ea.	\$0.00
Asphalt Rice Analysis		\$110.00	ea.	\$0.00
Asphaltic Content Hot Mix by Ignition Method (ASTM D6307)		\$225.00	ea.	\$0.00
CONSULTING SERVICES IF REQUIRED				
Staff Professional / Pin Pile, Helical Anchor installation Monitoring	10	\$85.00	hr.	\$850.00
Field Geologist (Soil Bearing Verification)	10	\$95.00	hr.	\$950.00
Senior Engineer		\$135.00	hr.	\$0.00
Principle Engineer		\$150.00	hr.	\$0.00
TOTAL ESTIMATED PROJECT BUDGET:				\$15,542.00

Notes:

- Services will be performed on a “time and materials” basis. Any total estimates provided are merely estimates and are not a guaranteed maximum price. All inspections performed will be billed on a portal to portal basis unless specifically noted otherwise.
- Our prices do NOT include “Inspector of Record” responsibilities, project oversight, and or construction management.
- A four-hour minimum portal-to-portal charge applies to each structural steel inspection.
-

Additional services requested in addition to the above will be billed at our current rates. Acceptance of Krazan’s proposal orally or in writing constitutes your agreement of Krazan commencing all work under our standard General Terms and Conditions, attached and incorporated in full by this reference. Please review, sign, and forward all related forms to our office within seven (7) business days. All work is subject to credit approval.

The following items are included as an Attachment:

- Attachment A – Agreement for Professional Services and General Terms and Conditions

Please feel free to contact Jeff or myself if we can offer further clarification of the services required on this project.

Respectfully submitted,
KRAZAN & ASSOCIATES, INC.

Jessica Zimmerman
Business Development Coordinator
Peninsula Division

Jeffrey Bowers
Poulsbo Branch Manager
Peninsula Division



Subject: Surplus rigid inflatable marine patrol boat, motor and trailer

Proposed Council Action: Approve attached Resolution to surplus our current patrol vessel, motor and trailer.

Dept. Origin: Police Department

Prepared by: Chief Mike Davis *MD#1*

For Agenda of: January 26, 2009

Exhibits:

Initial & Date

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

CLH / 1/13/09

MDK

Per Email

MDK 1/14/09

MD 1/13/09

Expenditure		Amount		Appropriation	
Required	0	Budgeted	0	Required	0

INFORMATION / BACKGROUND

We have taken delivery of our new marine patrol boat. We no longer have the need for our current vessel, a 2000 Zodiac SRMN 18.5' Rigid Inflatable Boat (RIB). An attached 2000 Yamaha 100hp Outboard Engine and 2001 King boat trailer will be auctioned with the boat.

FISCAL CONSIDERATION

Money received from the sale of this boat, motor and trailer will be deposited in the General Fund.

RECOMMENDATION / MOTION

Move to: Approve Resolution declaring city equipment surplus and eligible for sale.

RESOLUTION NO.

**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	SERIAL / Asset ID number	Mileage
1	2000 Zodiac SRMN 18.5' Rigid Inflatable Boat (RIB)	Hull ID number XD454AA000 Registration Number: WN\$24449	1,227.3 hrs
2	2000 Yamaha 100hp Outboard Engine	Serial #1GCGK29R1WE143539	1,227.3 hrs
3	2001 King Boat Trailer	Serial #0119830904	N/A

PASSED ON THIS 26th day of January 2009.

APPROVED:

MAYOR CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

MOLLY M. TOWSLEE, CITY CLERK

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



Subject: Official City Newspaper

Proposed Council Action:

Move to award the designation of the
'Official City Newspaper' to
The Peninsula Gateway.

Dept. Origin: Administration

Prepared by: Molly Towslee

For Agenda of: Jan. 26, 2009

Exhibits: Bid Proposals

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 signatures and dates: CLK 1/16/09, POK, ok by e-mail, OR 1/16/09

Table with 6 columns: Expenditure Required, Amount Budgeted, Admin Planning, \$30,000, \$26,000, Appropriation Required, \$0. Includes handwritten note 'UP TO BUDGET AMT.' under Amount Budgeted.

INFORMATION / BACKGROUND

In accordance with Gig Harbor 1.20, the City shall solicit bids for the City's 'official newspaper' every other year.

We received two bids; one from the Peninsula Gateway, and one from The News Tribune. To make it easier to compare bids, I asked each bidder to submit the cost to run the same typical public notice as the last call for bids. The results to run the ad:

The News Tribune: \$323.80

The Peninsula Gateway: \$99.94

In addition, the News Tribune will charge additional for affidavits (\$9.55 each) and for styled words (bold, italic and underline). The Gateway will not charge for these services.

Both publications meet the criteria set forth in RCW 65.16.

FISCAL CONSIDERATION

The Peninsula Gateway's bid represents a slight reduction from their last bid of \$118.32. The News Tribune's bid is slightly more than their last bid of \$307.52. The charge for affidavits should also be taken into consideration.

RECOMMENDATION / MOTION

Move to: Move to award the designation of the 'Official City Newspaper' to the Peninsula Gateway.



The Nation's Number One
Community Newspaper.

January 14, 2009

Molly Towslee, City Clerk
3510 Grandview St.
Gig Harbor, WA 98335
RE: BID-OFFICIAL NEWSPAPER

Dear Ms. Towslee:

Thank you for the opportunity to bid on the designation as "Official Newspaper" for the City of Gig Harbor. This letter is our formal bid for the city's legal advertising.

The Peninsula Gateway is a newspaper of general circulation in the City of Gig Harbor, meeting all qualifications as provided under RCW 65.16.020. Over 10,600 households purchase The Peninsula Gateway each week through home delivery and newsstand outlets in the Gig Harbor/Peninsula area; 29.2% (3,099 copies) through single copy locations, 35.2% (3,736 copies) newspaper carrier delivered, and 35.6% (3,770 copies) mailed to homes. We publish 1 time each week on Wednesday, 52 weeks per year, and reach the remainder of the market with our South Sound Values publication every Monday.

The Peninsula Gateway is a business located in the city limits of Gig Harbor. We employ more than 20 full-time employees.

For the 2009 calendar year, we are proposing a rate of .732 cents per agate line (\$1.464 per 2 col. agate line) or \$10.25 per column inch, a 3.9% increase over 2007. **There are no additional charges for affidavits or bold type.**

The quote for the 2 column Legal Bid sample you provided with this bid, published in 6 point type for one edition, would be \$99.94

Advertising Representative for Legal Advertising: Donna Natucci.
Phone: 253-853-9222
Fax: 253-851-3939
Email: donna.natucci@gateline.com

The Peninsula Gateway's Legal advertising rate offered to the City of Gig Harbor is effective January 1, 2009 through December 30, 2010.

We look forward to a continued relationship with the City of Gig Harbor.


Michael S. Leonard
Advertising Director
(253) 853-9241

**CITY OF GIG HARBOR
CALL FOR BIDS**

Bids are being requested by the City of Gig Harbor for the following services:

"Official newspaper" as designated under Chapter 65.16 RCW and which has a general circulation within the City of Gig Harbor.

The bids should contain the following: 1) Statement indicating the publication's qualification as a legal newspaper as provided under RCW 65.16.020 and general circulation within the boundaries of the City of Gig Harbor city limits, 2) rate per line for two columns, 3) circulation distribution, includes subscriptions and newsstand sales per distribution, and 4) advertising representative, and 5) a quote to run the following legal notice in the paper one time, on a Wednesday.

**NOTICE OF PUBLIC HEARING
City of Gig Harbor**

Date of Notice:	January 7, 2009
Applicant:	Joe Kunkel, Hammes Company, 1325 Fourth Avenue, Suite 1035, Seattle WA 98101
Project Location:	11567 Canterwood Blvd NW, Gig Harbor WA
Project Description:	Application for Site Plan Review (SPR 06- 1372), Design Review (DRB 06-1374), Conditional Use Permit (CUP 06-0008) and a Variance (VAR 07-0001) for St. Anthony Hospital.
Project Permits required:	Site Plan Review, Conditional Use Permit, Variance, Rezone and Design Review
Type of Environmental	Environmental Checklist, Wetland Report, Habitat
Documents Filed:	Management Plan

PUBLIC HEARING DATE:

Gig Harbor Hearing Examiner, January 24, 2007, 5:00pm, at Gig Harbor Civic Center, Council Chambers, 3510 Grandview Street, Gig Harbor

Documents pertinent to this application are available for review and inspection at the City of Gig Harbor Department of Community Development, 3510 Grandview Street, Gig Harbor, WA 98335, during normal business hours, Monday through Friday. A copy of the staff report on this project proposal will be available seven days prior to the public hearing.

Interested persons may comment on the above stated application or may request any notice of public hearing or a copy of the decision on this application. **Requests for notification or written comments must be submitted to the Department of Community Development by no later than January 24, 2007.** All public comments or requests must be received at the Department of Community Development by no later than 5:00pm on the last date of the comment period.

Interested persons are invited to attend the public hearing and make their views known on this proposal. The Hearing Examiner's decision is final on this application. Any appeal of the hearing examiners decision must be filed with Pierce County Superior Court under the provisions of RCW 36.70C, within twenty-one (21) days of the Hearing Examiner's decision. Only parties of record may initiate an appeal of the decision of the Hearing Examiner.

Questions regarding the above stated application should be made to the City of Gig Harbor Community Development, 3510 Grandview Street, Gig Harbor, WA 98335, or by calling 851-6170.

Sealed bids must be received at City Hall by 4:30 p.m., Thursday, January 15, 2009, 3510 Grandview Street, Gig Harbor, WA 98335. Bids must be marked on the outside: "Bid - Official Newspaper." The City Council shall award the "official newspaper" services to the lowest responsible bidder in accordance with RCW 35.23.352, and further reserves the right to reject all bids received.

Molly Towslee
City Clerk

January 14, 2009

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

RE: BID – OFFICIAL NEWSPAPER

To the City Council:

The News Tribune is a major newspaper in the Peninsula area, publishing 7 days a week, 365 days a year, with a general circulation of **6,893 daily; 8,350 Sunday.**

Type size: 7 point

Column width: 6 picas 6 points

* NOTE: Legal notices publish in a 2-column wide format – measures 2.25 inches

The News Tribune's legal advertising rate offered to the City of Gig Harbor is effective through Dec. 2010

Daily: \$5.76 per line, (per line equals 2-columns)

Sat./Sun: \$6.78 per line, (per line equals 2-columns)

The cost to run the legal notice sample included in bid, on a Wednesday, comes to \$323.80. Copy of sample legal notice enclosed.

Affidavits are sent by request with a fee of \$9.55 per affidavit; tear sheets are sent by request at no charge.

Advertising Representatives for legal advertising:

Ellen Orr – 253-597-8605

Laura Bastin – 253-597-8708

Phillip Barrett – 253-552-7070

Main legal phone: 253-597-8605

LEGAL FAX: 253-597-8473

Legal E-mail address: legals@thenewstribune.com

Thank you for your consideration of this bid.



Dan Walker
Classified Sales Manager
The News Tribune
(253) 597-8583

NOTICE OF PUBLIC HEARING

City of Gig Harbor

Date of Notice: January 7, 2009

Applicant: Joe Kunkel, Hammes Company, 1325 Fourth Avenue, Suite 1035, Seattle WA 98101

Project Location: 11567 Canterwood Blvd NW, Gig Harbor WA

Project Description: Application for Site Plan Review (SPR 06-1372), Design Review (DRB 06-1374), Conditional Use Permit (CUP 06-0008) and a Variance (VAR 07-0001) for St. Anthony Hospital.

Project Permits required: Site Plan Review, Conditional Use Permit, Variance, Rezone and Design Review

Type of Environmental Environmental Checklist, Wetland Report, Habitat

Documents Filed: Management Plan
PUBLIC HEARING DATE: Gig Harbor Hearing Examiner, January 24, 2007, 5:00pm, at Gig Harbor Civic Center, Council Chambers, 3510 Grandview Street, Gig Harbor

Documents pertinent to this application are available for review and inspection at the City of Gig Harbor Department of Community Development, 3510 Grandview Street, Gig Harbor, WA 98335, during normal business hours, Monday through Friday. A copy of the staff report on this project proposal will be available seven days prior to the public hearing.

Interested persons may comment on the above stated application or may request any notice of public hearing or a copy of the decision on this application.

Requests for notification or written comments must be submitted to the Department of Community Development by no later than January 24, 2007. All public comments or requests must be received at the Department of Community Development by no later than 5:00pm on the last date of the comment period.

Interested persons are invited to attend the public hearing and make their views known on this proposal. The Hearing Examiner's decision is final on this application. Any appeal of the hearing examiners decision must be filed with Pierce County Superior Court under the provisions of RCW 36.70C, within twenty-one (21) days of the Hearing Examiner's decision. Only parties of record may initiate an appeal of the decision of the Hearing Examiner.

Questions regarding the above stated application should be made to the City of Gig Harbor Community Development, 3510 Grandview Street, Gig Harbor, WA 98335, or by calling 851-6170.



Subject: Approval for Hotel/Motel 09 Contracts
• Tacoma Regional Convention & Visitors Bureau
• Kitsap Visitors & Convention Bureau

Proposed Council Action: I recommend the Council approves the contracts as presented.

Dept. Origin: Administration - Marketing

Prepared by: Laureen Lund

For Agenda of: January 26th, 2009

Exhibits:
2 referenced contracts

Initial & Date

Concurred by Mayor: CLH 1/16/09

Approved by City Administrator: PK

Approved as to form by City Atty: AK

Approved by Finance Director: AK 1/09

Approved by Department Head: LL

Expenditure Required	\$25,000.00	Amount Budgeted	\$25,000.00	Appropriation Required	0
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INFORMATION / BACKGROUND

As outlined in the 2009 Narrative of Objectives the Marketing office has budgeted to contract with the Tacoma Regional Convention & Visitors Bureau and the Kitsap Convention & Visitors Bureau to expand our marketing opportunities. Both these contractors provide greater exposure to the City of Gig Harbor on their website and in all their promotional materials.

FISCAL CONSIDERATION

These items are already approved in the 2009 Marketing Budget from Lodging Tax dollars and will not exceed the budgeted amount of \$25,000.

BOARD OR COMMITTEE RECOMMENDATION

I recommend that the Council authorize and accept the contract for Tacoma Regional Convention & Visitors Bureau and Kitsap Visitors & Convention Bureau.

RECOMMENDATION / MOTION

Move to:

**AGREEMENT FOR TOURISM PROMOTION ACTIVITIES
BETWEEN GIG HARBOR AND THE TACOMA REGIONAL CONVENTION
AND VISITOR BUREAU**

This agreement is made and entered into by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and the Tacoma-Regional Convention and Visitor Bureau, a Washington non-profit corporation, 1119 Pacific Avenue, 5th floor, Tacoma, WA 98402, (hereinafter the "Convention and Visitor Bureau"), for tourism promotion activities as described in this agreement.

WHEREAS, the legislature has authorized the City to levy a special excise tax for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp (pursuant to RCW 67.28.180); and

WHEREAS, revenue from taxes imposed under chapter 67.28 RCW shall be credited to a special fund in the City's treasury, to be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facility or operation of tourism-related facilities (pursuant to RCW 67.28.1815); and

WHEREAS, the City established a Lodging Tax Advisory Committee for the purpose of recommending the most appropriate use of the hotel-motel tax funds (pursuant to Resolution 509); and

WHEREAS, the Lodging Tax Advisory Committee made its recommendation to the City Council, to provide Twenty Thousand Dollars (\$20,000.00) in funding to the Convention and Visitor Bureau for the purposes authorized by statute and as further described in the City of Gig Harbor 2009 budget; and

WHEREAS, the City desires to provide the funds to the Convention and Visitor Bureau, to perform the activities described herein; Now, Therefore,

In consideration of the terms, conditions and covenants contained herein, the parties hereto agree as follows:

Section 1. Scope of Activities. The City shall provide Twenty Thousand Dollars (\$20,000.00) in funding to the Convention and Visitor Bureau to perform the following activities and no others:

- A. The Convention and Visitor Bureau will hire a new staff person whose job responsibility will focus on small convention and meeting recruitment for the region. This staff person will work directly with the Inn at Gig Harbor and the Best Western Wesley Inn to create leads and secure bookings for these properties.
- B. Promotion and Marketing- The Convention and Visitor Bureau Staff will market Gig Harbor and include Gig Harbor as part of the following aspects of the Convention and Visitors Bureau; website, newsletter and Travel Tacoma Visitors Guide 2009.

- C. Web Presence – The Convention and Visitor Bureau staff will provide Gig Harbor focused visitor information and links from www.traveltacoma.com and maintain a current Events Listing for Gig Harbor on the Convention and Visitor Bureau Website.
- D. New Projects- The Convention and Visitor Bureau Staff will provide Gig Harbor the opportunity to participate in new projects as they come available and as agreed upon with the Gig Harbor Marketing Director, including but not limited to Scenic Byway, tour and travel operator fairs, travel writer and editor visits and Tall Ships events.
- E. Results- The Convention and Visitor Bureau Staff will produce a annual report with complete details of activities for presentation at the Gig Harbor Lodging Tax Advisory Committee meetings.

Section 2. Term. This agreement shall commence upon execution by the duly authorized representatives of both parties and shall terminate on December 31, 2009 unless sooner terminated as provided herein. Sections 4, 9 and 11 of this agreement shall survive the termination of this agreement.

Section 3. Distribution and Payment. The total funding provided by the City to the Convention and Visitor Bureau under this Agreement shall not exceed Twenty Thousand Dollars (\$20,000.00) and will be paid quarterly upon receipt of invoice and activities report from the Convention and Visitors Bureau. The Convention and Visitors Bureau shall expend the funds prior to December 31, 2009. Any funds not spent by December 31, 2009 shall be promptly returned to the City.

Section 4. Auditing of Records, Documents and Reports. The Convention and Visitor Bureau shall maintain books, records, documents and other materials that sufficiently and properly reflect all expenditures made pursuant to this Agreement. The City Finance Director and any of his/her representatives shall have full access and the right to examine and copy, during normal business hours, all of the records of the Convention and Visitor Bureau with respect to matters covered in this Agreement. Such rights shall last for six (6) years from the date the disbursement is made hereunder.

Section 5. Compliance with Federal, State and Local Laws. The Convention and Visitor Bureau agrees to abide by all applicable federal and state statutes and regulations prohibiting employment discrimination, and any other statutes and regulations pertaining to the subject matter of this Agreement.

Section 6. Reporting. The Convention and Visitor Bureau agrees to produce a final report summarizing the expenditures of the funds distributed under this Agreement on or before January 31, 2010.

Section 7. Recapture and Noncompliance. In the event of a final determination by a court of competent jurisdiction that the Convention and Visitor Bureau has failed to expend the hotel-motel tax funds in accordance with state law and this Agreement, the City reserves the right

to commence an action against the Convention and Visitor Bureau to recover said funds, in addition to all of the City's other available remedies at law.

Section 8. Legal Relations. Neither the Convention and Visitor Bureau, nor any employee, officer, official or volunteer of the Convention and Visitor Bureau shall be deemed to be an independent contractor, employee or volunteer of the City. No liability shall attach to the Convention and Visitor Bureau or the City by reason of entering into this Agreement except as expressly provided herein.

Section 9. Indemnification. The Convention and Visitor Bureau agrees to be responsible for and assumes liability for its own negligent acts or omissions, and those of its officers, agents, officials, employees or volunteers while performing work or expending funds pursuant to this Agreement to the fullest extent provided by law, and agrees to save, indemnify, defend and hold the City harmless from any such liability. This indemnification clause shall apply to any and all causes of action arising out of performance of work or expenditures of funds under this Agreement. Each contract for services or activities utilizing funds provided in whole or in part by this Agreement shall include a provision that the City is not liable for injuries, damages or claims for damages arising from the performance of any activity by an employee, contractor, subcontractor or independent contractor of the Convention and Visitor Bureau under this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to expiration or termination.

Section 10. Severability. If any phrase, sentence or provision of this agreement is held invalid by a court of competent jurisdiction, such invalidity shall not affect the remainder of this agreement, and to this end the provisions of this agreement are declared to be severable.

Section 11. Attorneys' Fees. In the event that the City is required to institute a lawsuit against the Convention and Visitor Bureau to enforce any of the terms of this Agreement and the City prevails in such lawsuit, the Convention and Visitor Bureau agrees to reimburse the City for its reasonable costs, expenses, attorneys' fees and expert witness fees, including such costs, expenses and fees incurred in any appeal.

Section 12. Entire Agreement. This document contains all covenants, agreements and stipulations of the parties on the subject matter expressed herein. No changes, amendments or modifications of the terms of this Agreement shall be valid unless reduced to writing and signed by the duly authorized representatives of both parties as an amendment to this Agreement.

DATED this 26th day of January, 2009.

THE CITY OF GIG HARBOR

By _____
Its Mayor

ATTEST:

Molly Towslee, City Clerk

APPROVED AS TO FORM:

Gig Harbor City Attorney

THE TACOMA REGIONAL
CONVENTION AND VISITOR BUREAU

By _____
Its President & CEO

**AGREEMENT FOR TOURISM PROMOTION ACTIVITIES
BETWEEN GIG HARBOR AND THE KITSAP PENINSULA VISITOR AND
CONVENTION BUREAU**

This agreement is made and entered into by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and the Kitsap Peninsula Visitor and Convention Bureau, a Washington corporation, PO Box 270, 32220 Rainier Ave. NE, Port Gamble, WA 98364, (hereinafter the "Visitor and Convention Bureau"), for tourism promotion activities as described in this agreement.

WHEREAS, the legislature has authorized the City to levy a special excise tax for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp (pursuant to RCW 67.28.180); and

WHEREAS, revenue from taxes imposed under chapter 67.28 RCW shall be credited to a special fund in the City's treasury, to be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facility or operation of tourism-related facilities (pursuant to RCW 67.28.1815); and

WHEREAS, the City established a Lodging Tax Advisory Committee for the purpose of recommending the most appropriate use of the hotel-motel tax funds (pursuant to Resolution 509); and

WHEREAS, the Lodging Tax Advisory Committee made its recommendation to the City Council, to provide Five Thousand Dollars (\$5,000.00) in funding to the Visitor and Convention Bureau for the purposes authorized by statute and as further described in the City of Gig Harbor 2009 budget; and

WHEREAS, the City desires to provide the funds to the Visitor and Convention Bureau, to perform the activities described herein; Now, Therefore,

In consideration of the terms, conditions and covenants contained herein, the parties hereto agree as follows:

Section 1. Scope of Activities. The City shall provide Five Thousand Dollars (\$5,000.00) in funding to the Visitor and Convention Bureau to perform the following activities and no others:

- A. Meeting Marketing and Direct Sales – The Visitor and Convention Bureau Staff will market and sell Gig Harbor to professional meeting planners through out the year through inclusion in the Kitsap Travel Planner Guide and Kitsap Visitor Guide.
- B. Promotion and Marketing- The Visitor and Convention Bureau Staff will market Gig Harbor in all of their promotional opportunities and include Gig Harbor as

part of all aspects of the Kitsap Visitor and Convention Bureau including website, newsletter and media and press contacts.

- C. Web Presence – The Visitor and Convention Bureau Staff will provide Gig Harbor focused visitor information and links from www.visitkitsap.com.
- D. Public Relations – The Visitor and Convention Bureau Staff will serve as a support contact for consumer and trade media seeking information about Gig Harbor.
- E. New Projects- The Visitor and Convention Bureau Staff will include Gig Harbor in new projects as they come available and as agreed upon with the Gig Harbor Marketing Director.
- F. Results- The Visitor and Convention Bureau Staff will produce a quarterly report with complete details of activities for presentation at the Gig Harbor Lodging Tax Advisory Committee quarterly meetings.

Section 2. Term. This agreement shall commence upon execution by the duly authorized representatives of both parties and shall terminate on December 31, 2009 unless sooner terminated as provided herein. Sections 4, 9 and 11 of this agreement shall survive the termination of this agreement.

Section 3. Distribution and Payment. The total funding provided by the City to the Visitor and Convention Bureau under this Agreement shall not exceed Five Thousand Dollars (\$5,000.00) and will be paid quarterly upon receipt of invoice and activities report from the Visitor and Convention Bureau. The Visitor and Convention Bureau shall expend the funds prior to December 31, 2009. Any funds not spent by December 31, 2009 shall be promptly returned to the City.

Section 4. Auditing of Records, Documents and Reports. The Visitor and Convention Bureau shall maintain books, records, documents and other materials that sufficiently and properly reflect all expenditures made pursuant to this Agreement. The City Finance Director and any of his/her representatives shall have full access and the right to examine and copy, during normal business hours, all of the records of the Convention and Visitor Bureau with respect to matters covered in this Agreement. Such rights shall last for six (6) years from the date the disbursement is made hereunder.

Section 5. Compliance with Federal, State and Local Laws. The Visitor and Convention Bureau agrees to abide by all applicable federal and state statutes and regulations prohibiting employment discrimination, and any other statutes and regulations pertaining to the subject matter of this Agreement.

Section 6. Reporting. The Visitor and Convention Bureau agrees to produce a final report summarizing the expenditures of the funds distributed under this Agreement on or before January 31, 2010.

Section 7. Recapture and Noncompliance. In the event of a final determination by a court of competent jurisdiction that the Visitor and Convention Bureau has failed to expend the hotel-motel tax funds in accordance with state law and this Agreement, the City reserves the right to commence an action against the Visitor and Convention Bureau to recover said funds, in addition to all of the City's other available remedies at law.

Section 8. Legal Relations. Neither the Visitor and Convention Bureau, nor any employee, officer, official or volunteer of the Visitor and Convention Bureau shall be deemed to be an independent contractor, employee or volunteer of the City. No liability shall attach to the Visitor and Convention Bureau or the City by reason of entering into this Agreement except as expressly provided herein.

Section 9. Indemnification. The Visitor and Convention Bureau agrees to be responsible for and assumes liability for its own negligent acts or omissions, and those of its officers, agents, officials, employees or volunteers while performing work or expending funds pursuant to this Agreement to the fullest extent provided by law, and agrees to save, indemnify, defend and hold the City harmless from any such liability. This indemnification clause shall apply to any and all causes of action arising out of performance of work or expenditures of funds under this Agreement. Each contract for services or activities utilizing funds provided in whole or in part by this Agreement shall include a provision that the City is not liable for injuries, damages or claims for damages arising from the performance of any activity by an employee, contractor, subcontractor or independent contractor of the Visitor and Convention Bureau under this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to expiration or termination.

Section 10. Severability. If any phrase, sentence or provision of this agreement is held invalid by a court of competent jurisdiction, such invalidity shall not affect the remainder of this agreement, and to this end the provisions of this agreement are declared to be severable.

Section 11. Attorneys' Fees. In the event that the City is required to institute a lawsuit against the Visitor and Convention Bureau to enforce any of the terms of this Agreement and the City prevails in such lawsuit, the Visitor and Convention Bureau agrees to reimburse the City for its reasonable costs, expenses, attorneys' fees and expert witness fees, including such costs, expenses and fees incurred in any appeal.

Section 12. Entire Agreement. This document contains all covenants, agreements and stipulations of the parties on the subject matter expressed herein. No changes, amendments or modifications of the terms of this Agreement shall be valid unless reduced to writing and signed by the duly authorized representatives of both parties as an amendment to this Agreement.

DATED this 26th day of January, 2009.

THE CITY OF GIG HARBOR

By _____
Its Mayor

ATTEST:

Molly Towslee, City Clerk

APPROVED AS TO FORM:

Gig Harbor City Attorney

THE KITSAP PENINSULA VISITOR AND CONVENTION BUREAU

By Grant D. Grepp
Its EXECUTIVE DIRECTOR

Scott, Karen

From: W. Scott Snyder [ssnyder@omwlaw.com]
Sent: Tuesday, December 09, 2008 9:40 AM
To: Lund, Laureen
Cc: Karlinsey, Rob; Scott, Karen; Angela S. Belbeck
Subject: RE: Marketing contracts

Nice to meet you electronically. You will be working with Angela Belbeck who is now the city attorney--she's way nicer than me.

The two funding agreements are approved as to form. I have a question and suggestions for clean up on the consultant contract. The clean up is minor--please capitalize the term "Healthy Harbor" throughout the contract and the Exhibit for consistency.

My question has to do with expenses. As written, the agreement does not provide for any expense reimbursement. That's fine if that is what is intended, but absent some change in the contract there can be no reimbursement for mileage (the contract requires auto insurance), postage, etc. Again, if this is an agreement for professional services only and the hourly rate includes all charges, it's approved as to form. If you or the consultant have some other expectation regarding expense reimbursement the contract needs to be revised.

Scott

W. Scott Snyder
Ogden Murphy Wallace P.L.L.C.
1601 Fifth Ave., Suite 2100
Seattle, WA 98101
ssnyder@omwlaw.com

206.447.7000
206.447.0215 (fax)

The information contained in this e-mail message may be privileged, confidential and protected from disclosure. If you are not the intended recipient, any dissemination, distribution or copying of the contents of this message is strictly prohibited. If you think you received this message in error, please delete the message and e-mail the sender at "ssnyder@omwlaw.com".

From: Lund, Laureen [mailto:lundl@cityofgigharbor.net]
Sent: Monday, December 08, 2008 1:57 PM
To: W. Scott Snyder
Cc: Karlinsey, Rob; Scott, Karen
Subject: Marketing contracts

12/10/2008

Consent Agenda - 8

Hi Scott

I'm looking forward to meeting you and working with you. My department has minimal contact with the attorney, but we do process a few contracts during the year. Currently we have three contracts already drawn up that we hope to have on the Council agenda January 26th. I have attached them so you can have a quick look. They are written exactly as we have done in the past, particular the one for the Tacoma Convention and Visitors Bureau and the Kitsap Visitor and Convention Bureau, both of which we have had annual contracts with for 5 or more years.

These seem to work fine, but if you have shorter versions that you would recommend in the future, that would be great too.

Later in the year, we will process contracts for hiring entertainment for our outdoor concert series. I am very interested in finding a way to streamline those contracts and will be looking for your ideas on that later.

Please feel free to call me or my assistant Karen Scott or email us with your input on these. Our direct line that we share is (253) 853-3554

Laureen Lund

City of Gig Harbor
Marketing Director
www.gigharborguide.com



Subject: Recommendation for Appointment for Lodging Tax Advisory Committee

Dept. Origin: Administration - Marketing

Prepared by: Laureen Lund

For Agenda of: January 26th, 2009

Proposed Council Action: I recommend the Council approve the slate as presented.

Exhibits:

Initial & Date

Concurred by Mayor: CLH 1/26/09

Approved by City Administrator: ROK

Approved as to form by City Atty: _____

Approved by Finance Director: DF 1/09

Approved by Department Head: [Signature]

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

INFORMATION / BACKGROUND

Per Resolution No.509 passed by the Gig Harbor City Council on January 13, 1997 the City of Gig Harbor annually appoints members to the Gig Harbor Lodging Tax Committee who will insure continued use of the tax in a manner deemed in the best interest of the city.

FISCAL CONSIDERATION

none

BOARD OR COMMITTEE RECOMMENDATION

It is recommended that the following representatives be approved for membership on this advisory committee for 2009:

Elected Official of the City of Gig Harbor: Derek Young

Representatives of businesses required to collect the tax:
Sue Braaten, Kathy Franklin, Janice Denton, Randy Fortier

Representatives of activities or organizations to benefit from the use of the tax:
Jannae Mitton Jolibois, Jennifer Kilmer, Carola Stark, Warren Zimmerman

RECOMMENDATION / MOTION

Move to: approve slate as presented



Subject: Addendum to Agreement for
Legal Services Morris & Taraday, P.C.

Dept. Origin: Administration

Prepared by: Molly Towslee, City Clerk *MT*

For Agenda of: 1-26-09

Exhibits: Amendment - Legal Services Agreement
Initial & Date

Proposed Council Action:

Authorize the Mayor to sign the Addendum
to Agreement for Legal Services
with Morris & Taraday, P.C.

Concurred by Mayor: CLH 1/22/09

Approved by City Administrator: _____

Approved as to form by City Atty: ok by e-mail

Approved by Finance Director: _____

Approved by Department Head: _____

Expenditure	Amount	Appropriation	
Required	Budgeted	Required	0

INFORMATION / BACKGROUND

This Contract, provided by Ms. Morris and approved by the City Attorney, replaces the Contract previously approved by council on December 8, 2008, which was not signed by Ms. Morris.

FISCAL CONSIDERATION

Sufficient funds are in the administration budget to cover these services.

BOARD OR COMMITTEE RECOMMENDATION

None

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to sign the Addendum to Agreement with Morris & Taraday, P.C.

**LEGAL SERVICES AGREEMENT
LAND USE ATTORNEY**

This Agreement is entered into by and between the City of Gig Harbor, hereinafter referred to as the "City" and Morris & Taraday, P.C., hereinafter referred to as the "Land Use Attorney."

WHEREAS, the parties desire to define the services to be provided by the Land Use Attorney, and the costs associated therewith; Now, Therefore,

The parties hereto agree as follows:

Terms.

Section 1. Term. The term of this Agreement shall be from the date this Agreement is executed by both parties, until terminated by either party pursuant to the terms hereof. Either party may terminate this Agreement with or without cause, by providing sixty (60) days written notice to the other party.

Section 2. Duties.

A. The Land Use Attorney shall be responsible for providing prosecution or defense to the City in the land use cases attached as Exhibit A to this Agreement.

Section 3. Compensation.

A. The rates charged by the Land Use Attorney for the legal services described in this Agreement are:

<u>Title</u>	<u>Rate</u>
CEO/Carol Morris	\$ 250.00/hr
COO/Jeffrey Taraday	\$ 250.00/hr
Associates	\$ 150.00/hr
Law Clerks/Paralegals	\$ 120.00/hr

These rates are effective starting December 15, 2008, and are subject to renegotiation yearly.

B. Reimbursable Costs. The Land Use Attorney shall be reimbursed for costs and advances for such items such as legal messenger services, court filing fees and other similar expense items. The City will be billed for all travel time related to the matters set forth in Exhibit A including but not limited to travel for meetings held off the City Hall

premises, travel to court and any scheduled appointments at City Hall, and travel to City Council meetings to advise the Council regarding pending litigation.

Section 3. Equipment and Other Resources. The Land Use Attorney shall provide its own cell phone, unlimited access to on-line computer legal research services, long distance telephone, cell phone service, mileage, etc.

Section 4. Entire Agreement. This Agreement incorporates the entire agreement between the parties with regard to the legal work to be performed on behalf of the City, and the rates to be charged therefor.

Section 5. Professional Liability Insurance. The Land Use Attorney will maintain professional liability insurance throughout the duration of this Agreement in the minimum amount of \$1,000,000.00.

Section 6. Independent Contractor. The Land Use Attorney is an independent contractor with respect to the services to be provided under this Agreement. The City shall not be liable for, nor obligation to pay to the Land Use Attorney or any of its employees, sick leave, vacation, pay, overtime or any other benefit applicable to employees of the City, nor to pay or deduct any social security, income tax, or other tax from the payments made to the Land Use Attorney which may arise as an incident of the Land Use Attorney performing services for the City. The City shall not be obligated to pay industrial insurance for the services rendered by the Land Use Attorney.

Section 7. Ownership of Work Product. All data, materials, reports, memoranda, and other documents developed by the City under this Agreement specifically for the City are the property of the City and shall be forwarded to the City upon request. The City may use such documentation as the City deems fit. The City agrees that if such data, materials, reports, memoranda and other documents prepared by the Land Use Attorney are used for purposes other than those intended in this Agreement, that the City does so at its sole risk.

Section 8. Hold Harmless. The Land Use Attorney agrees to indemnify, hold harmless and defend the City, its elected and appointed officials, employees and agents from and against any and all claims, judgments or awards of damages, arising out of or resulting from the acts, errors or omissions of the Land Use Attorney. The City agrees to indemnify, hold harmless, and defend the Land Use Attorney, its officers, employees and agents from and against any and all claims, judgments or awards of damages, arising out of or resulting from the acts, errors or omissions of the City, its elected and appointed officials, employees and agents.

Section 9. Rules of Professional Conduct. All services provided by the Land Use Attorney under this Agreement will be performed in accordance with the Rules of Professional Conduct for attorneys established by the Washington Supreme Court.

Section 10. Subcontracting or Assignment. The Land Use Attorney may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. The City reserves the right to approve, in writing, any attorney other than Ms. Morris or Mr. Taraday prior to the provision of services.

Dated this ____ day of _____, 2009.

CITY OF GIG HARBOR

By _____
Mayor Charles L. Hunter

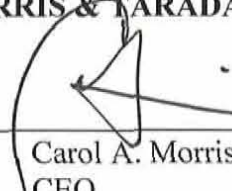
ATTEST/AUTHENTICATED:

By _____
City Clerk Molly Towslee

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By Angela Belbeck
~~W. Scott Snyder~~ Angela Belbeck

MORRIS & TARADAY, PC

By  _____
Carol A. Morris
CEO

**EXHIBIT A
TO
LAND USE ATTORNEY CONTRACT**

1. *Gig Harbor Sportsman's Club v. City of Gig Harbor*
Pierce County Superior Court Cause No. 03-2-05628-1
2. *City of Gig Harbor v. Rainer Yacht Harbor, LLC & Frisbee*
Court of Appeals No. 36201-5-II and two other *Rainier Yacht* cases
3. *Gig Harbor v. North Pacific Design*
Court of Appeals No. 36811-1-II
4. *Jeffrey L. Drolshagen v. City of Gig Harbor*
Pierce County Superior Court Cause No. 07-2-08478-4
5. Wheeler Avenue Quiet Title



Subject: Gig Harbor Senior Estates – Release of Encumbrances

Proposed Council Action: Authorize the Mayor to sign the requested releases of three encumbrances.

Dept. Origin: Public Works Department

Prepared by: Jeff Langhelm Senior Engineer *AL*

For Agenda of: January 12, 2009

Exhibits: Letter Request and Encumbrance Releases (3)

Concurred by Mayor:	Initial & Date <i>CLH 1/21/09</i>
Approved by City Administrator:	<i>PKK 1/21</i>
Approved as to form by City Atty:	<i>BY EMAIL 1/21/09</i>
Approved by Finance Director:	<i>CP 1/21/09</i>
Approved by Department Head:	<i>DS 1/21/09</i>

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

The Gig Harbor Senior Estates development, located in the City of Gig Harbor along Wagner Way, received Site Plan Approval in October 2006 and Civil Plan Approval in March 2008. In November 2008 the City received a request from the Gig Harbor Senior Estates developer to release, due to funding reasons, encumbrances from four agreements connected to the property. The letter requesting the release of these four encumbrances is attached as an exhibit.

The Gig Harbor Senior Estates is located on lots 6 and 8 within the Mallards Landing development. All lots within Mallards Landing were subdivided under the jurisdiction of Pierce County and each of the four agreements is encumbered on all lots of Mallards Landing. A description of each of the four agreements is included in the attached letter request from developer's attorney.

After review of these original agreements and the related releases, City Staff and the City Attorney recommend release of the first three encumbrances. The encumbrance releases are also attached as an exhibit. The fourth encumbrance is not recommended for release because the situation described in the agreement still exists.

FISCAL CONSIDERATION

By releasing the first three requested encumbrances the City will not be burdened by future additional costs because City of Gig Harbor Municipal Code has already required the developer of the Gig Harbor Senior Estates development to pay for, or mitigate the potential impacts described in the first three agreements.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to sign the requested releases of three encumbrances.

Smith
Alling
Lane

A Professional Services Corporation

Attorneys at Law

1102 Broadway Plaza, #403
Tacoma, Washington 98402
Tacoma: (253) 627-1091
Seattle: (425) 251-5938
Facsimile: (253) 627-0123

November 26, 2008

Douglas V. Alling
Grant B. Anderson
Mark B. Anderson
(Also admitted in Alaska)
Paul E. Brain
Joseph R. Cicero (1957-2001)
Barbara A. Henderson
Edward G. Hudson
Edward M. Lane (1928-2006)
Michael E. McAleenan
Robert L. Michaels
Daniel C. Smith (1916-2005)
Russell A. Knight

RECEIVED

DEC 01 2008

CITY OF GIG HARBOR,
ENGINEERING

VIA FACSIMILE – (253) 853-7597

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

Re: Gig Harbor Senior Living, LLC/One Mallards Landing, LLC

Dear Mr. Misiurak:

I represent One Mallards Landing, LLC which is currently developing an assisted living facility, which was permitted under the name "Gig Harbor Senior Living, LLC." I previously wrote you on November 21, 2008. This letter supersedes the November 21st letter and includes all issues which my client wishes to resolve with the City of Gig Harbor.

The title report we have received indicates that the property is subject to four encumbrances, which arose at the time the property was within the jurisdiction of Pierce County. The agreements were entered into at the time the former owners of the parcel were proposing other development projects, which were never completed. For purposes of identification the parcels my client owns are Tax Parcel Nos. 400201-006-0 and 400201-008-0. The property appears to be encumbered by the following agreements, a copy of which I am enclosing:

1. April 14, 1986 Temporary Utility Extension Agreement between Talmo and the City of Gig Harbor, recorded under Pierce County Auditor No. 8910190372. (This document was included with my November 21, 2008 letter.)
2. August 24, 1989 Memorandum of Agreement and Covenant to Run with the Land recorded under Pierce County Auditor No. 8909220239.
3. January 10, 1991 Declaration of Covenants and Irrevocable Power of Attorney, recorded under Pierce County Auditor No. 9103180340; and

RECEIVED

DEC 01 2008

CITY OF GIG HARBOR
ENGINEERING

Mr. Steve Misiurak
November 26, 2008
Page 2

4. June 14, 1999 Covenant Not to Sue and Indemnification Agreement between the City of Gig Harbor and Talmo recorded under Pierce County Auditor No. 9906170081. (This document was included in my November 21, 2008 letter.)

I am also enclosing a copy of proposed releases relating to each of the four (4) agreements and covenants. The bases for requesting a release are based upon the following facts and understandings:

**APRIL 14, 1986 TEMPORARY UTILITY
EXTENSION AGREEMENT**

The Temporary Utility Extension Agreement was done at the time the property was within Pierce County, and prior to annexation by the City of Gig Harbor. It is our understanding that the City of Gig Harbor is now providing utilities to the site and is subject to the same agreements as any other property owner within the City. Therefore, the Temporary Utility Extension Agreement has expired and should no longer be an encumbrance on the property. My client is requesting that the City of Gig Harbor sign the enclosed release.

**AUGUST 24, 1989 MEMORANDUM AGREEMENT
AND COVENANT RUNNING WITH THE LAND**

The August 24, 1989 agreement was entered into by Talmo at the request of Pierce County. I have contacted Pierce County and they indicated that the removal of this encumbrance is now within the jurisdiction of Gig Harbor. The agreement deals with a storm drainage system on the property as part of a prior proposed use of the property by Talmo. My clients have now entered into a Storm Water Facility Maintenance Agreement that supersedes the private storm drainage system which was previously proposed. Therefore, because the purpose of the old agreement is no longer being served and the new agreement provides for site specific stormwater management, we are requesting that the prior agreement be extinguished and released.

**JANUARY 10, 1991 DECLARATION OF COVENANT
AND IRREVOCABLE POWER OF ATTORNEY**

The January 10, 1991 agreement was between Talmo, Inc. and Pierce County, and relates to the possible formation of an RID for the construction, reconstruction, or improvement of 72nd Street West. I have been in contact with Philip Prettyman, a Pierce County Deputy Prosecuting attorney, who has researched this issue and has determined that Pierce County never had an RID for 72nd Street West, and that 72nd Street West is now within the jurisdiction of Gig Harbor. Therefore, we believe this agreement to participate in an RID with Pierce County has no further

RECEIVED

DEC 01 2008

CITY OF GIG HARBOR
ENGINEERING

Mr. Steve Misiurak
November 26, 2008
Page 3

validity; however, the proper party to release it is Gig Harbor, which has jurisdiction over the property. Therefore, we are requesting that Gig Harbor sign the enclosed release.

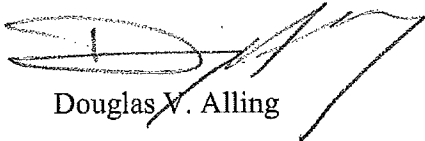
**JUNE 14, 1999 COVENANT NOT TO SUE AND
INDEMNIFICATION AGREEMENT BETWEEN THE
CITY OF GIG HARBOR AND TALMO CORPORATION**

The June 14, 1999 agreement once again relates to a project proposed by Talmo on the site, and related to stormwater drainage improvement. My client has now entered into a Stormwater Facility Maintenance Agreement and Restrictive Covenant, which is site specific and appears to supersede the June 14, 1999 agreement. Therefore, my client is requesting that the June 14th agreement be extinguished and released.

The site is currently awaiting final approval for its financing. The enclosed encumbrances are an urgent matter and we are requesting as much assistance as possible to obtain the releases and clear-up these four remaining title issues.

Very truly yours,

SMITH ALLING LANE, P.S.



Douglas V. Alling

DVA:sl
encl.

cc: Client

After Recording Return to:

Douglas V. Alling
Smith Alling Lane, P.S.
1102 Broadway Plaza, #403
Tacoma, WA 98402

**AMENDMENT AND MODIFICATION TO
MEMORANDUM OF AGREEMENT
AND COVENANT TO RUN WITH THE LAND**

THIS AGREEMENT is entered into this ____ day of January, 2009, by and between the CITY OF GIG HARBOR, a Washington municipal corporation (hereinafter referred to as the "City"), and ONE MALLARDS LANDING, LLC, a Washington limited liability company (hereinafter referred to as the "Owner"), whose address is 3620 100th St. S.W., Suite B, Tacoma, Washington 98499.

W I T N E S S H

WHEREAS, the Owner holds an ownership in and title to a parcel of real property (hereinafter referred to as the "Property"), which is legally described as follows:

LOTS 6 AND 8 MALLARDS LANDING, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 26, 2001 UNDER RECORDING NO. 200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON.

Tax Parcel Nos. 400201-006-0 and 400201-008-0.

WHEREAS, the Property's former owners include Gig Harbor Senior Living, LLC, a Washington limited liability company (hereinafter referred to as "Senior Living"), and TALMO, INC., a Washington corporation (hereinafter referred to as "TALMO"); and

WHEREAS, on August 24, 1989, TALMO entered into a Memorandum of Agreement and Covenant to Run with the Land, recorded September 22, 1989, under Pierce County Auditor No. 8909220239 ("Memorandum"). The Memorandum required the maintenance of a private drainage system in accordance with a design filed with Pierce County ("Private Drainage System");

WHEREAS, on March 26, 2001, the plat of Mallards Landing was recorded under Pierce County Auditor No. 200103265002 ("Plat"), which showed as Easement C, a storm drainage easement to be used for storm water runoff from Wagner Way only ("Easement"), and

is in the same location as the current boundaries of the Private Drainage System described in the Memorandum;

WHEREAS, the City has approved the Owner's site plan for a project to construct an assisted living facility on the Property ("Project"), which allows for a portion of two (2) of the buildings to encroach within the current boundaries of the Private Drainage System and Easement;

WHEREAS, at the time of the Memorandum, the Property was located in Pierce County, and was subsequently annexed to the City of Gig Harbor.

NOW, THEREFORE, in consideration of the terms, covenants and promises contained herein, the parties agree as follows:

1. In accordance with the site plan, the City approves the location of a portion of two (2) of the buildings for the Project within the current boundaries of the Private Drainage System and the Easement, and further agrees that boundaries the wetland buffer for the Private Drainage System and the Easement are restated and modified as described in Exhibits "A" and "B" attached hereto.

2. The City agrees that the terms of this Agreement shall apply to the current Project and any future rebuilding or reconstruction of the buildings described herein.

3. The terms of this Agreement shall run with the land and shall inure to the benefit of the Owner, the Owner's mortgage holder (including deed of trust holder), successors and assigns, and all other parties claiming an interest in the real property described herein.

EXECUTED as of the day and year first above-written.

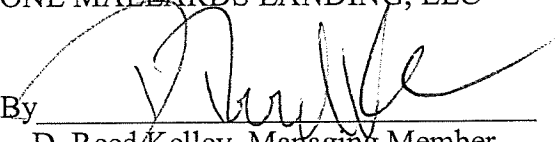
CITY:

OWNER:

CITY OF GIG HARBOR

ONE MALLARDS LANDING, LLC

By _____
Its: _____

By 
D. Reed Kelley, Managing Member

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

On this day personally appeared before me _____, to me known to be the _____ of the City of Gig Harbor, the municipal corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal this _____ day of January, 2009.

NOTARY PUBLIC, in and for the State
of Washington, residing at: _____
Print Name: _____
My Commission Expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

On this day personally appeared before me D. REED KELLEY, to me known to be the Managing Member of One Mallards Landing, LLC, the limited liability company that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

WITNESS my hand and official seal this 21st day of January, 2009.



Julie M. Martin
NOTARY PUBLIC, in and for the State
of Washington, residing at: Graham
Print Name: Julie M. Martin
My Commission Expires: 9/26/12

EXHIBIT "A"
LEGAL DESCRIPTION NEW EASEMENT "C"

A parcel of land lying within Lot 6, Mallards' Landing, according to the Plat thereof recorded March 26, 2001, under Auditor's File Number 200103265002, records of Pierce County Auditor and described as follows:

Commencing at the northerly most corner of said Lot 6, being on the easterly margin of Wagner Way SE;

Thence South 60°35'38" West along said easterly margin a distance of 55.12 feet to the TRUE POINT OF BEGINNING of the parcel herein described;

Thence South 01°08'47" East a distance of 7.27 feet;

Thence South 00°36'06" West a distance of 18.41 feet;

Thence South 12°42'44" East a distance of 77.20 feet;

Thence South 52°30'41" East a distance of 16.59 feet to the beginning of a tangent curve concave to the southwest and having a radius of 12.50 feet;

Thence southeasterly along the arc of said curve through a central angle of 30°54'19" a distance of 6.74 feet;

Thence South 21°36'21" East a distance of 18.17 feet;

Thence North 77°17'20" East a distance of 11.97 feet;

Thence South 21°07'55" East a distance of 5.44 feet;

Thence South 02°27'18" East a distance of 22.53 feet;

Thence North 85°55'38" West a distance of 12.72 feet;

Thence South 05°31'30" West a distance of 18.40 feet to the beginning of a tangent curve concave to the northwest and having a radius of 12.50 feet;

Thence southwesterly along the arc of said curve through a central angle of 71°26'59" a distance of 15.59 feet;

Thence South 76°58'29" West a distance of 4.58 feet;

Thence South 05°03'58" West a distance of 11.34 feet;

Thence South 19°45'29" West a distance of 61.34 feet;

Thence North 79°17'29" West a distance of 60.22 feet;

Thence South 88°39'15" West a distance of 25.89 feet;

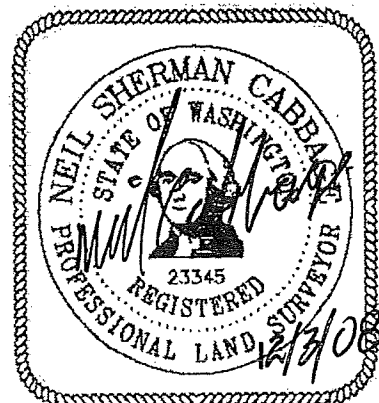
Thence South 20°11'45" West a distance of 32.62 feet;

Thence South 53°36'13" West a distance of 5.50 feet to the easterly margin of said Wagner Way SE;

Thence North 02°24'32" East along said easterly margin a distance of 231.79 feet;

Thence continuing along said easterly margin North 60°35'38" East a distance of 98.56 feet to the TRUE POINT OF BEGINNING.

Easement area contains 25,830 square feet or 0.59 acres, more or less.

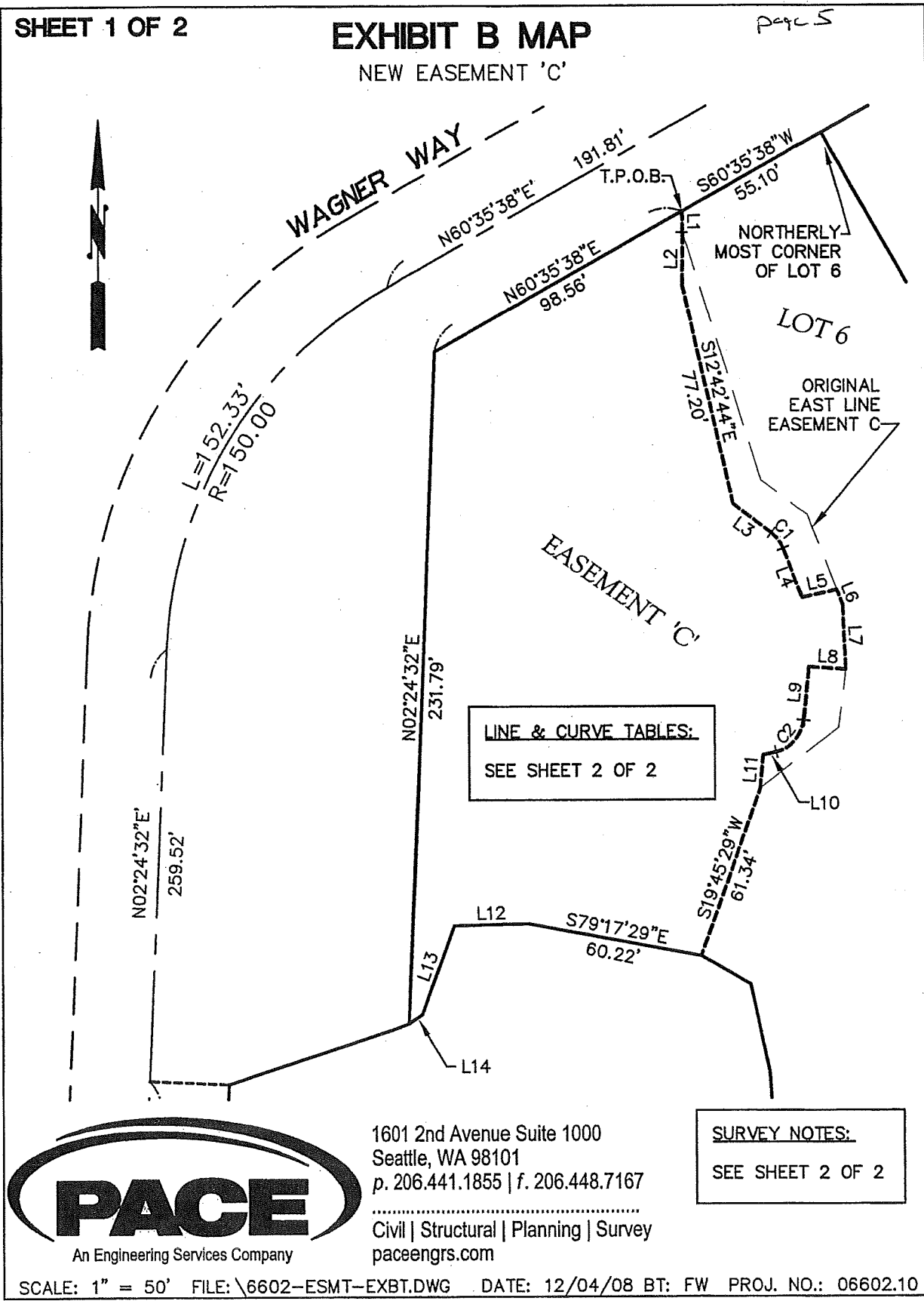


SHEET 1 OF 2

EXHIBIT B MAP

NEW EASEMENT 'C'

Page 5



LINE & CURVE TABLES:
SEE SHEET 2 OF 2

SURVEY NOTES:
SEE SHEET 2 OF 2



1601 2nd Avenue Suite 1000
Seattle, WA 98101
p. 206.441.1855 | f. 206.448.7167
Civil | Structural | Planning | Survey
paceengrs.com

SHEET 2 OF 2

EXHIBIT B MAP

page 6

NEW EASEMENT 'C'

SURVEY NOTES:

MERIDIAN: ASSUMED - BASIS OF BEARINGS = PER PLAT OF MALLARDS LANDING REC. #200103265002

LINE TABLE

LINE	LENGTH	BEARING
L1	7.27	S01°08'47"E
L2	18.41	S00°36'06"W
L3	16.59	S52°30'41"E
L4	18.17	S21°36'21"E
L5	11.97	N77°17'20"E
L6	5.44	S21°07'55"E
L7	22.53	S02°27'18"E
L8	12.72	N85°55'38"W
L9	18.40	S05°31'30"W
L10	4.58	S76°58'29"W
L11	11.34	S05°03'58"W
L12	25.89	S88°39'15"W
L13	32.62	S20°11'45"W
L14	5.50	S53°36'13"W

CURVE TABLE

CURVE	LENGTH	RADIUS	DELTA
C1	6.74	12.50	30°54'19"
C2	15.59	12.50	71°26'59"



An Engineering Services Company

1601 2nd Avenue Suite 1000
 Seattle, WA 98101
 p. 206.441.1855 | f. 206.448.7167

.....
 Civil | Structural | Planning | Survey
 paceengrs.com

After Recording Return to:

Douglas V. Alling
Smith Alling Lane, P.S.
1102 Broadway Plaza, #403
Tacoma, WA 98402

**RELEASE OF TEMPORARY
UTILITY EXTENSION AGREEMENT**

THIS AGREEMENT is entered into this _____ day of January, 2009, by and between the CITY OF GIG HARBOR, a Washington municipal corporation (hereinafter referred to as the "City") and ONE MALLARDS LANDING, LLC, a Washington limited liability company (hereinafter referred to as the "Owner"), whose address is 3620 100th St. S.W., Suite B, Tacoma, Washington 98499.

W I T N E S S T H

WHEREAS, the Owner holds title to the Property, the legal description of which is as follows:

LOTS 6 AND 8 MALLARDS LANDING, ACCORDING TO THE PLAT
THEREOF RECORDED MARCH 26, 2001 UNDER RECORDING NO.
200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON.

Tax Parcel Nos. 400201-006-0 and 400201-008-0.

WHEREAS, the Property's former owners included GHI, a Washington limited partnership by WASHINGTON PACIFIC LTD, a Washington corporation, General Partner; INTERCHANGE ASSOCIATES, a limited partnership by D & C MANAGEMENT, INC, a Washington corporation, General Partner; and TALMO, INC., a Washington corporation, (collectively referred to as the "Former Owners"); and

WHEREAS, on April 14, 1986, the Former Owners entered into a Temporary Utility Extension Agreement with the City ("Temporary Agreement"), recorded October 19, 1989, under Pierce County Auditor No. 8910190372.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and promises contained herein, the parties agree as follows:

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

On this day personally appeared before me D. REED KELLEY, to me known to be the Managing Member of One Mallards Landing, LLC, the limited liability company that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

WITNESS my hand and official seal this 21st day of January, 2009.

Julie M Martin
NOTARY PUBLIC, in and for the State
of Washington, residing at: Yonahau
Print Name: Julie M Martin
My Commission Expires: 9/26/12



After Recording Return to:

Douglas V. Alling
Smith Alling Lane, P.S.
1102 Broadway Plaza, #403
Tacoma, WA 98402

**RELEASE OF DECLARATION OF COVENANT
AND IRREVOCABLE POWER OF ATTORNEY**

THIS AGREEMENT is entered into this ____ day of January, 2009, by and between the CITY OF GIG HARBOR, a Washington municipal corporation (hereinafter referred to as the "City"), and ONE MALLARDS LANDING, LLC, a Washington limited liability company (hereinafter referred to as the "Owner"), whose address is 3620 100th St. S.W., Suite B, Tacoma, Washington 98499.

W I T N E S S T H

WHEREAS, the Owner holds an ownership in and title to a parcel of real property (hereinafter referred to as the "Property"), which is legally described as follows:

LOTS 6 AND 8 MALLARDS LANDING, ACCORDING TO THE PLAT
THEREOF RECORDED MARCH 26, 2001 UNDER RECORDING NO.
200103265002, RECORDS OF PIERCE COUNTY, WASHINGTON.

Tax Parcel Nos. 400201-006-0 and 400201-008-0.

WHEREAS, the Property's former owner included TALMO, INC., a Washington corporation (hereinafter referred to as "TALMO"); and

WHEREAS, on January 10, 1991, TALMO entered into a Declaration of Covenant and Irrevocable Power of Attorney, recorded March 18, 1991, under Pierce County Auditor No. 9103180340 ("Declaration"); and

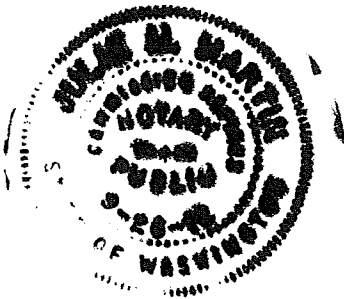
WHEREAS, at the time of the Declaration the Property was located in Pierce County, and subsequently, the Property has been annexed to the City of Gig Harbor, by adoption of Ordinance #690.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and promises contained herein, the parties agree as follows:

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

On this day personally appeared before me D. REED KELLEY, to me known to be the Managing Member of One Mallards Landing, LLC, the limited liability company that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

WITNESS my hand and official seal this 21st day of January, 2009.



Julie M. Martin
NOTARY PUBLIC, in and for the State
of Washington, residing at: Graham
Print Name: Julie M. Martin
My Commission Expires: 9/26/12



Subject: WWTP Outfall Extension (CSSP-0023) – US Coast Guard Easement for Sewage Outfall Pipeline.

Proposed Council Actions:

Approval of the US Coast Guard Easement for Sewage Outfall Pipeline located on Coast Guard property at the Gig Harbor Light Station as presented.

Dept. Origin: Public Works

Prepared by: Willy Hendrickson
Engineering Technician *WJH*

For Agenda of: January 26, 2009

Exhibits:

- A. Letter from US Coast Guard
- B. Plan & Profile Drawing of pipeline
- C. Aerial photo of project alignment
- D. US Coast Guard Easement Agreement

	Initial & Date
Concurred by Mayor:	<i>SLH 1/21/09</i>
Approved by City Administrator:	<i>PKK</i>
Approved as to form by City Atty:	<i>approved via email</i>
Approved by Finance Director:	<i>SLH 1/20/09</i>
Approved by Department Head:	<i>WJH 1/20/09</i>

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

INFORMATION / BACKGROUND

A new wastewater treatment plant effluent pipe (sewage outfall pipeline) which empties into Colvos passage is a requirement of the Washington Department of Ecology in order to increase the permitted discharge of the Gig Harbor Wastewater Treatment Plant beyond it's current limit of 1.2 million gallons per day average annual flow.

The alignment of the proposed new outfall pipe would take it under the sandspit at the mouth of Gig Harbor, which is US Coast Guard property. The attached permit from the Coast Guard is a permit in perpetuity which would grant the City of Gig Harbor the right to locate its effluent pipe through the sandspit by boring under it.

FISCAL CONSIDERATION

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

BOARD OR COMMITTEE RECOMMENDATION

N/A

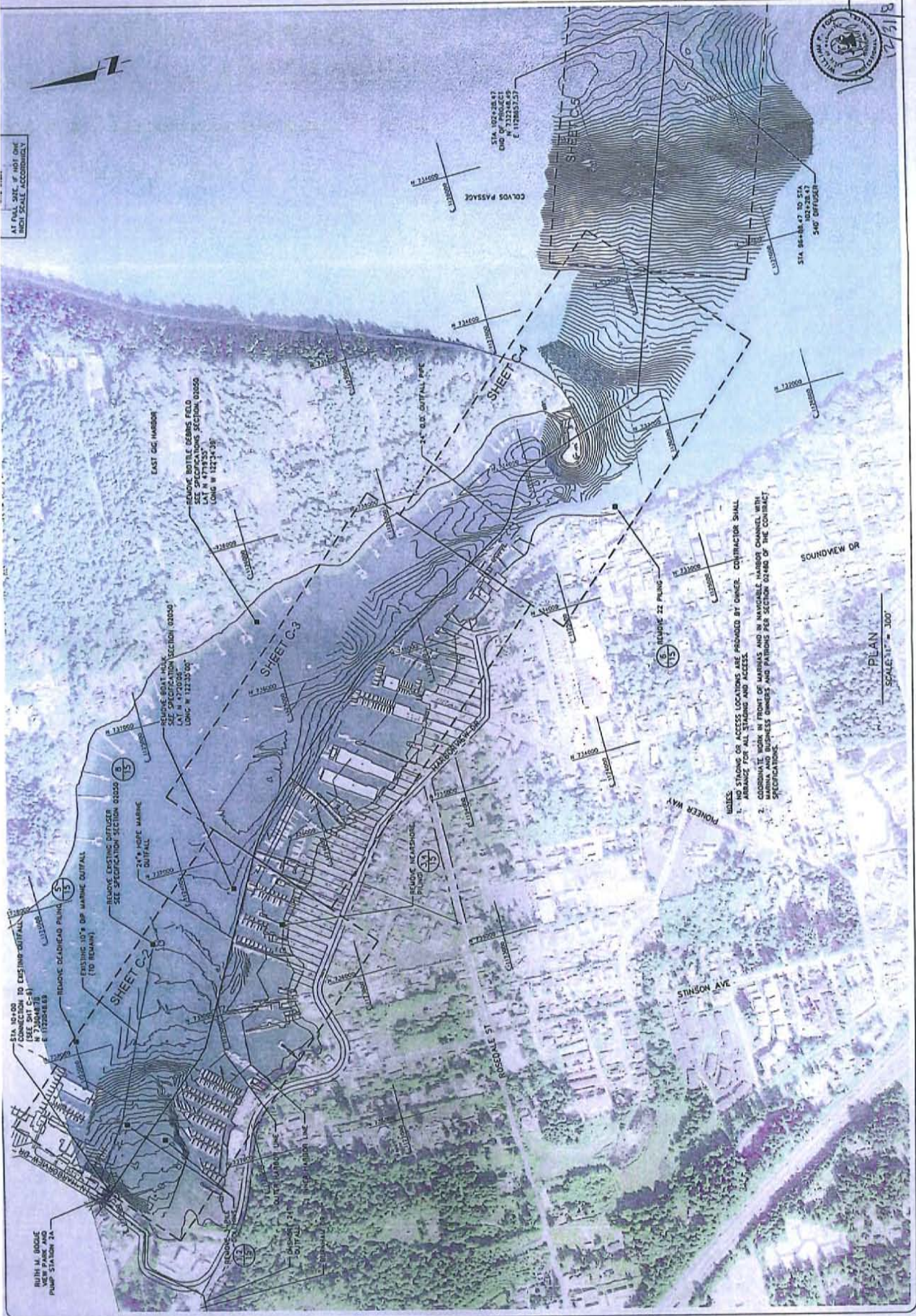
RECOMMENDATION / MOTION

Approval of the US Coast Guard Easement for Sewage Outfall Pipeline located on Coast Guard property at the Gig Harbor Light Station as presented.

NO.	REVISIONS	DATE	BY

CITY OF GIG HARBOR
 2510 GRANDVIEW STREET
 GIG HARBOR, VA 22135
 PROJECT OVERVIEW
 WWP OFFFALL EXTENSION

DESIGNED BY: WPF
 DRAWN BY: JWF
 CHECKED BY: RCH
 APPROVED BY: [Signature]
 SCALE: AS NOTED
 DATE: DEC 2008
 SHEET NO: C-1



NOTES:
 1. NO SHORES OR ACCESS USES SHALL BE PROVIDED BY OWNER. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL SHORES AND ACCESS.
 2. CROSSING WITHIN FRONT OF MARINAS AND IN MANOUELA HARBOR CHANNEL WITH MARINA AND BUSINESS OWNERS AND PARTISONS PER SECTION 0348 OF THE CONTRACT SPECIFICATIONS.

PLAN
 SCALE: 1" = 300'



AT FINAL SET, IF NOT ONE
 SHEET SCALE, ACCORDINGLY

U.S. Department of
Homeland Security

United States
Coast Guard



Commander
Maintenance & Logistics
Command Pacific

Consent Agenda - 12
Chief, Civil Engineering Division
1301 Clay Street, Suite 700N
Oakland, CA 94612-5203
Staff Symbol: s/bf
Phone: (510) 637-5527
Fax: (510) 637-5513
Email: beverly.j.freitas@uscg.mil

11011

RECEIVED
DEC 11 2008

DEC 22 2008

COSMOPOLITAN ENGINEERING GROUP

Mr. Jason Van Gilder
Project Engineer
Cosmopolitan Engineering Group
P.O. Box 1678
Tacoma, Washington 98401-1678

Dear Mr. Van Gilder:

Enclosed for your review and execution is the proposed easement covering the installation of a wastewater treatment plant effluent pipeline on Coast Guard property at the Gig Harbor Light Station.

If found acceptable, please have the City of Gig Harbor sign the easement and return in to this Command for further processing. A fully executed copy will be returned to you for recording purposes after execution on behalf of the Coast Guard. It is also requested that you provide us with a recorded copy of the easement for our records.

If you have any questions, please contact Beverly Freitas, Senior Real Property Specialist at 510.637.5527.

Sincerely,

J. S. Burke
J. S. BURKE

Lieutenant Commander, U. S. Coast Guard
Chief, North Team
Civil Engineering Division
By direction of the Commander

Enclosure

UNITED STATES COAST GUARD
EASEMENT
FOR SEWAGE OUTFALL PIPELINE
LOCATED ON GIG HARBOR LIGHT STATION
PIERCE COUNTY, GIG HARBOR, WASHINGTON

THE COMMANDANT OF THE COAST GUARD, hereinafter referred to as "Grantor, acting under the authority of 14 U.S.C. §93(a)(14), hereby grants to City of Gig Harbor, hereinafter referred to as "Grantee", an easement for the installation of a wastewater treatment plant effluent pipeline over, across, in and upon lands owned by United States at Gig Harbor Light Station, hereinafter referred to as "Installation", identified in Exhibit "A", attached hereto and made a part hereof, hereinafter referred to as the "Premises". Grantor and Grantee, when referred to together, are hereinafter referred to as the "Parties". For purposes of this easement, Grantor includes the United States Government and the United States Coast Guard.

This easement is granted subject to the following conditions:

1. **TERM:** This easement is hereby granted in perpetuity beginning January 1, 2009.
2. **CONSIDERATION AND COSTS:**
 - a. Grantee's use of the premises is of benefit to the surrounding communities and general public, therefore, consideration is waived due to the benefits derived from the pipeline.
 - b. The use, operation, and occupation of the Premises pursuant to this easement shall be without cost or expense to the United States Coast Guard.
3. **CORRESPONDENCE:** All correspondence to be sent and notices to be given pursuant to this easement shall be addressed, if to Grantor, to Commander, MLCP(s), Chief, Civil Engineering Division, 1301 Clay Street, Suite 700N, Oakland, California 94612-5203, and, if to Grantee, to City of Gig Harbor, City Administrator, 3510 Grandview Street, Gig Harbor, Washington 98335, or as may from time to time otherwise be directed by the Parties. Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited, postage prepaid, and postmarked in a post office regularly maintained by the United States Postal Service.
4. **AUTHORIZED REPRESENTATIVES:** Except as otherwise specifically provided, any reference herein to "Commandant" or "Installation Commander" or "said Officer" shall include their duly authorized representatives. Any reference to "Grantee" shall include assignees, transferees and their duly authorized representatives.
5. **SUPERVISION:** The construction, operation, maintenance, repair or replacement of the pipeline permitted by this easement shall be performed at no cost or expense to the United States and subject to the approval of the Installation Commander, hereinafter

referred to as said Officer. Upon the completion of any of the above activities, the Grantee shall immediately restore the premises to the satisfaction of said Officer. The use and occupation of the premises for the purposes herein granted shall be subject to such rules and regulations as said Officer prescribes in writing from time to time.

6. **APPLICABLE LAWS AND REGULATIONS:** The Grantee shall comply with all applicable Federal, state, county and municipal laws, ordinances and regulations wherein the premises are located.

7. **CONDITION OF PREMISES:** Grantee has inspected and knows the condition of the Premises, and understands that the Premises are granted in as "as is, where is" condition without any warranty, representation, or obligation on the part of Grantor to make any alterations, repairs, improvements, or corrections to defects whether patent or latent. The Grantee shall inspect the facilities at reasonable intervals and immediately repair any such defects. The Grantee is not required to repair any patent or latent defects, unless the same were caused by the Grantee.

8. **PROTECTION OF PREMISES:** The Grantee shall be responsible for any damage that may be caused to the property of the United States by the activities of the Grantee under this easement and shall exercise due diligence in the protection of all property located on the premises against fire or damage from any and all other causes. Any property of the United States damaged or destroyed by the Grantee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Grantee to a condition satisfactory to said Officer, or at the election of said Officer, reimbursement made therefore by the Grantee in an amount necessary to restore or replace the property to a condition satisfactory to said Officer.

9. **RIGHT TO ENTER:** The right is reserved to the United States, its officers, agents and employees to enter upon the premises at any time and for any purpose necessary or convenient in connection with government purposes, to make inspections, to remove timber or other material, except property of the Grantee, and to make any use of the lands as may be necessary in connection with government purposes, and the Grantee shall have no claim for damages on account thereof against the United States or any officer, agent, or employee thereof.

10. **TRANSFER AND ASSIGNMENTS:** Without prior written approval by the Grantor, the Grantee shall neither transfer nor assign this easement or any part thereof nor grant any interest, privilege or license whatsoever in connection with this easement. The provisions and conditions of this easement shall extend to and be binding upon and shall inure to the benefit of the representatives, successors and assigns of the Grantee.

11. **INDEMNITY:** The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property or injuries to the person of the Grantee's officers, agents, or employees or others who may be on the premises at their invitation of any one of them, and the Grantee, to the extent allowed by Washington State Law, shall hold the United States harmless from any and all such claims not including damages due to the fault or negligence of the United States or its contractors.

12. **SUBJECT TO EASEMENTS:** This easement is subject to all other existing easements, or those subsequently granted as well as established access routes for roadways and utilities located, or to be located, on the premises, provided that the proposed grant of any new easement or route will be coordinated with the Grantee, and easements will not be granted which will, in the opinion of the Grantor, interfere with the use of the premises by the Grantee.

13. **RELOCATION OF FACILITIES:** In the event all or any portion of the premises occupied by the said facilities shall be needed by the United States, or in the event the existence of said facilities is determined to be detrimental to Governmental activities, the Grantee shall upon notice to do so, remove said facilities to such other location on the premises as may be designated by the Grantor. In the event said facilities shall not be removed or relocated within 180 days after such notice, the United States may cause relocation at the sole expense of the Grantee. If it is not feasible to relocate the pipeline within the required time, an extension of time may be granted upon mutual consent by both parties.

14. **TERMINATION:** This easement may be terminated by the Commandant upon Thirty (30) days written notice to the Grantee for failure of the Grantee to comply with any or all of the conditions of the easement, or for non-use for a period of two years, or for abandonment.

15. **HISTORIC PRESERVATION:** Grantee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archaeological, architectural, or other cultural artifacts, relics, vestiges, remains, or objects of antiquity. In the event such items are discovered on the Premises, Grantee shall cease its activities at the site and immediately notify said officer and protect the site and the material from further disturbance until said officer gives clearance to proceed. Any costs resulting from this delay shall be the responsibility of Grantee.

16. **ENVIRONMENTAL PROTECTION:** Within the limits of their respective legal powers, the parties hereto shall protect the premises against pollution of its air, ground and water. The Grantee shall promptly comply with any laws, regulations, conditions or instructions affecting the activity thereby authorized if and when issued by the Environmental Protection Agency, or any Federal, state, interstate or local Governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic, or hazardous materials within the premises is strictly prohibited. Such regulations, conditions, or instructions in effect or prescribed by the said Environmental Protection Agency or any Federal, state, interstate or local Governmental agency are hereby made a condition of this easement. The Grantee shall not discharge waste or effluent from the premises in such a manner that the discharge will contaminate the waters of the United States, or otherwise become a public nuisance. The use of any pesticides or herbicides within the premises shall be in conformance with all applicable Federal, state and local laws and regulations. The grantee must obtain approval in writing from said Officer before any pesticides or herbicides are applied to the premises. The Grantee shall use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs arising from the Grantee's activities, the Grantee shall be liable to restore the damaged resources.

17. DOCUMENTATION OF EXISTING SURFACE CONDITIONS: Upon entering the property for the purposes of installation, inspection, maintenance, or removal of the facilities, the Grantee shall submit to the Grantor photographic documentation of the existing surface conditions of the property. Upon the completion of installation, inspection, maintenance, or removal of the facilities including any environmental restoration as described in Section 17 above, the Grantee shall submit additional photographic documentation indicating that the premises have been restored to the satisfaction of the Grantor.

18. NON-DISCRIMINATION: The Grantee shall not discriminate against any person or persons because of race, color, age, sex, handicap, national origin, or religion in the conduct of operations on the premises.

19. RESTORATION: On or before the expiration or termination of this easement, the grantee shall, without expense to the United States, and within such time as the Grantor may indicate, remove said pipeline and restore the premises to the satisfaction of the Grantor. In the event the Grantee shall fail to remove said pipeline and restore the premises, the United States shall have the option to take over said pipeline without compensation, or to remove said pipeline and perform the restoration at the expense of the Grantee, and the Grantee shall have no claim for damages against the United States or its officers or agents for such action.

20. DISCLAIMER: This instrument is effective only insofar as the rights of the United States in the property are concerned, and the Grantee shall obtain such permission as may be required on account of any other existing rights. It is understood that the granting of this easement does not eliminate the necessity of obtaining any permit or license which may be required by Federal, state or local statute in connection with use of the premises.

21. AVAILABILITY OF FUNDS: The obligations of Grantor under this easement shall be subject to the availability of appropriated funds. No appropriated funds are obligated by this easement.

22. AMENDMENTS: This easement may only be modified or amended by the written agreement of the Parties, duly signed by their authorized representatives.

23. ENTIRE AGREEMENT: It is expressly understood and agreed that this written instrument embodies the entire agreement between the Parties regarding the use of the Premises by the Grantee, and there are no understandings or agreements, verbal or otherwise, between the Parties except as expressly set forth herein.

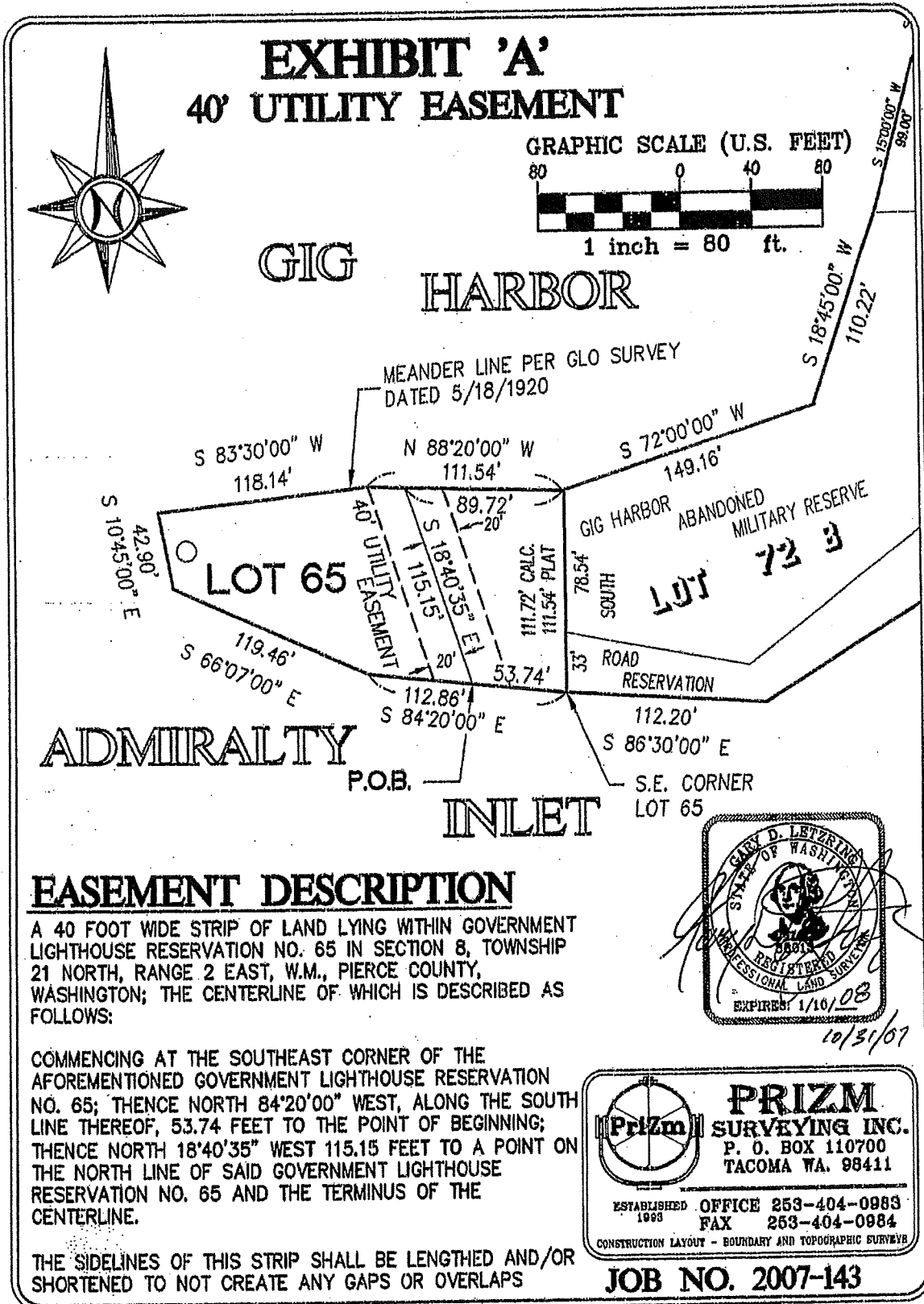
IN WITNESS WHEREOF, I have hereunto set my hand by authority of the
Commandant of the United States Coast Guard, this _____ day of _____, 2009.

UNITED STATES OF AMERICA
By the Commandant of the Coast Guard

V. K. HOLTZMAN-BELL
Captain, U.S. Coast Guard
Chief, Civil Engineering Division
By direction of the Commander

This easement is also executed by Grantee this _____ day of _____,
2008.

CITY OF GIG HARBOR





Subject: Pierce County and City Of Gig Harbor Storm Water Mapping Inventory Service Agreement - Amendment # 1.

Proposed Council Action:

Authorize the extension of the end date of the current agreement No. 59618 with Pierce County from December 31, 2008 to February 15, 2009.

Dept. Origin: Public Works

Prepared by: Wayne Matthews
Engineering Technician

For Agenda of: January 26, 2009

Exhibits: Amendment #1 Contract #59618
Three copies

Initial & Date

Concurred by Mayor: CHH 1/20/09
Approved by City Administrator: POK
Approved as to form by City Atty: approved 1/9/09
Approved by Finance Director: N/A
Approved by Department Head: D& 1/20/09

Expenditure	Amount	Appropriation
Required \$ 0	Budgeted \$75,000	Required 0

INFORMATION / BACKGROUND

On May 28th, 2008 the City entered into the current agreement with Pierce County for the use of personnel and equipment for data collection to update to the City's current storm water GIS database. The need to provide an updated storm water mapping inventory and database is a requirement of the recently enacted City NPDES Permit.

Staff is requesting to extend the end date of the current agreement with Pierce County from December 31, 2008 to February 15, 2009. The extension will allow the infrastructure collection and updating to the City's storm water GIS database and map to be completed. Any cost incurred will be covered by the current contract, which will be reimbursed through the Department of Ecology Stormwater Grant.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the extension of the end date of the current agreement No. 59618 with Pierce County from December 31, 2008 to February 15, 2009.

AMENDMENT # 1
CONTRACT # 59618
for
COLLECTION OF STORM DRAINAGE INFRASTRUCTURE
BETWEEN PIERCE COUNTY ITD/GIS
AND THE CITY OF GIG HARBOR

THIS AGREEMENT is made and entered into by Pierce County and The City of Gig Harbor.

WHEREAS, the parties have previously entered into an agreement, dated May 28th, 2008 for Collection of Storm Drainage Infrastructure;

WHEREAS, the parties desire to amend the agreement in consideration of the mutual benefits and advantages to be derived by each of the parties,

IT IS HEREBY AGREED as follows:

Amend agreement to extend the end date from December 31, 2008 to February 15, 2009. The parties intend that this Amendment relate back to December 31, 2008, and this Amendment shall ratify the prior oral understanding between the parties that this Amendment does so relate back.

All other terms and conditions of the agreement and all supplements and modifications thereto shall remain in full force and effect.

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

CITY OF GIG HARBOR:

PIERCE COUNTY:

Name Date

(Signature)

Title

Mailing Address:
3510 Grandview Street

Gig Harbor, WA 98335
Street Address, if different:

Same

Contact Name: _____

Contact Phone: _____

Contact FAX: _____

Contact E-mail Address: _____

By _____
Deputy Prosecuting Attorney Date
(Approved as to legal form only)

Recommended:

By _____
Budget and Finance Date

Approved:

By _____
Department Director Date
(less than \$250,000)

or

By _____
Pierce County Executive Date
(\$250,000 or more)



Subject: Canterwood Boulevard Improvements Project, Change Order No. 2

Proposed Council Action:
Approve Change Order No. 2 to the Canterwood Boulevard construction contract.

Dept. Origin: Public Works
Prepared by: Marcos R. McGraw
Project Engineer

For Agenda of: January 26, 2008

Exhibits: Endorsed Change Order #2

	Initial & Date
Concurred by Mayor:	<u>CLH 1/21/09</u>
Approved by City Administrator:	<u>PK</u>
Approved as to form by City Atty:	<u>(by email)</u>
Approved by Finance Director:	<u>DR 1/21/09</u>
Approved by Department Head:	<u>DR 1/20/09</u>

Expenditure Required	\$0	Amount Budgeted	\$11,000,000.00	Appropriation Required	\$0
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INFORMATION / BACKGROUND

The contract directs the contractor to place coated chain link fence on top of the concrete wall and concrete traffic barrier along the west side of the project. The purpose of the fence is to discourage encroachment onto State facilities. The traffic barrier, guardrail, walls and the stream restrict access to State Route 16. The WSDOT field engineer assigned to this project agreed that sufficient barriers exist and the chain link fence is unnecessary. This change order directs the contractor to not place the fence and associated posts.

CHANGE ORDER SUMMARY

The following table summarizes all the change orders for the project to date:

Changer Order Summary	
Original Contract Amount:	\$ 3,772,736.16
Total Change by Previous Change Orders:	(\$ 12,872.68)
Contract Amount Prior to this Change Order:	\$ 3,759,863.48
Amount of this Change Order No. 2:	(\$ 12,535.00)
Adjusted Contract Amount including this Change Order:	\$ 3,747,328.48

FISCAL CONSIDERATION

This change to the contract will reduce the overall cost of this contract.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Staff recommends approval of Change Order No. 2 to the Canterwood Boulevard construction contract.

McGraw, Marcos

From: Angela S. Belbeck [abelbeck@omwlaw.com]
Sent: Wednesday, January 14, 2009 4:28 PM
To: McGraw, Marcos
Cc: Stubchaer, David
Subject: RE: CSP0817; council memo, change order #2
Attachments: 1848_001.pdf

Hi Marcos. See attached council bill with marked changes on both pages. With those changes, all is approved. Let me know if you need anything else or have any questions.

--Angela

From: McGraw, Marcos [mailto:McGrawM@cityofgigharbor.net]
Sent: Tuesday, January 13, 2009 2:35 PM
To: Angela S. Belbeck
Cc: Stubchaer, David
Subject: CSP0817; council memo, change order #2

Angela,

I attached a copy of a council memo to this email for your review and comment (approve to form). This is the second change order for the Canterwood Boulevard Improvements project. I also attached a copy of the change order document for your reference.

Thank you.

Marcos R. McGraw
City of Gig Harbor
Project Engineer
(253)853-2647



Subject: Canterwood Boulevard Improvements Project, Change Order No. 2

Dept. Origin: Public Works

Prepared by: Marcos R. McGraw
Project Engineer

Proposed Council Action:

Approve Change Order No. 2 to the Canterwood Boulevard construction contract.

For Agenda of: January 26, 2008

Exhibits: Endorsed Change Order #1

Initial & Date

Concurred by Mayor: _____

Approved by City Administrator: _____

Approved as to form by City Atty: _____

Approved by Finance Director: _____

Approved by Department Head: _____

2

Expenditure Required	\$0	Amount Budgeted	\$11,000,000.00	Appropriation Required	\$0
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INFORMATION / BACKGROUND

State Route 16

The contract directs the contractor to place coated chain link fence on top of the concrete wall and concrete traffic barrier along the west side of the project. The traffic barrier, guardrail, walls and the stream restrict access to The State highway (SR16). The chain link fence is unnecessary. This change order directs the contractor to not place the fence and associated posts.

CHANGE ORDER SUMMARY

The following table summarizes all the change orders for the project to date:

Changer Order Summary	
Original Contract Amount:	\$ 3,772,736.16
Total Change by Previous Change Orders:	(\$ 12,872.68)
Contract Amount Prior to this Change Order:	\$ 3,759,863.48
Amount of this Change Order No. 2:	(\$ 12,535.00)
Adjusted Contract Amount including this Change Order:	\$ 3,747,328.48

FISCAL CONSIDERATION

This change to the contract will reduce the overall cost of this contract.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

~~Staff recommends approval of Change Order No. 2 to the Canterwood Boulevard construction contract.~~

~~Motion to approve~~

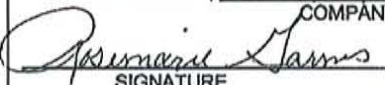
Per David Stubehaer

and authorize the _____ to ~~sign~~ the same.

COPY

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

RECEIVED
Agenda - 14
DEC 29 2008
ACTIVE CONSTRUCTION INC.

Sheet <u>1</u> of <u>2</u> Date <u>11/20/2008</u>	CHANGE ORDER	Change Order Number <u>2</u>
<input type="checkbox"/> ORDERED BY ENGINEER/CITY UNDER TERMS OF SUPPLEMENTARY CONDITIONS SECTION 12.01M. <input type="checkbox"/> CHANGE PROPOSED BY CONTRACTOR. <input checked="" type="checkbox"/> OTHER: CHANGE MUTUALLY AGREED BETWEEN THE CITY AND THE VENDOR.	CONTRACT NO.: <u>CSP - 0817</u> Canterwood Boulevard Improvements Project	
ENDORSED BY: <u>Active Construction Inc</u> <small>COMPANY NAME</small>  <small>SIGNATURE</small> <u>11/16/09</u> <small>DATE</small> TITLE: <u>CEO/Partner</u>	TO: Active Construction, Inc. 5110 River Road East P. O. Box 430 Puyallup, WA 98371	
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:

This change order provides for the following condition that was not anticipated at the time of bid. It consists of the following:

The contract directs the contractor to place coated chain link fence on top of concrete wall and concrete traffic barrier (ref. plan sheets 21 – 22). This fence has been determined to be unnecessary. The contractor shall not place the coated chain link fence and associated posts.

The plan quantity of bid item #119 "Coated Chain Link Fence Type 4" will be reduced by 655 linear feet.

The plan quantity of bid item #120 "Coated End, Gate, Corner, Pull Post for Chain Link Fence" will be reduced by 7 each.

Although this deleted work reduces contract work, this change order will not reduce the total contract time.

This change order reduces the project costs by \$12,535.00 including retail sales tax. It makes no adjustment to the contract time.

COPY

Bid Item #	Description	Unit	Qty	Bid Price	Extension
119	Coated Chain Link Fence Type 4	LF	655	\$17.00	\$11,135.00
120	Coated E, G, C, P Post for CLF	each	7	\$200.00	\$1,400.00
TOTAL ESTIMATED CREDIT					\$12,535.00



Subject: BB16 (SR-16/Borgen Boulevard/ Canterwood) Interchange CSP-0803 Supplemental Agreement No. 3 to the Local Agency Standard Consultant Agreement— Interchange traffic modeling & IJR document.

Proposed Council Action: Authorize the Mayor on behalf of Council to execute a Supplemental Agreement No. 3 to the Local Agency Standard Consultant Agreement with H.W. Lochner, Inc. in the amount not to exceed amount of \$100,000.00.

Dept. Origin: Public Works Department

Prepared by: Marcos McGraw
Project Engineer

For Agenda of: January 26, 2009

Exhibits: Supplemental Agreement No. 3
Exhibit A, Exhibit E-1,
Attachments, Exhibit G-1

	Initial & Date
Concurred by Mayor:	<u>CLH 1/21/09</u>
Approved by City Administrator:	<u>RJK</u>
Approved as to form by City Atty:	<u>ADDY AS TO FORM AB 11/4/09</u>
Approved by Finance Director:	<u>CLH 1/20/09</u>
Approved by Department Head:	<u>D& 1/25/09</u>

Expenditure	Amount	Appropriation
Required \$100,000.00	Budgeted \$100,000.00	Required \$0.00

INFORMATION / BACKGROUND

At the December 8, 2008 Council Meeting, Council directed staff to proceed ahead with the transportation improvement "Single Point Urban Interchange" (SPUI) as the preferred alternative. This alternative will require, in addition to many state and federal approvals, preliminary WSDOT approval of the concept, through the preparation of an Interchange Justification Report (IJR). This supplemental agreement with Lochner will include City assistance with completion of the IJR process.

FISCAL CONSIDERATION

The total cost of this amendment is \$100,000.00. Funding for this work is included under the Burnham/Borgen/SR-16 Interchange Corridor Improvements 2008 Street Capital Fund Objective Number 10 in the amount of \$100,000. This Amendment brings the total amount of the contract to \$309,920.00.

BOARD OR COMMITTEE RECOMMENDATION

An overview of the IJR process was provided to the Public Works Committee on January 15, 2009.

RECOMMENDATION / MOTION

Move to: Authorize the Mayor on behalf of Council to execute a Supplemental Agreement No. 3 to the Local Agency Standard Consultant Agreement with H.W. Lochner, Inc. in the amount not to exceed \$100,000.00.



Supplemental Agreement Number 3	Consultant/Address/Telephone H. W. Lochner, Inc. 400 - 108 th Ave NE Suite 401 Bellevue, WA 98004
Agreement Number CSP-0803	
Project Number	Phone 425-454-3160
Project Title SR 16 Burnham/Borgen Interchange	New Maximum Amount Payable \$ 309,920.00
Description of Work Authorizes Phase II with additional scope details (attached as Exhibit A) and time extension to December 31, 2009 to complete the Interchange Justification Report for WSDOT.	

The Local Agency of City of Gig Harbor desires to supplement the agreement entered into with H. W. Lochner, Inc. and executed on April 28, 2008 and identified as Agreement No. CSP-0803. All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are describes as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:

Complete the Interchange Justification Report with additional AM traffic projections and environmental coordination for the adopted City preferred SPUJ. See attached Exhibit A.

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of work to read: N/A

III

Section V, PAYMENT, shall be amended as follows:

Add \$100,000.00 for a total contract amount through Phase II of \$309,920.00

as set forth in the attached Exhibit A, and by this reference made a part of this supplement.

If you concur with this supplement and agree to the changes as stated above, please sign in the appropriate spaces below and return to the office for final action.

By: Stephen G. Lewis, Principal

By: Charles L. Hunter, Mayor

Consultant Signature

Approving Authority Signature

Date



Exhibit A
Scope of Services

SR 16 / Burnham Drive / Borgen Boulevard Interchange

GENERAL APPROACH

Four key elements have been identified as outcomes for the overall approach to improve the SR 16 – Burnham Drive / Borgen Boulevard Interchange Improvement Project. These four elements include:

1. Selection of a Preferred Alternative Report – Level I, II and III analyses have reviewed several alternatives and include data on various alternatives and the City has selected a preferred alternative. This work has been completed.
2. Documented Interchange Justification Report - The purpose of this task is to complete the analyses of selected alternative in sufficient detail and develop the documentation necessary for the State to approve the selected alternative.
3. Preparation of the preliminary design and environmental documentation necessary for State and agency approval.
4. Prepare final design plans and specifications. Based on the approved IJR and environmental documentation, the Lochner team will prepare the final design plans, specification and estimate (PS&E) for the recommended improvement, in accordance with STATE, City and County requirements.

The following scope of services is to complete the second step for the SR 16 – Burnham Drive / Borgen Boulevard Interchange Improvement Project. The scope of services for the preliminary and final design work will be developed separately.

SCOPE OF SERVICES – Interchange Justification Report.

The following specific tasks will be conducted as part of this Interchange Improvement Project. This scope of services assumes the following:

- The City of Gig Harbor will be the lead for the preparation of WSDOT’s Assumptions Document and The CONSULTANT will only provide review comments and attend meetings with the City and WSDOT.
- The City of Gig Harbor will finalize the Purpose and Need Document and obtain WSDOT’s approval with the CONSULTANT providing reviews.
- Only the Locally Preferred Alternative, Single Point Urban Interchange (SPUI), and a Local Improvement Alternative will be analyzed in this scope of services.
- The AM Forecast Model used in the Wollochet IJR process is acceptable for this study without additional validation.
- No additional evaluation of alternatives will be required for this IJR report.
- The City of Gig Harbor will be responsible for coordination meeting notes.
- The City of Gig Harbor will be responsible for local agency meetings.



1. Project Management

A. Project Administration: The CONSULTANT shall be responsible for on-going management of the CONSULTANT team for this project in accordance with the provisions of the Agreement. On-going management will include ensuring that the work is completed on time and within the Agreement budget. The CONSULTANT shall be responsible for:

- Strategic management and reporting.
- Developing and maintaining a project schedule.
- Making assignments to project staff and SUBCONSULTANTS.
- Implementing effective quality assurance/quality control procedures.
- Processing agency requests.

For the purpose of budgeting, the anticipated length of the IJR Phase will be 12 months beginning in January 2009 and ending in December 2009.

The CONSULTANT shall also be responsible for coordinating the activities of the SUBCONSULTANTS as necessary to complete the Elements of the Agreement. This coordination will include preparing SUBCONSULTANT agreements, reviewing their work products, obtaining monthly progress reports and invoices, timely input for meetings, incorporating work into project deliverables and obtaining answers to issues raised by the CITY. The CONSULTANT's Project Manager shall be the contact for questions and requests from the CITY's Project Manager. Discussions, correspondence, or work requested of the CONSULTANT, that impact the scope of work, budget, or products shall be directed in writing to the CITY's Project Manager

B. Monthly Status/Progress Reports and Invoices: The CONSULTANT shall provide a monthly status/progress report with monthly invoices to the CITY that will describe work performed by the CONSULTANT Team members during the current reporting period. The progress reports will be prepared in a format approved by the CITY Project Manager. This format will include the following topics:

- A general summary of activities performed by the CONSULTANT Team including meetings held during the reporting period.
- Listing of activities by work element performed by the CONSULTANT Team during the reporting period.
- A listing of problems/issues encountered during the reporting period and their resolution.
- A listing of activities to be accomplished during the next reporting period.

C. Project Coordination/Progress Meetings: The CONSULTANT shall meet with the CITY as necessary during the project to review the overall project status, schedule, budget and outstanding issues. These meetings will be in the CITY's offices or via conference calls. For purposes of estimating time required for this sub-element, it is assumed that 12 meetings will be held during this Phase. The CITY will prepare meeting summaries.

D. Regular Coordination with the CITY: The CONSULTANT shall maintain regular contact with the CITY Project Manager and maintain regular coordination with CITY staff for this project in

accordance with the provisions of the Agreement. Regular coordination with the CITY will include ensuring that the CITY is involved with appropriate aspects of the project.



The CONSULTANT Project Manager shall be responsible for:

- Maintaining regular contact with the CITY and designated project management team staff through informal office visits, telephone conversations, e-mails, and faxes.
- Maintaining open access to project information by the CITY.
- The CITY's Project Manager may contact team members as needed during each phase of the project with a summary of discussions sent to the CONSULTANT Project Manager.

Deliverables:

- SUBCONSULTANT Agreements (maintained in CONSULTANT's Files)
- Monthly Status/Progress Reports and Monthly Invoices

2. Agency and Public Involvement

- A. SR 16 Project Working Group Meetings: The working group developed for the Level III analyses will be continued as an advisory panel for continuity of input and responses from the various identified constituency groups. Three (3) meetings are anticipated. The meetings will review the assumptions document and scope of work; the purpose and need statement and alternatives to be considered; analysis of alternatives; and, IRJ report.
- B. Agency Meetings: The CITY will be responsible for local agencies meetings with the North Gig Harbor Area Traffic Group and the Citizens' Panel.
- C. WSDOT Coordination Meetings: The CONSULTANT shall assist the CITY in up to four (4) coordination meetings with WSDOT. These meetings will be the formal process on maintaining communications with WSDOT who has the approval authority for the IJR document. The CONSULTANT shall be responsible for taking notes and developing minutes for these meetings, and participating as appropriate.
- D. Council Briefings: The CONSULTANT will attend two (2) CITY Council work sessions to provide briefings and present preliminary conclusions.

Deliverables:

- CONSULTANT will prepare agenda, and briefing summary as well as meeting materials.

3. Existing (2005), Opening Year (2013) and Design Year (2032) Base Traffic Condition Analysis

- A. Conduct Base AM Peak Hour Traffic Analysis: The CONSULTANT will conduct AM peak hour traffic analyses for the existing (2005), opening year (2013) and design year (2032) using Highway Capacity Software (HCS) for freeway operations, Synchro Software for intersection operations and Sidra Software for roundabouts. It is assumed that the existing year traffic data is available from the City. The City will also acquire the AM travel model used for the Wollochet Interchange study and that it is acceptable for use for this study. The 2013 network and land use data from the TIP Update will be used for the opening year analysis and the 2032 data from the Level III analysis will be used for the design year analysis.



- B. Conduct Base PM Peak Hour Traffic Analysis: The CONSULTANT will conduct PM peak hour traffic analyses for the existing (2005), opening year (2013) and design year (2032) using Highway Capacity Software (HCS) for freeway operations, Synchro Software for intersection operations and Sidra Software for roundabouts. The work done for the Level III analysis will be used for the existing and design year analysis. The opening year (2013) traffic will be developed from the City's travel model using the highway network and land use data from the TIP Update.
- C. Summary Materials: The Consultant will prepare summary tables and graphics of the results of the AM and PM traffic analysis.

Deliverables:

- Tables and graphics summarizing the level of service. Data from this task will be included in the preliminary transportation study report.

4. Assumptions Document and Purpose and Need

- A. Develop Assumptions Document: The CITY will prepare an Assumptions Document for WSDOT approval, in accordance with WSDOT's Design Manual, including assumptions for
- Project study limits
 - Travel Demand Model to be used
 - Traffic analyses software to be used
 - List of alternatives to be analyzed with WSDOT
 - Evaluation methodology with WSDOT

This work will expand upon the assumptions and processes used in the Level III Study and revise as suggested by WSDOT and the City. The CONSULTANT will review the document and provide comments to the CITY.

- B. Develop Purpose and Need Statement: The CITY will finalize a Purpose and Need Statement for WSDOT approval, using data from the base line traffic analysis completed in the previous work element and the Level III Transportation Study. This work will expand upon the Purpose and Need documented in the Level III analysis. The CONSULTANT will review the document and provide comments to the CITY.

Deliverables:

- Review comments for the Assumptions Document
- Review comments for the Purpose and Need Statement

5. Refine Build Options for Analysis

1. Refine layouts for City's preferred alternative: The CONSULTANT will review the layout for the City's preferred Alternative with WSDOT and determine if any adjustments to the design are needed. The CONSULTANT will then finalize the design concept.
2. Develop Conceptual Cost: The CONSULTANT will review the estimating process and unit costs with WSDOT and update the estimate for preferred alternative.

Deliverables:

- Revised concept drawings of the proposed improvement alternatives

- Revised conceptual cost estimates.



6. Future Traffic Operational Analyses

1. Develop Future Traffic Forecasts: The CONSULTANT will use the City's travel demand model to forecast AM and PM peak hour traffic for the opening year and design year, using existing data from Level III report and other City's TIP model assumptions. The CONSULTANT will revise the traffic network in the model to reflect the City's preferred alternative. Separate model runs for the AM and PM peak hours will be conducted.

Discussions will be held with the City to determine if other local improvements could be added to the highway network to resolve traffic issues at the SR 16/Burnham/Borgan Interchanges. These additional improvements will be added to the base alternative and traffic forecasts developed. A total of four model runs (two AM and two PM) will be needed for the preferred alternative and added local improvements.

2. City's Preferred Alternative Traffic Analysis: The CONSULTANT will conduct AM and PM peak hour traffic analyses for the opening year (2013) and design year (2032) using Highway Capacity Software (HCS) for freeway operations, and Synchro Software for intersection operations and the traffic forecasts developed previously for the City's preferred alternative. Some work from the Level III Study will be used for the PM design year analysis.
3. Other Local Improvement Analysis: The CONSULTANT will conduct AM and PM peak hour traffic analyses for the opening year (2013) and design year (2032) using Highway Capacity Software (HCS) for freeway operations, Synchro Software for intersection operations and Sidra Software for roundabouts and the traffic forecast developed previously for the added local street improvements.
4. Environment Review: The CONSULTANT will review and compare the alternatives with respect to the environmental issues that could make a big difference in permitting timeline, feasibility, and cost. The CONSULTANT will summarize the potential environmental issues.

The results of this review will be used to further refine the scope of work for the Environmental and Preliminary Design components of the project.

Separate agency meetings (assume two) with the resource agencies will be held to review preferred alternative and determine the appropriate level of environmental documented needed for the project. In addition, a list of the environmental permits needed to implement the project will be developed.

Deliverables:

- Tables and graphical summaries of the traffic analyses
- Environmental Review Summary

7. Interchange Justification Report

The task includes the preparation and submittal of the IJR. The report will utilize work completed in previous reports and additional analyses conducted in this scope of services. The analysis and documentation provided will be consistent with the IJR policies and requirements listed below:

Policy 1 – Need for the Access Point Revision – What are the current and projected needs and why won't the existing access points and existing or improved local system meet the



needs? Is the anticipated demand short or long trips?
(Summary of Purpose and Need Report)

Policy 2 – Reasonable Alternatives – Have all reasonable alternatives been assessed and provided for? (Summary of alternatives from Level I, II and III reports)

Policy 3 – Operational and Accident Analyses – How will the proposal affect safety and traffic operations at the year of opening and in the design year? (Summary of Future year analysis)

Policy 4 – Access Connections and Design – Will the proposed provide fully directional interchanges connected to public roads, spaced appropriately, and designed to full design level geometric control criteria?

Policy 5 – Land Use and Transportation Plans – Is the proposed access point revision compatible with all land use and transportation plans for the area?

Policy 6 – Future Interchanges – Is the proposed access point revision compatible with a comprehensive network plan?

Policy 7 – Coordination – Are all coordinating projects and actions programmed and funded?

Policy 8 – Planning and Environmental Processes – What is the status of the proposal's environmental process?

The CONSULTANT will prepare a draft IJR to be submitted to WSDOT and the City for review. Based on comments received the CONSULTANT will revise the IJR and submit it to the City for their transmittal to WSDOT for final approval. One set of review comments are assumed for this report.

Deliverables:

- Draft IJR
- Final IJR

OPTIONAL TASKS

If required as a result of further discussions with WSDOT in the development of the Assumptions Document, the CONSULTANT will negotiate the following additional tasks with the CITY.

A. Addition Build Options for Analysis

- 1 Develop layouts for one or two other alternatives suggested by WSDOT: The CONSULTANT will develop up to two (2) additional interchange layouts as approved by WSDOT. The CONSULTANT will review the layouts with the City and WSDOT and then finalize the concepts.
- 2 Develop Conceptual Cost: The CONSULTANT will review the estimating process and unit costs with WSDOT and prepare cost estimate for the additional alternatives.

Deliverables:

- Concept drawings of the proposed improvement alternatives
- Additional cost estimates



B. Future Traffic Operational Analyses for New Alternatives

1. Develop Future Traffic Forecasts: The CONSULTANT will use the City's travel demand model to forecast AM and PM peak hour traffic for the opening year and design year, using existing data from Level III report and other City's TIP model assumptions. The CONSULTANT will revise the traffic network in the model to reflect the additional alternatives. Separate model runs for the AM and PM peak hours will be conducted. A total of four model runs (two AM and two PM) will be needed for the preferred alternative and added local improvements.
2. Traffic Analyses for Additional Alternatives: The CONSULTANT will conduct AM and PM peak hour traffic analyses for the opening year (2013) and design year (2032) using Highway Capacity Software (HCS) for freeway operations, and Synchro Software for intersection operations and the traffic forecasts developed previously for the additional alternatives. Some work from the Level III Study may be used for the PM design year analysis.
3. Environment Review: The CONSULTANT will conduct an environmental review of up to two new alternatives to determine if any fatal flaws exist. The CONSULTANT will summarize the environmental impacts for each alternative considered. This work will rely on the environmental information researched in the Level III Study.

Each of the alternatives will be reviewed and compared with respect to the environmental issues that could make a big difference in permitting timeline, feasibility, and cost. The CONSULTANT will compare the potential environmental issues by alternative using a table format, however the results could be presented in an alternative format should that be desired by the CITY.

Deliverables:

- Tables and graphical summaries of the traffic analyses
- Environmental Review Summary

C. Evaluation of Alternatives

The CONSULTANT will conduct a high-level review of the various elements, environmental, geographic, design limitations, cost, or other factors which may result in fatal flaws to the various options. The evaluation review process will be approved by WSDOT and the City. The following work elements are assumed:

1. Develop Evaluation Criteria: Base upon discussions with the City and WSDOT, the CONSULTANT will develop a preliminary list of criteria for use in the evaluation. It is assumed that a similar process used in the Level III Study will be used for the IJR process. These criteria will be discussed with the PWG, WSDOT and the City and a final set of evaluation criteria will be developed.
2. Prepare Evaluation Data in Matrix: The CONSULTANT will develop a matrix of evaluation data by alternative for the PWG to use in evaluating the alternatives. This information will be developed from the previous work elements and from other studies.

LOCHNER Gig Harbor SR 16 / Burnham / Borgen Phase II

3. Conduct Evaluations with Panel members: The CONSULTANT will conduct a one to two day workshop with the PWG to rate the criteria and evaluate the alternatives.
4. Summary of Evaluation: The CONSULTANT will develop a summary of the evaluation process and the results to document the final alternative.



Deliverables:

- List of Evaluation Criteria
- A summary of the evaluation process
- Evaluation Summary Matrix

Exhibit E-1
Consultant Fee Determination - Summary Sheet
(Lump Sum, Cost Plus Fixed Fee, Cost Per Unit of Work)

Project: SR-16 Burnham/Borgen Interchange (Addendum 3)

Direct Salary Cost (DSC):

<u>Classification</u>	<u>Man Hours</u>		<u>Rate</u>		<u>Cost</u>
Project Principal	0	X	81.74	= \$	0.00
Project Manager	164	X	53.35	= \$	8,749.40
Project Engineer	164	X	57.74	= \$	9,469.36
Senior Engineer	64	X	53.85	= \$	3,446.40
Traffic Engineer	150	X	42.20	= \$	6,330.00
Design Engineer	16	X	44.88	= \$	718.08
Hydraulics Engineer	0	X	56.04	= \$	0.00
Engineer	0	X	31.35	= \$	0.00
Technical	16	X	28.99	= \$	463.84
Administration	36	X	18.00	= \$	648.00
(4% escalation added for new rates 7/1/2009)			Total DSC	= \$	30,302.28

Overhead (OH Cost – Including Salary Additives):

OH Rate x DSC of 166.82% X \$ 30,302.28 50,550.27

Fixed Fee (FF):

FF Rate x DSC of 28.50% X \$ 30,302.28 8,636.15

Reimbursables:

Itemized 1,377.30

Subconsultant Costs (See Exhibit G): (plus 4% management fee) 9,134.00

Grand Total 100,000.00

Prepared By: Al King

Date: January 8, 2009

**SUMMARY OF PROJECT COSTS
H. W. LOCHNER, INC.
SR 16 - Burnham Drive / Borgen Boulevard Interchange
PHASE II - INTERCHANGE JUSTIFICATION REPORT**

Classification	Direct Salary Hourly Cost	Total Hours	Direct Salary	Total Costs
Project Principal	\$ 81.74	4	\$ 326.96	
Project Manager	\$ 53.35	196	\$ 10,456.60	
Project Engineer	\$ 57.74	194	\$ 11,201.56	
Senior Engineer	\$ 53.85	94	\$ 5,061.90	
Traffic Engineer	\$ 42.20	180	\$ 7,596.00	
Design Engineer	\$ 44.88	16	\$ 718.08	
Hydraulics Engineer	\$ 56.04	0	\$ -	
Engineer	\$ 31.35	0	\$ -	
Technical	\$ 28.99	16	\$ 463.84	
Administration	\$ 18.00	36	\$ 648.00	
Firm Total Hours / Salary Costs		736	\$ 36,472.94	
4% Escalation for new Rates as of 7/01/2009	40%		\$ 583.57	
Total Direct Salary				\$ 37,056.51
Overhead @ 166.82%				\$ 61,817.67
Fixed Fee @ 28.5%	(of Direct Salaries)		28.5%	\$ 10,561.10
Total Lochner Labor Cost:				\$ 109,435.28
Direct Reimbursables:				
Travel	1,200	\$ 0.550	\$ 660.00	
Bridge Tolls	30	\$ 4.00	\$ 120.00	
Reprographics	1	\$ 400.00	\$ 400.00	
Graphics/Miscellar	1	\$ 150.00	\$ 150.00	
Mailing	10	\$ 10.00	\$ 100.00	
Reimbursables Subtotal:				\$ 1,430.00
Subconsultant Markup				
Subconsultant Budget	\$ 8,783.00	4%		\$ 351.32
Firm Total: H.W. Lochner, Inc.				\$ 111,216.60
SubConsultants				
URS Corporation			\$ 8,783.00	
Subconsultants Subtotal:				\$ 8,783.00
Total -- HW Lochner, Inc.				\$ 119,999.60
Total - Rounded				\$ 120,000
Less Unspent funds from Phase I				\$ 20,000
Net Contract Supplement Amount				\$ 100,000

SR 16 - Burnham Drive / Borgen Boulevard Interchange - PHASE II - Interchange Justification Report
H. W. LOCHNER'S LABOR HOURS

Work Element Number	Work Element	PRINCIPAL	PROJECT MANAGER	PROJECT ENGINEER	SENIOR ENGINEER	TRAFFIC ENGINEER	DESIGN ENGINEER	TECHNICAL	ADMIN	TOTAL HOURS
Task 1	Project Administration									
1.a	Team Management (12 months)	4	36							40
1.b	Progress Reports/Invoices		24	10					24	58
1.c	Project Coordination/Progress Meetings		24	4						24
1.d	Regular Coordination with City	4	120	14					24	162
	Subtotal Task 1									
Task 2	Agency & Public Involvement									
2.a	SR 16 Project Working Group Meetings (2)		16	16						32
2.b	Agency Meetings (City to Conduct)									
2.c	WSDOT Coordination Meetings (4)		16	16						32
2.d	Council Briefings (2)		6	6						12
	Subtotal Task 2		38	38						76
Task 3	Existing, Opening, Design Year Base Condition Traffic Analysis									
3.a	AM Analysis				12	40				52
3.b	PM Analysis				12	20				32
3.c	Environmental Review			4						4
3.d	Summary Materials			4	12	12				28
	Subtotal Task 3			8	36	72				116
Task 4	Purpose and Need									
4.a	Assumptions Memo (City Lead)		2	4						6
4.b	Purpose and Need Memo (City Lead)		2	4						6
	Subtotal Task 4		4	8						12
Task 5	Refine Build Options for Analysis									
5.a	Layout Preferred Alternative			2	4		8	4		18
5.d	Cost Estimates			4	4		8	4		20
	Subtotal Task 5			6	8		16	8		38
Task 6	Future Operations Analysis									
6.a	Develop Future Year AM and PM Forecasts by Alt			4	8		24			36
6.b	AM analysis			4	8		16			28
6.c	PM Analysis			4	8		16			28
6.d	Local Street Impacts			4	8		16			28
6.e	Environmental Review		4							4
	Subtotal Task 6		4	16	32	72				124
Task 7	Interchange Justification Report									
7.a	Policy 1		2	6						8
7.b	Policy 2		2	6				8		16
7.c	Policy 3		2	24		16				42
7.d	Policy 4		2	8						10
7.e	Policy 5		2	6						8
7.f	Policy 6		2	6						8
7.g	Policy 7		4	6						10
7.h	Policy 8		2	6						8
7.i	Draft IJR Report		8	24	10	12			8	62

SR 16 - Burnham Drive / Borgen Boulevard Interchange - PHASE II - Interchange Justification Report
 H. W. LOCHNER'S LABOR HOURS

Work Element Number	Work Element	PRINCIPAL	PROJECT MANAGER	PROJECT ENGINEER	SENIOR ENGINEER	TRAFFIC ENGINEER	DESIGN ENGINEER	TECHNICAL	ADMIN	TOTAL HOURS
7.j	Final IJR Report		4	12	8	8			4	36
	Subtotal Task 7	-	30	104	18	36	-	8	12	208
	TOTAL LABOR HOURS	4	196	194	94	180	16	16	36	736

\$ 81.74 \$ 53.35 \$ 57.74 \$ 53.85 \$ 42.20 \$ 44.88 \$ 28.99 \$ 18.00

**Exhibit G-1
Subconsultant Fee Determination - Summary Sheet**

Project: SR 16 - Burnham/Borgen Interchange (Addendum 3)

Direct Salary Cost (DSC):

<u>Classification</u>	<u>Man Hours</u>		<u>Rate</u>		<u>Cost</u>
Project Principal	1.0	X	74.04	= \$	74.04
Project Scientist	36.0	X	52.96	= \$	1,906.56
Project Engineer	0.0	X	52.49	= \$	0.00
Senior Scientist	24.0	X	31.12	= \$	746.88
Engineer	0.0	X	33.28	= \$	0.00
Scientist	0.0	X	25.75	= \$	0.00
Scientist	8.0	X	25.04	= \$	200.32
		X		= \$	
Administration	4.0	X	20.80	= \$	83.20
Total DSC				= \$	3,011.00

Overhead (OH Cost – Including Salary Additives):

OH Rate x DSC of	<u>154.07 %</u>	X \$	<u>3,011.00</u>	<u>4,654.10</u>
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Fixed Fee (FF):

FF Rate x DSC of	<u>28.50 %</u>	X \$	<u>3,011.00</u>	<u>858.14</u>
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Reimbursables:

Itemized				<u>259.85</u>
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Grand Total				<u><u>8,783.00</u></u>
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Prepared By: David Every/Katy Chaney

Date: January 8, 2009

**SUMMARY OF PROJECT COSTS
URS CORPORATION
SR 16 - Burnham Drive / Borgen Boulevard Interchange Phase II
FATAL FLAW ANALYSIS**

Classification	Direct Salary Hourly Cost	Total Hours	Direct Salary	Total Costs
Project Principal	\$ 74.04	1	\$ 74.04	
Project Manager	\$ 1.00	0	\$ -	
Project Scientist	\$ 52.96	36	\$ 1,906.56	
Project Engineer	\$ 52.49	0	\$ -	
Senior Scientist	\$ 31.12	24	\$ 746.88	
Engineer	\$ 33.28	0	\$ -	
Scientist	\$ 25.75	0	\$ -	
Scientist	\$ 25.04	8	\$ 200.32	
Technical	\$ 1.00	0	\$ -	
Administration	\$ 20.80	4	\$ 83.20	
Firm Total Hours / Salary Costs		73	\$ 3,011.00	
4% Escalation for new Rates as of 7/01/2008	0%		\$ -	
Total Direct Salary				\$ 3,011.00
Overhead @ 154.57%				\$ 4,654.10
Fixed Fee @ 28.5%	(of Direct Salaries)			\$ 858.14
Total Labor Cost:				\$ 8,523.24
Direct Reimbursables:				
Travel	247	\$ 0.550	\$ 135.85	
Bridge Tolls	6	\$ 4.00	\$ 24.00	
Reprographics	1	\$ 100.00	\$ 100.00	
Reimbursables Subtotal:				\$ 259.85
Firm Total: URS CORPORATION				\$ 8,783.09
Total - Rounded				\$ 8,783

SR 16 - Burnham Drive / Borgen Boulevard Interchange - Fatal Flaw Analysis
URS CORPORATION'S LABOR HOURS

Work Element Number	Work Element	PRINCIPAL	PROJECT MANAGER	PROJECT SCIENTIST	PROJECT ENGINEER	SENIOR SCIENTIST	ENGINEER	SCIENTIST	SCIENTIST	TECHNICAL	ADMIN	TOTAL HOURS
Task 1	Project Administration											-
1.a	Team Management (3 months)											-
1.b	Progress Reports/Invoices											-
1.c	Project Coordination/Progress Meetings	1		8							4	13
1.d	Regular Coordination with City											-
	Subtotal Task 1	1	-	8	-	-	-	-	-	-	4	13
Task 2	Agency & Public Involvement											
2.a	SR 16 Project Working Group Meetings (1)											-
2.b	Agency Meetings (4)											-
2.c	Council Briefings (1)											-
	Subtotal Task 2	-	-	-	-	-	-	-	-	-	-	-
Task 3	Data Collection and Previous Studies Review											
3.a	As-Builts											-
3.b	Base Mapping (Initial only)											-
3.c	Travel Demand Model Review											-
3.d	Previous Study Review											-
	General study review											-
	Traffic data review and summary											-
	Environmental Review											-
	Document Review											-
	Literature Search											-
	Field/Site Review											-
3.e	Collision Data Review											-
3.f	Memorandum											-
	Subtotal Task 3	-	-	-	-	-	-	-	-	-	-	-
Task 4	Existing Condition Analysis											
4.a	Purpose and Need											-
4.b	Geometric Review											-
	Existing Interchange Review											-
	Constructability Review SPUJ											-
	Constructability Review SDI											-
	Local Street Improvements											-
	Conceptual Cost											-
	Subtotal Task 4	-	-	-	-	-	-	-	-	-	-	-
Task 5	Refine Build Options for Analysis											
5.a	Future Base Case Traffic Analysis											-
5.b	SPUJ Interchange Traffic Analysis											-
5.c	Split Diamond Traffic Analysis											-
5.d	Local Street Analysis											-
	Subtotal Task 5	-	-	-	-	-	-	-	-	-	-	-
Task 6	Economic Impact Assessment											
6.a	Develop Criteria for Economic Assessment											-
6.b	Identify Economic Impacts											-
6.c	Economic Impact Assessment Memorandum											-
	Subtotal Task 6	-	-	-	-	-	-	-	-	-	-	-
Task 7	Environmental Issues Analysis											

**SR 16 - Burnham Drive / Borgen Boulevard Interchange - Fatal Flaw Analysis
URS CORPORATION'S LABOR HOURS**

Work Element Number	Work Element	PRINCIPAL	PROJECT MANAGER	PROJECT SCIENTIST	PROJECT ENGINEER	SENIOR SCIENTIST	ENGINEER	SCIENTIST	SCIENTIST	TECHNICAL	ADMIN	TOTAL HOURS
7.e	Environmental Analysis			24		24						60
	Resource Agency Meetings			16		8						
	Subtotal Task 7			40		32						84
Task 8	Fatal Flaws Review											
8.a	Develop Evaluation Criteria											
8.b	Prepare Evaluation Matrix											
8.c	Review Data with City											
8.d	Select Preferred Alternative											
8.e	Summary of Evaluation											
	Subtotal Task 8											
	TOTAL LABOR HOURS	1		48		32					4	97



Subject: Public Hearing and First Reading of Ordinance – Gross Floor Area amendment (ZONE 07-0008)

Dept. Origin: Planning Department

Prepared by: Jennifer Kester
Senior Planner *JK*

For Agenda of: January 26, 2009

Proposed Council Action: Hold public hearing and approve at second reading.

Exhibits: Planning Commission Recommendation with draft amendments; Council Work-Study Session Staff Memo; Underground Floor Area illustration

Initial & Date

Concurred by Mayor: *CLH 1/16/09*
Approved by City Administrator: *RJK*
Approved as to form by City Atty: approved by
e-mail 1/15/2009
Approved by Finance Director: *N/A*
Approved by Department Head: *TD 1/16/09*

Expenditure		Amount		Appropriation	
Required	0	Budgeted	0	Required	0

INFORMATION / BACKGROUND

On December 8, 2008, the City Council held a first reading and public hearing and reviewed the Planning Commission’s proposed changes to the definition of gross floor area and the new definitions for attic and underground floor area. After the hearing the Council requested a work-study session on the draft ordinance. At the January 5, 2009 Council work-study session, the Council decided to exclude developments in the RB-1 zone, in addition to those in the waterfront zones, from the amended definition of gross floor area.

The Council felt that applying the new definition of gross floor area in the RB-1 zoning district could allow increased utilization and activity on RB-1 zoned property which would be incompatible with surrounding single-family zoning. The RB-1 zoning district is intended to serve as a buffer between high intensity commercial and lower density residential uses.

Due to this substantive change to the proposed development regulation, a second first reading and new public hearing is required.

History of Ordinance prior to December 8, 2008 Council meeting:

January 23, 2006, the City Council directed the Planning Commission to review several issues related to underground parking and underground structures (motion enclosed). In response, the Planning Commission held work-study sessions on these issues on January 18, 2007; February 1, 2007; June 21, 2007; November 15, 2007; December 6, 2007; December 20,

2007; and, January 3, 2008. The work-study sessions included conversations with two local architects on the feasibility of underground buildings and Dick Bower, Building and Fire Safety Director, on the building and fire code requirements related to underground floor area.

On January 28, 2008, the Council reviewed the work and draft recommendations of the Planning Commission and directed the Planning Commission to hold a public hearing in the 2nd quarter of 2008 and make a final recommendation to the Council. The Commission public hearing was held on April 17, 2008; no members of the public provided testimony at the hearing.

After considerable discussion, the Planning Commission recommended new definitions for "attic" and "underground floor area." The Commission recommended amendments to the definition of "gross floor area" which would apply to the PI, R-1, RLD, R-2, RMD, R-3, RB-1, RB-2, DB, B-1, B-2, C-1, PCD-C, ED, PCD-BP, PCD-NB and MUD districts zones to eliminate attics and underground floor area from the gross floor area calculation. The Planning Commission did not recommend a similar amendment to the definition of "gross floor area" for the waterfront (WC, WM, and WR) zoning districts for the reasons stated in the enclosed August 21, 2008 memo to City Council from the Planning Commission and summarized below.

The Planning Commission felt the topics of gross floor area, building size, underground structures and parking in the waterfront zones is most appropriately reviewed as part of the Shoreline Master Program update and View Basin Sub Area plan. The update to the Shoreline Master Program will inform allowed uses and setbacks along the waterfront related to environmental impacts, which could affect building size considerations. The View Basin plan will define the citizens' vision for the character of the view basin and will include policies and regulations on building size, architectural character, uses and amenities for the view basin. The Planning Commission felt the issue of underground garages and underground structures in the waterfront zones should be part of these large public discussions. Therefore, the Planning Commission recommended that the current definition of gross floor area remain for the waterfront zones. While due to budget reasons, the View basin plan will not begin in 2009, it is hoped that the plan will still be developed in the coming years.

POLICY CONSIDERATIONS

A detailed reasoning of the Commission's recommendations can be found in the enclosed memo. Discussed here are the Planning Commission's considerations on the draft definitions:

Gross Floor Area:

The Planning Commission desired to have two definitions for gross floor area: A revised definition for the majority of the City and the current definition for the waterfront zones. The revised definition for the majority of zones would exempt underground floor area and attics from the calculation of gross floor area.

The Planning Commission is also recommending that the gross floor area definitions include a provision for determining off-street parking spaces for all zones. The current parking regulations often base parking on the gross floor area; however, the current definition includes garage space in gross floor area. Therefore, one might argue that our code requires a developer to provide additional parking spaces for the floor area of the garage space. While we have not applied the code in that way, it would be prudent to adjust the definition to deal with this issue.

The Commission is also recommending removal of “basement space” from the calculation for the majority of zones, as the provisions for underground floor area address basement spaces and the definition of “basement” is not consistent with the proposed definition of “underground floor area”. Finally, the revised definition removes references to attic headroom and excludes attics from the gross floor area in order to be consistent with the IBC’s definition and interpretation of attic space.

Underground floor area:

The definition is written to provide a building size allowance that exempts those portions of a building’s floor area which were truly underground from gross floor area limitations outside of the waterfront zones. The definition seeks to exclude required access points, especially those for rescue and escape, from the requirement to be entirely below grade. The Planning Commission wanted to acknowledge that any underground floor would need some kind of access to the outside, especially if the floor area is for habitable space (sleeping, etc.) or a parking garage. As the same time, the Commission did not want to exclude all linear feet of access in order to prevent a 100 foot opening into a parking garage from being considered underground.

Attic:

The intent of this new definition is to make the application of attics in the zoning code consistent with the definition in the building code. The current gross floor definition exempts attic spaces with a head room of less than 7 and one half feet from the calculation of gross floor area. The current International Residential Code requires a head room of 7 feet or more for habitable space. The current inconsistency between codes means a developer could propose a finished attic-type space with a headroom of seven and one-fourth feet, be considered habitable by the building code, but not count as floor area in the zoning code.

ENVIRONMENTAL ANALYSIS

The SEPA Responsible Official issued a Determination of Non-Significance (DNS) for the proposed amendments on April 16, 2008 as per WAC 197-11-340(2).

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

The Planning Commission is recommending approval of the proposed text amendments. The Planning Commission has not made a recommendation on the exclusion of the RB-1 zone from the new definitions.

RECOMMENDATION / MOTION

Move to: Staff recommends Council hold a public hearing and approve at second reading.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LAND USE AND ZONING, AMENDING THE DEFINITION OF GROSS FLOOR AREA FOR THE WR, WM, WC AND RB-1 ZONING DISTRICTS TO ELIMINATE GARAGE SPACE, ACCESSORY WATER TANKS AND COOLING TOWERS, MECHANICAL EQUIPMENT AND UNFINISHED ATTIC SPACE FROM THE CALCULATION OF GROSS FLOOR AREA FOR THE PURPOSES OF CALCULATING OFF-STREET PARKING REQUIREMENTS; AMENDING THE DEFINITION OF GROSS FLOOR AREA FOR THE PI, R-1, RLD, R-2, RMD, R-3, RB-2, DB, B-1, B-2, C-1, PCD-C, ED, PCD-BP, PCD-NB AND MUD ZONING DISTRICTS TO ELIMINATE ATTICS AND UNDERGROUND FLOOR AREA FROM THE CALCULATION OF GROSS FLOOR AREA; AMENDING THE DEFINITION OF GROSS FLOOR AREA FOR THE PI, R-1, RLD, R-2, RMD, R-3, RB-2, DB, B-1, B-2, C-1, PCD-C, ED, PCD-BP, PCD-NB AND MUD ZONING DISTRICTS TO ELIMINATE GARAGE SPACE, ACCESSORY WATER TANKS AND COOLING TOWERS, MECHANICAL EQUIPMENT AND ATTICS FROM THE CALCULATION OF GROSS FLOOR AREA FOR THE PURPOSES OF CALCULATING OFF-STREET PARKING REQUIREMENTS; ADDING A NEW DEFINITION FOR ATTIC; AND ADDING A NEW DEFINITION FOR UNDERGROUND FLOOR AREA; ADDING GHMC SECTION 17.04.086 AND 17.04.362; AMENDING SECTION 17.04.360 OF THE GIG HARBOR MUNICIPAL CODE.

WHEREAS, the City desires to have two definitions for gross floor area: one definition (the existing definition in GHMC Section 17.04.360) which would apply to the waterfront and RB-1 zones and a new definition that would apply to the rest of the city's zoning districts; and

WHEREAS, the City desires to retain the current definition for gross floor area for the Waterfront Commercial (WC), Waterfront Millville (WM), Waterfront Residential (WR) and Residential and Business (RB-1) zoning districts; and

WHEREAS, the differences between the two definitions of gross floor area are that the waterfront and RB-1 zone definition includes garage space, basement space and finished attics with a headroom of seven and a half feet or more in the calculation, and the remaining zones definition does not include underground floor area and all attics in the calculation; and

WHEREAS, there are several reasons behind the City's desire to retain the current definition for gross floor area for the waterfront zones, such as:

(1) lots along the waterfront have performance standards that often allow more utilization of the upland portion of the site than parcels in non-waterfront zones; and

(2) developments on waterfront lots are typically allowed to build right up to the ordinary high water mark (bulkhead) as the rear yard setback is usually in the water, allowing full development of all upland; and

(3) developments on waterfront lots can use the water portion of the lot as the required pervious surface, and thereby cover the majority of the upland portion with hard surfaces or buildings; and

(4) both water uses (marinas, piers, floats) and upland uses (offices, residential, marine sales, parking) are allowed on lots in the waterfront zones, thereby increasing the number of uses and activity associated with a parcel; and

(5) all but six of the parcels in the waterfront zones are included in City's Waterfront View Corridor designation, which was established to protect views of the harbor along the Harborview Drive and North Harborview Drive public rights-of-way for public enjoyment, and exempting underground portions of a building from gross floor area without reducing the allowed gross floor area in waterfront zones could have the adverse effect of reducing view corridors for the traveling public along the waterfront; and

WHEREAS, there are several reasons behind the City's desire to retain the current definition for gross floor area for the RB-1 zoning district, such as:

(1) the RB-1 zoning district is intended to serve as a buffer between high intensity commercial and lower density residential uses, and

(2) the RB-1 zoning district is further intended to protect and preserve residential uses while permitting business uses compatible with single-family residential development, and

(3) exempting underground floor area from gross floor area in the RB-1 zoning district could allow increased utilization and activity on RB-1 zoned property which would be incompatible with surrounding single-family zoning, and

WHEREAS, the City desires to revise the definition for gross floor area for all zones except the waterfront and RB-1 zones to exempt underground floor area and attics from the calculation of gross floor area; and

WHEREAS, outside the waterfront and RB-1 zones, underground floor area and attics are not included in the gross floor area calculation because those portions of a building which are underground do not contribute to the perceived bulk and scale of a building and those portions with headroom less than seven feet between the ceiling beams of the top story and the roof rafters are not habitable and do not contribute to the perceived bulk and scale of the building; and

WHEREAS, the City believes the topics of gross floor area, building size, underground structures and parking in the waterfront zones is most appropriately reviewed as part of the Shoreline Master Program update, which the city has begun and the View Basin Sub Area plan, which the City intends to begin soon; and

WHEREAS, the View Basin Sub Area plan will define the citizens' vision for the character of the view basin, which includes the waterfront along Gig Harbor Bay, and will include policies and regulations on building size, underground structures, architectural character, uses and amenities for the view basin and waterfront zones; and

WHEREAS, the update of the Shoreline Master Program will document the environmental and aesthetic impacts of shoreline development and will recommend new regulations for uses and setbacks along the waterfront; and

WHEREAS, the development of new performance standards for the waterfront zones at this time, such as building size and parking regulations, would be premature given the extensive comprehensive planning the City will conduct along the waterfront with the View Basin Sub Area plan and Shoreline Master Program update; and

WHEREAS, incorporating the review of gross floor area for the waterfront zones into the View Basin Sub Area plan and Shoreline Master Program update will allow considerable public discussion of the regulations; and

WHEREAS, the City desires to add a new definition of underground floor area to implement the changes to the gross floor area definition for all zones except the waterfront and RB-1 zones; and

WHEREAS, the new definition of underground floor area excludes certain access points from the requirement to be entirely below grade for rescue and escape purposes and general access purposes; and

WHEREAS, the City desires to add a new definition of attic to implement the changes to the gross floor area definition for all zones except the waterfront and RB-1 zones; and

WHEREAS, the new definition of attic is consistent with International Building Code definitions; and

WHEREAS, the City desires to exempt attics from the gross floor area of all zones except the waterfront and RB-1 zones to be consistent with International Building Code's definitions and regulation of attic space; and

WHEREAS, The City desires to exempt water tanks, cooling towers, mechanical equipment and attics from all definitions of gross floor area for purposes of calculating off-street parking requirements as those spaces are not habitable nor can be occupied and, therefore, do not generate users needing parking spaces; and

WHEREAS, The City desires to exempt garage space from all definitions of gross floor area for purposes of calculating off-street parking requirements as it is unnecessary to require additional parking stalls for garage space; and

WHEREAS, the Gig Harbor City Council directed the Planning Commission to review performance standards related to underground parking and underground structures on January 23, 2006; and

WHEREAS, the City Planning Commission held work study sessions on performance standards related to underground parking and underground structures on January 18, 2007; February 1, 2007; June 21, 2007; November 15, 2007; December 6, 2007; December 20, 2007; and, January 3, 2008; and

WHEREAS, the Gig Harbor City Council reviewed the work study session and draft recommendations of the Planning Commission on January 28, 2008 and directed the Planning Commission to hold a public hearing in the 2nd quarter of 2008 and make a final recommendation to the Council; and

WHEREAS, the City's SEPA Responsible Official issued a threshold Determination of Nonsignificance (DNS) for this Ordinance on April 16, 2008; and

WHEREAS, on April 16, 2008, a copy of this Ordinance was sent to the Washington Department of Community, Trade and Economic Development, pursuant to RCW 36.70A.106; and

WHEREAS, the City Planning Commission held a public hearing on this Ordinance on April 17, 2008 and made a recommendation of approval to the City Council; and

WHEREAS, the Gig Harbor City Council considered the Ordinance at first reading and public hearing on December 8, 2008; and

WHEREAS, the Gig Harbor City Council held a work-study session on the Ordinance on January 5, 2009; and

WHEREAS, the Gig Harbor City Council directed staff to exclude the RB-1 zone from the definition changes at the January 5, 2009 work-study session; and

WHEREAS, due to the substantive change made at the Council work-study session, the Gig Harbor City Council considered the Ordinance at a second first reading and public hearing on January 26, 2009; and

WHEREAS, on _____, 2009, the City Council adopted this Ordinance at second reading during a regular City Council meeting; Now, therefore;

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

Section 1. A new Section 17.04.086 of the Gig Harbor Municipal Code is hereby added to the Gig Harbor Municipal Code, to read as follows:

17.04.086 Attic.

“Attic” means finished or unfinished space with a headroom of less than seven feet between the ceiling beams of the top story and the roof rafters.

Section 2. Section 17.04.360 of the Gig Harbor Municipal Code is hereby amended, to read as follows:

17.04.360 Floor area, gross.

A. “Gross floor area” in the WR, WM, WC and RB-1 zoning districts means:

1. The sum of the horizontal area of the several floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls. The gross floor area includes basement space, garage space, the elevator shafts and stairwells at each floor, mechanical equipment rooms, finished attics with a headroom of seven and one-half feet or more, penthouse floors, interior balconies and mezzanines, and enclosed porches. The gross floor area shall not include accessory water tanks and cooling towers, mechanical equipment, and unfinished attics regardless of headroom.

2. For purposes of determining off-street parking requirements, gross floor area shall mean the sum of the horizontal area of the floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls including basement space, the elevator shafts and stairwells at each floor, mechanical equipment rooms, finished attics with a headroom of seven and one-half feet or more,

penthouse floors, interior balconies and mezzanines, enclosed porches; but, shall not include garage space, accessory water tanks and cooling towers, mechanical equipment and unfinished attics regardless of headroom.

B. "Gross floor area" in the PI, R-1, RLD, R-2, RMD, R-3, RB-2, DB, B-1, B-2, C-1, PCD-C, ED, PCD-BP, PCD-NB and MUD zoning districts means:

1. The sum of the horizontal area of the floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls. The gross floor area includes garage space, the elevator shafts and stairwells at each floor, mechanical equipment rooms, penthouse floors, interior balconies and mezzanines, and enclosed porches. The gross floor area shall not include accessory water tanks and cooling towers, mechanical equipment, attics as defined by GHMC 17.04.086, and underground floor area as defined by GHMC 17.04.362.

2. For purposes of determining off-street parking requirements, gross floor area shall mean the sum of the horizontal area of the floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls including the elevator shafts and stairwells at each floor, mechanical equipment rooms, penthouse floors, interior balconies and mezzanines, enclosed porches and underground floor area; but, shall not include garage space, accessory water tanks and cooling towers, mechanical equipment and attics.

Section 3. A new Section 17.04.362 of the Gig Harbor Municipal Code is hereby added to the Gig Harbor Municipal Code, to read as follows:

17.04.362 Floor area, underground.

"Underground floor area" means the floor area of a building, structure, story, or portion of a story constructed entirely below natural or finished grade, whichever is lower, excluding below grade window wells required for rescue and escape and up to an additional 24 linear feet of access.

Section 4. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

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

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this ___ day of ____, 2009.

CITY OF GIG HARBOR

Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

Molly Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Angela Belbeck, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO:



COMMUNITY DEVELOPMENT DEPARTMENT

TO: MAYOR HUNTER AND MEMBERS OF THE CITY COUNCIL
FROM: HARRIS ATKINS, VICE CHAIR, PLANNING COMMISSION
SUBJECT: PROPOSED AMENDMENTS RELATED TO UNDERGROUND STRUCTURES
DATE: AUGUST 21, 2008

In response to a motion by the City Council for the Planning Commission to review several issues related to underground parking and underground structures (motion attached), the Planning Commission held work study sessions on these issues on January 18, 2007; February 1, 2007; June 21, 2007; November 15, 2007; December 6, 2007; December 20, 2007; and, January 3, 2008.

On January 28, 2008, the Council reviewed the work and recommendations of the Planning Commission and directed the Planning Commission to hold a public hearing in the 2nd quarter of 2008 and make a final recommendation to the Council. The Commission public hearing was held on April 17, 2008; no members of the public provided testimony at the hearing.

After considerable discussion and having reviewed information provided by the Building Official / Fire Marshal and Planning staff at those meetings and hearings, the Planning Commission recommends the following:

1. The Planning Commission recommends the enclosed amendments to the definition of "gross floor area" and the addition of definitions for "attic" and "underground floor area".
2. The Planning Commission recommends that the current definition for gross floor area remain for the Waterfront Commercial (WC), Waterfront Millville (WM), and Waterfront Residential (WR) zones for the following reasons:
 - a. The City has begun the development of the View Basin Sub Area plan. The plan will define the citizens' vision for the character of the view basin, which includes the waterfront along Gig Harbor Bay, and will include policies and regulations on building size, architectural character, uses and amenities for the view basin. The issue of underground garages and underground structures in the waterfront zones is part of View Basin scope of work. The View Basin Sub Area plan is expected to be finished in November 2009.
 - b. In addition, the City has begun an update of the Shoreline Master Program. The update will look at environmental and aesthetic impacts of shoreline development and will inform allowed uses and setbacks along the waterfront. Recommendations for development standards related to the shoreline are expected to be finished in November 2009.

- c. Development of new performance standards for the waterfront zones at this time, such as building size and parking regulations, would be premature given the extensive comprehensive planning the City has begun along the waterfront.
- d. Parcels along the waterfront have performance standards that often allow more utilization of the upland portion of the site than parcels in other zones. Developments on waterfront parcels are often allowed to build right up to the ordinary high water mark (bulkhead) as the rear yard setback is usually in the water. In addition, developments on waterfront parcels can use the water portion of the lot as the required pervious surface, thereby covering the majority of the upland portion with hard surfaces or buildings. Finally, waterfront parcels can have both water uses (marinas, piers, floats) and upland uses (offices, residential, marine sales, parking) thereby increasing the number of uses and activity associated with a parcel.
- e. All but six of the parcels in the waterfront zones are included in City's Waterfront View Corridor designation which was established to protect views of the harbor along the Harborview Drive and North Harborview Drive public rights-of-way for public enjoyment. Views to the water should be considered when discussing allowable building size. Exempting underground portions of a building from gross floor area without reducing the allowed gross floor area in waterfront zones could have the adverse effect of reducing view corridors. Waterfront view corridors and building size allowances should be reviewed comprehensively as part of the View Basin Sub Area Plan and Shoreline Master Program Update.

The Commission feels that outside of the waterfront areas, an allowance should be provided which would exempt those portions of a building that were truly underground from gross floor area limitations. We found no compelling zoning-based reason to include underground floor area in the gross floor area outside the waterfront area. However, in the waterfront zones, the Commission felt the factors discussed above warrant further review of the underground building issues as part of the View Basin Sub Area Plan and Shoreline Master Program Update.



"THE MARITIME CITY"

COMMUNITY DEVELOPMENT DEPARTMENT

SUBJECT: ZONE 07-0008 – GROSS FLOOR AREA DEFINITION AMENDMENT
DATE: August 21, 2008

The Planning Commission is proposing an amendment to the definition of "gross floor area" which would apply to the PI, R-1, RLD, R-2, RMD, R-3, RB-1, RB-2, DB, B-1, B-2, C-1, PCD-C, ED, PCD-BP, PCD-NB and MUD zones. No substantive changes are proposed to the definition of "gross floor area" for the waterfront (WC, WM, and WR) zoning districts. In addition, new definitions for "attic" and "underground floor area" are proposed.

The proposed definitions are below:

Gross Floor Area:

17.04.360 Floor area, gross

A. "Gross floor area" in the WR, WM and WC districts means:

1. The sum of the horizontal area of the several floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls. The gross floor area includes basement space, garage space, the elevator shafts and stairwells at each floor, mechanical equipment rooms, finished attics with a headroom of seven and one-half feet or more, penthouse floors, interior balconies and mezzanines, and enclosed porches. The gross floor area shall not include accessory water tanks and cooling towers, mechanical equipment, and unfinished attics regardless of headroom.

2. For purposes of determining off-street parking requirements, gross floor area shall mean the sum of the horizontal area of the floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls including basement space, the elevator shafts and stairwells at each floor, mechanical equipment rooms, finished attics with a headroom of seven and one-half feet or more, penthouse floors, interior balconies and mezzanines, enclosed porches; but, shall not include garage space, accessory water tanks and cooling towers, mechanical equipment and unfinished attics regardless of headroom.

B. "Gross floor area" in the PI, R-1, RLD, R-2, RMD, R-3, RB-1, RB-2, DB, B-1, B-2, C-1, PCD-C, ED, PCD-BP, PCD-NB and MUD districts means:

1. The sum of the horizontal area of the floor(s) of a building or buildings measured from the exterior faces of exterior walls and from centerlines of division walls. The gross floor area includes garage space, the elevator shafts and stairwells at each floor, mechanical equipment rooms, penthouse floors, interior balconies and mezzanines, and enclosed porches. The gross floor area shall not include accessory water tanks and cooling towers, mechanical equipment, attics as defined by GHMC 17.04.086, and underground floor area as defined by GHMC 17.04.362.

2. For purposes of determining off-street parking requirements, gross floor area shall mean the sum of the horizontal area of the floor(s) of a building or

buildings measured from the exterior faces of exterior walls and from centerlines of division walls including the elevator shafts and stairwells at each floor, mechanical equipment rooms, penthouse floors, interior balconies and mezzanines, enclosed porches and underground floor area; but, shall not include garage space, accessory water tanks and cooling towers, mechanical equipment and attics.

Attic:

17.04.086 Attic.

"Attic" means finished or unfinished space with a headroom of less than seven feet between the ceiling beams of the top story and the roof rafters.

Underground Floor Area:

17.04.362 Floor area, underground.

"Underground floor area" means the floor area of a building, structure, story, or portion of a story constructed entirely below natural or finished grade, whichever is lower, excluding below grade window wells required for rescue and escape and up to an additional 24 linear feet of access.



COMMUNITY DEVELOPMENT DEPARTMENT

TO: GIG HARBOR CITY COUNCIL
FROM: JENNIFER KESTER, SENIOR PLANNER
SUBJECT: GROSS FLOOR AREA WORK-STUDY SESSION
DATE: DECEMBER 18, 2008 *2009*

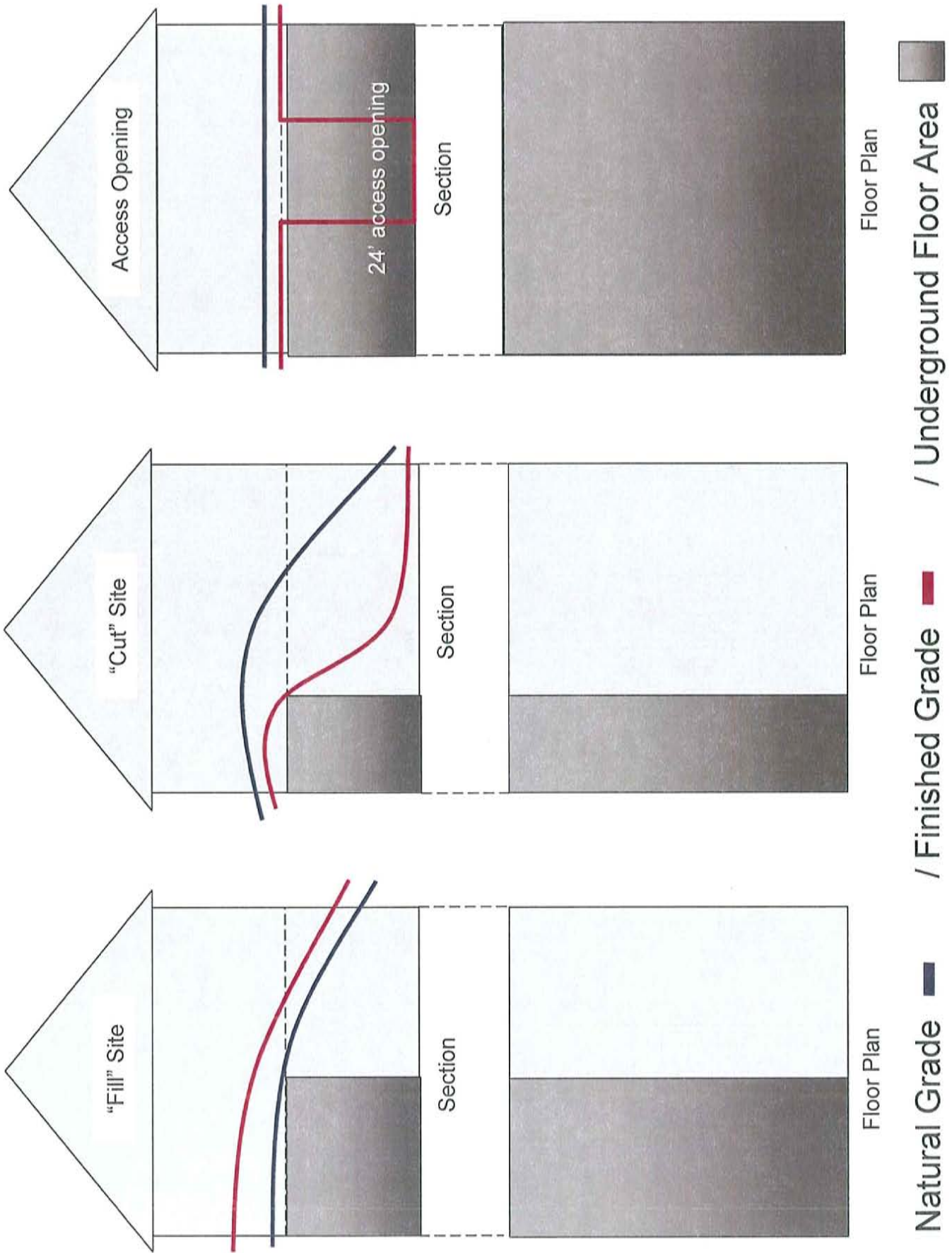
At this upcoming work-study session, I hope to have the opportunity to better explain the proposed definitions and answer any of your questions. Please feel free to bring development scenarios to the meeting and staff can explain how these proposed definitions will relate to that development.

The proposed ordinance makes four (4) basic changes:

1. States how gross floor area is calculated for parking
2. Exempts underground floor area and attics from gross floor area for all zones except the waterfront zones
3. Adds a definition of attic which is consistent with the definition found in the building code.
4. Adds a definition of underground floor area that is conservative in how grade is measured, but still allows limited vehicular and pedestrian outside access to underground floors.

I have enclosed the diagram handed out at the December 8th Council meeting as well as the proposed ordinance. The diagram illustrates how the underground floor area definition would apply to three different development scenarios:

1. Fill-site: This image illustrates what would be considered underground floor area if a developer wanted to mound earth around a lower basement or parking garage rather than sink the floor completely below existing grade.
2. Cut-site: This image illustrates what would be considered underground floor area if a developer chose to lower the existing grade of a site to expose more of the building.
3. Access-opening: This image illustrates that an underground floor is still considered underground floor area even if 24 feet of access to the outside (vehicular or pedestrian) is provided.





Subject: "96th Street Annexation"
(ANX 07-0002)

Proposed Council Action:

Adoption of a final ordinance approving the 96th Street Annexation.

Dept. Origin: Planning Department

Prepared by: Tom Dolan *Tom D.*
Planning Director

For Agenda of: **January 26, 2009**

Exhibits: Draft Ordinance

Initial & Date

Concurred by Mayor: *CDH 1/16/09*

Approved by City Administrator: *PK*

Approved as to form by City Atty: *Approved by e-mail*

Approved by Finance Director: *N/A*

Approved by Department Head: *TD 1/16/09*

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

On April 28, 2008 the City Council approved a resolution declaring its intent to approve the 96th Street Annexation. Subsequent to the Council's action, Staff prepared a Notice of Intention which was transmitted to the Pierce County Boundary Review Board. During the Board's appeal period, the Haven of Rest cemetery appealed the annexation. In responding to the Cemetery's concerns, the City Council approved to ordinances that eliminated provisions in the Gig Harbor Municipal Code that prohibited cemeteries within the City limits and made them a non-conforming use. At the Boundary Review Board hearings to consider the appeal by Haven of Rest, the cemetery indicated that because the City had revised the GHMC to allow cemeteries, they wished to withdraw the appeal. As a result of the withdrawal of the appeal, the Boundary Review Board issued a decision approving the annexation. State law provides that after the Boundary Review Board approves an annexation, the City must finalize the annexation by adopting an ordinance that formally accepts the annexed area into the City.

STAFF ANALYSIS

Staff recommends adoption of the ordinance.

BOARD OR COMMITTEE RECOMMENDATION

None

RECOMMENDATION / MOTION

Move to: Adopt Ordinance _____ formally approving the 96th Street Annexation.

EXHIBITS – Draft Ordinance

**CITY OF GIG HARBOR
ORDINANCE NO. _____**

AN ORDINANCE OF THE CITY OF GIG HARBOR, RELATING TO ANNEXATION AND ZONING, ANNEXING APPROXIMATELY 249 ACRES OF PROPERTY LOCATED GENERALLY BETWEEN ROSEDALE STREET ON THE SOUTH, 96TH STREET ON THE NORTH AND EAST OF STATE ROUTE 16 (ANX 07-0002), ADOPTING MEDIUM DENSITY RESIDENTIAL (R-2) ZONING, EMPLOYMENT DISTRICT (ED) ZONING, AND REQUIRING THE PROPERTY OWNERS TO ASSUME THEIR PROPORTIONATE SHARE OF INDEBTEDNESS.

WHEREAS, the City of Gig Harbor received a Notice of Intent to Annex approximately 249 acres of property located generally between Rosedale Street on the south, 96th Street on the north and east of State Route 16, adjacent to the existing City limits and within the City's Urban Growth Area (UGA), located in Pierce County; and

WHEREAS, the Notice of Intent was signed by the owners of not less than ten percent (10%) of the acreage of the property; and

WHEREAS, on November 26, 2007, the City Council met with the initiators of the petition and voted (Young/Dick, 7-0-0) to authorize circulation of the annexation petition subject to certain conditions including adoption of pre-annexation Single-Family Residential (R-2 and ED) zoning, preparation of a wetland analysis for the property, City approval of the withdrawal of the area by PenMet Parks from the annexed area and requiring that the property owners assume all of the existing indebtedness of the area being annexed; and

WHEREAS, on February 26, 2008, the petition for annexation of the property described in Exhibit A and graphically depicted on Exhibit B was received by the City; and

WHEREAS, on March 19, 2008, the Pierce County office of the Assessor-Treasurer certified the signatures on the petition for annexation of the property described in Exhibit A and graphically depicted on Exhibit B; and

WHEREAS, the property described in Exhibit A and graphically depicted on Exhibit B proposed to be annexed is within the Urban Growth Area as established by Pierce County and included in the Comprehensive Plans of both the County and the City of Gig Harbor; and

WHEREAS, the City of Gig Harbor Comprehensive Plan, adopted in December, 2004, established the land use map designation for this area as Employment District and Residential Medium, along with pertinent goals and objectives, to guide the development of the annexation area over the next twenty years; and

WHEREAS, the proposed pre-annexation zoning of Medium Density Residential (R-2) and Employment District (ED) being applied to the property described in Exhibit A and graphically depicted on Exhibit B is consistent with the City of Gig Harbor Comprehensive Land Use Plan designation of Residential Medium and Employment District; and

WHEREAS, on April 28, 2008, the City Council, following a public hearing on the annexation petition, voted (Young/Conan, 7-0-0) to declare its intent to authorize and approve the annexation and the proposed pre-annexation

Medium Residential (R-2) and Employment District (ED) zoning for the area described in Exhibit A and graphically depicted on Exhibit B, subject to Boundary Review Board approval; and

WHEREAS, on July 1, 2008, the Notice of Intention, together with supporting documentation, was submitted to the Chief Clerk of the Pierce County Boundary Review Board; and

WHEREAS, on July 14, 2008, the Chief Clerk of the Pierce County Boundary Review Board deemed the annexation proposal as complete, set the official filing date as July 1, 2008, initiated the forty-five (45) day review period, and noted that the period during which jurisdiction could be invoked would expire on August 15, 2008; and

WHEREAS, on December 2, 2008, the Pierce County Boundary Review Board issued a written decision approving the annexation of the property as described in Exhibit A and graphically depicted in Exhibit B; and

WHEREAS, the City Council considered this Ordinance during its regular City Council meetings of January 26 and February 9, 2009; Now, Therefore,

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

Section 1. The Gig Harbor City Council hereby approves the annexation of approximately 249 acres of property located generally between Rosedale Street on the south, 96th Street on the north and east of State Route 16, adjacent to the existing City limits, located in Pierce County, as described in

Exhibit A and graphically depicted on Exhibit B, attached hereto, as part of the City of Gig Harbor, contingent upon compliance with the following conditions:

- A. Pursuant to the terms of the annexation petition, the approximately 249 acres of property located generally between Rosedale Street on the south, 96th Street on the north and east of State Route 16, adjacent to the existing City limits, located in Pierce County, as described in Exhibit A and graphically depicted on Exhibit B, shall be assessed and taxed at the same rate and on the same basis as property within the City, including assessments for taxes and payment of any bonds issued or debts contracted prior to or existing as of the date of annexation;
- B. All property within the area described in Exhibit A and graphically depicted on Exhibit B shall be zoned as Medium-Density Residential (R-2) and Employment District (ED), in accordance with the Gig Harbor Municipal Code, Title 17; and
- C. The City will, pursuant to RCW 35.61.360, approve the withdrawal of this area by PenMet Parks from its boundaries by resolution.

Section 2. The Planning Director is hereby instructed to effectuate the necessary changes to the Official Zoning Map of the City in accordance with the zoning established in Section 1.

Section 3. The Gig Harbor City Clerk hereby declares the property described in Exhibit A and graphically depicted in Exhibit B to be contiguous with the boundaries of the City of Gig Harbor.

Section 4. The City Clerk is hereby directed to record a certified copy of this ordinance with the Office of the Pierce County Auditor.

Section 5. This ordinance shall take effect five days after passage and publication as required by law.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor this 9th day of February, 2009.

APPROVED:

MAYOR, CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

CITY CLERK, MOLLY M. TOWSLEE

APPROVED AS TO FORM;
OFFICE OF THE CITY ATTORNEY:

BY: _____
ANGELA BELBECK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.

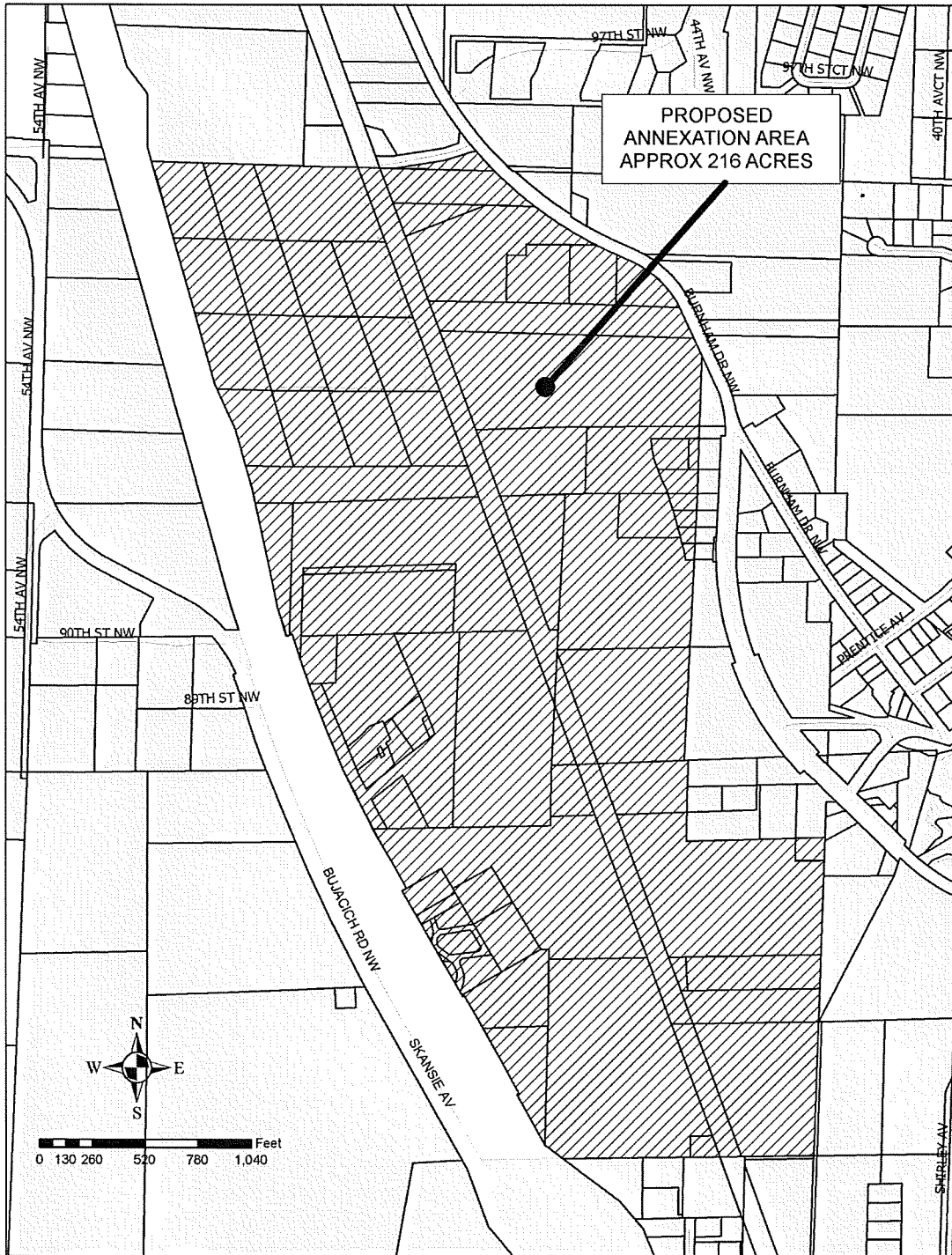
Exhibit A

96th STREET ANNEXATION (ANX 07-0002)

THAT PORTION OF SECTION 6, TOWNSHIP 21 NORTH, RANGE 2 EAST AND SECTION 31, TOWNSHIP 22 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN IN PIERCE COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 6; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SECTION A DISTANCE OF 310 FEET, MORE OR LESS, TO THE SOUTHWESTERLY MARGIN OF SR-16 AND THE TRUE POINT OF BEGINNING; THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY MARGIN A DISTANCE OF 5280 FEET, MORE OR LESS, TO THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 6; THENCE EASTERLY ALONG SAID NORTH LINE A DISTANCE OF 1740 FEET, MORE OR LESS, TO THE WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 6; THENCE NORTHERLY ALONG SAID WEST LINE A DISTANCE OF 1565 FEET, MORE OR LESS, TO THE SOUTH LINE OF THE NORTH 400 FEET OF THE SOUTHEAST QUARTER OF SAID SECTION 6; THENCE WESTERLY ALONG SAID SOUTH LINE A DISTANCE OF 660 FEET, MORE OR LESS, TO THE WEST LINE OF THE EAST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 6; THENCE NORTHERLY ALONG SAID WEST LINE AND THE WEST LINE OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 6 A DISTANCE OF 2370 FEET, MORE OR LESS, TO THE SOUTHWESTERLY MARGIN OF BURNHAM DRIVE; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY MARGIN A DISTANCE OF 1430 FEET, MORE OR LESS, TO THE NORTH LINE OF SAID SECTION 6; THENCE CONTINUING NORTHWESTERLY ALONG SAID SOUTHWESTERLY MARGIN A DISTANCE OF 120 FEET, MORE OR LESS, TO THE SOUTHERLY MARGIN OF 96TH STREET NW; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY MARGIN A DISTANCE OF 420 FEET, MORE OR LESS, TO THE NORTH LINE OF SAID SECTION 6; THENCE WESTERLY ALONG SAID NORTH LINE A DISTANCE OF 1725 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

Exhibit B
96th STREET ANNEXATION (ANX 07-0002)
ANNEXATION AREA MAP





Subject: 56TH Street/Olympic Drive
Improvements Project (CSP-0133) – Contract
Change Orders No. 4-7

Proposed Council Actions:

Authorize the Mayor to execute contract change orders No. 4, 5, 6, and 7 for Ceccanti, Inc. in the amount of \$420,352.49.

Dept. Origin: Public Works

Prepared by: David Stubchaer *DS*
Public Works Director

For Agenda of: January 26, 2009

Exhibits:

- A. Change Orders No. 4 - 7
- B. Construction Contract Summary Table
- C. Change Order Justification Summary Memo
- D. Final Contract Summary

	Initial & Date
Concurred by Mayor:	<i>CLH 1/21/09</i>
Approved by City Administrator:	<i>PSK</i>
Approved as to form by City Atty:	<i>ok per e-mail</i>
Approved by Finance Director:	<i>DF 1/20/09</i>
Approved by Department Head:	<i>DS 1/20/09</i>

Expenditure	Amount	Appropriation
Required \$420,352.49	Budgeted \$385,673.22	Required \$34,679.27

INFORMATION / BACKGROUND

On August 13, 2007, Council authorized award of the 56th Street/Olympic Drive Improvements Project to Ceccanti, Inc. in the amount of \$4,613,314.80. The proposed contract change orders 4-7 are the final change orders for the project and are for work items that were necessary to complete the improvements. All work contained within the change orders was completed by the contractor as of September 24, 2008. Our Project Management consultant and staff have been requesting information from the contractor and negotiating as per the contract specifications in order to try to come to an agreement on the cost of the change orders. To date, agreement has been reached on all but Change Order No. 7.

Ceccanti has submitted a letter of protest on Change Order No. 7. City staff continues to work with Ceccanti in an effort to resolve the issue with the figures shown herein representing the City's proposed best offer.

CHANGE ORDER SUMMARY

The following change orders were previously approved by Council:

- Change Order No. 1: Change in progress submittal requirements (no cost)
- Change Order No. 2: Added construction of deep sewer line on 56th St. (\$98,966.51)
- Change Order No. 3: Change Order No. 3 was withdrawn

The following change orders 4–7 are proposed:

- Change Order No. 4: Change in handrail design to comply with current regulations (\$48,254)
- Change Order No. 5: Construction of 13 traffic signal loops that were originally to remain (\$13,104)
- Change Order No. 6: Asphalt leveling course not included in original contract (\$57,380.61)
- Change Order No. 7: Adjustment for measured bid item quantities vs estimated (\$301,613.88)

More detailed information on change orders No. 4–7 is included in Exhibit C.

Changer Order Summary	
Original Contract Amount:	\$ 4,613,314.80
Total Change by Previous Change Orders (1-3):	\$ 98,966.51
Contract Amount Prior to this Change Order:	\$ 4,712,281.31
Amount of these Change Orders (4-7):	\$ 420,352.49
Adjusted Contract Amount including Change Orders 1-7:	\$ 5,132,633.80

FISCAL CONSIDERATION

The total change order amount for change orders 1–7 of \$519,319.00 equates to approximately 11% of the original contract amount.

The 2008 budget amount available for this project is \$385,673.22. In order to pay the total amount of change orders 4-7 (\$420,352.49), an additional \$34,679.27 is necessary. This amount is proposed to be funded from the 2008 ending fund balance.

Staff is also pursuing additional reimbursement from the TIB Grant allocation. Discussions with the TIB representative indicate that this is possible but unlikely with a final determination made by TIB after the City Council approves the final contract amount.

BOARD OR COMMITTEE RECOMMENDATION

This was discussed at the Public Works and Operations Committee meeting of November 20, 2008. The Committee recommended that contract change order nos. 4-6 be executed and negotiations continue with Ceccanti to resolve the outstanding items related to Ceccanti’s protest of contract change order no. 7.


Staff met with Ceccanti on December 3, 2008 to discuss the outstanding items. During the meeting, several questions were raised by the City regarding the accuracy and applicability of

the information submitted by Ceccanti to support their request for additional funds. It was agreed that additional information was necessary for the City to evaluate the validity of Ceccanti's protest. Additional information was formally requested in a letter dated December 3, 2008 and sent to Ceccanti via email and U.S. mail that same day. Ceccanti responded in a letter received January 12, 2009 and provided a portion of the information requested but it was not sufficient to document their protest or change staff's recommendation.

RECOMMENDATION / MOTION

Staff recommends that changer orders 4-7 be authorized to fairly compensate the contractor for work performed under the contract.

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

Sheet <u>1</u> of <u>1</u>	CHANGE ORDER	Change Order Number <u>4</u>
Date <u>4/30/2008</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>5-13-08</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:

This change order replaces Bid Item #48 "Metal Handrail"
Contractor shall install fabricate and install "Alternate Metal Handrail" per the attached detail drawing. Payment for handrail includes all labor, equipment and materials necessary to complete the work.

Delete Bid Item #48 "Metal Handrail" = -\$74,750
 Total cost for "Alternate Metal Handrail" = \$123,004
TOTAL ADDED COST = \$48,254


The additional cost for the Alternate Metal Handrail is attributed to significantly more fabrication effort and additional steel required over the original design. The Alternate Metal Handrail design is compliant with ADA and IBC standards.

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

ORIGINAL CONTRACT AMOUNT \$ 4,613,314.80	CURRENT CONTRACT AMOUNT <u>4,712,281.31</u> \$ 4,717,665.80	NET CHANGE THIS ORDER \$ 48,254	CONTRACT TOTAL AFTER CHANGE <u>4,760,535.31</u> \$ 4,765,909.80
<input type="checkbox"/> APPROVAL RECOMMENDED: _____ <small>CITY ENGINEER</small>	<input type="checkbox"/> APPROVED: _____ <small>DATE</small>	<input type="checkbox"/> APPROVAL RECOMMENDED: _____ <small>CITY ADMINISTRATOR</small>	<input type="checkbox"/> APPROVED: _____ <small>DATE</small>
<input type="checkbox"/> APPROVED: _____ <small>MAYOR</small>		<input type="checkbox"/> 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.

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

Sheet <u>1</u> of <u>1</u>	CHANGE ORDER	Change Order Number <u>5</u>
Date <u>5/13/2008</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.		
ENDORSED BY: <u>Peccanti, Jr.</u> <small>COMPANY NAME</small>  <small>SIGNATURE</small> <u>5-13-08</u> <small>DATE</small> TITLE: <u>Corporate Secretary</u>	TO: Ceccanti, Inc. 4116 Brookdale Rd. E Tacoma, WA 98446	
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:

Contractor shall install 13 traffic loops at the 50th Street signal. Loops shall be 6 ft circle loops with 15 foot homerun. The price per loop shall be \$1,008. Payment for loops includes all labor, equipment and materials necessary to install and test the loops.

Cost for Traffic Loops = 13 x \$1,008 = \$13,104

TOTAL ADDED COST = \$13,104

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>4,740,535.31</u> \$ <u>4,765,909.80</u>	NET CHANGE THIS ORDER \$ <u>\$13,104</u>	CONTRACT TOTAL AFTER CHANGE <u>4,773,639.31</u> \$ <u>\$4,779,013.80</u>
<input type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: _____ <small>CITY ENGINEER</small> <small>DATE</small>	<input type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: _____ <small>CITY ADMINISTRATOR</small> <small>DATE</small>		
<input type="checkbox"/> APPROVED: _____ <small>MAYOR</small> <small>DATE:</small> _____			

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.



"THE MARITIME CITY"
City of Gig Harbor

Field Order

No. 3

Project Title 56th St NW and Olympic Dr NW Street Improvement Project
Project No. CSP-0133 Contract No. _____ NTP Date 4/16/2008
Contractor: Ceccanti, Inc.

RE: Additional Traffic Signal Loops at 50th St Signal

Contractor shall install 10 traffic signal loops at the 50th Street signal. Loops shall be 6 ft circle loops with 15 foot homerun. The price per loop shall be \$1,008. Price shall include all labor equipment and materials necessary to install and test the loops. Cost backup is attached to this field order.

Total additional cost = \$1,008 per loop X 10 loops = ~~\$10,080~~
13 \$13,104

- Distribution:
- 1. Contractor
 - 2. Proj. Mgr.
 - 3. Field Office
 - 4. File

4/17/08
Date


Project Manager

Date

Contractor's Authorized Representative



SIGNAL ELECTRIC

TIME & MATERIAL WORKSHEET FOR WSDOT

PROJECT:		PROJ. NO.		DATE: 4-16-08	
Work Description: Install and test 1 = 6 feet circle loop with 15 feet homerun					
LABOR COSTS		HOURS		RATE	
CLASSIFICATION		REGULAR	OVERTIME	REGULAR	OVERTIME
Pablo Cortez		2		\$ 44.85	\$ 61.84
Jose Gutierrez		2		\$ 41.83	\$ 57.31
Patrick Ridgeway		2		\$ 41.83	\$ 57.31
TOTAL LABOR					\$ 257.02
EQUIPMENT COSTS		HOURS		RATE	
DESCRIPTION	UNIT NO.	REGULAR	OVERTIME	MONTHLY	HOURLY
Dump & Flatbed					
2000 Isuzu NQR Flatbed	L-206	2		\$1,003.98	\$ 10.81
2004 Isuzu NQR Flatbed	L-250	2		\$1,036.86	\$ 11.16
1997 Int'l Low Profile (w/vactor)	L-253	1		\$2,136.34	\$ 21.58
Compressors					
96' Ingersoll Rand Comp 160	L-242	1		\$ 675.71	\$ 6.76
Miscellaneous					
2003 Meco Saw M60DSS	L-246	1		\$1,224.05	\$ 13.39
99' LF150 Crafcoc Machine	L-208	1		\$1,207.75	\$ 12.51
TOTAL EQUIPMENT					\$ 201.38
MATERIALS & RENTAL COSTS					TOTAL
DESCRIPTION		QTY	UNITS	UNIT PRICE	COST
6ft round loop (# 14 USE wire)		76	ft	\$ 1.65	\$ 125.40
15 ft loop home run (# 14 USE wire)		30	ft	\$ 1.65	\$ 49.50
Sealant (Crafcoc 271 loop Sealant)		1	ea	\$ 40.00	\$ 40.00
Splice Kit (82A1 - 82B1 3M)		1	ea	\$ 12.00	\$ 12.00
TOTAL MATERIALS					\$ 226.90
SUBCONTRACTOR					TOTAL
DESCRIPTION		QUANTITY	UNITS	UNIT PRICE	COST
					\$ -
TOTAL SUBCONTRACTOR					\$ -
SERVICES					TOTAL
DESCRIPTION		QUANTITY	UNITS	UNIT PRICE	COST
Disposal (Slurry & other dirt)		1	Lump sum	\$ 50.00	\$ 50.00
TOTAL SERVICES					\$ 50.00
TOTAL LABOR					\$ 257.02
LABOR MARKUP					29% \$ 74.54
TOTAL EQUIPMENT					\$ 201.38
EQUIPMENT MARKUP					21% \$ 42.29
TOTAL MATERIALS AND RENTALS					\$ 226.90
MATERIALS AND RENTALS MARKUP					21% \$ 47.65
SERVICES					\$ 50.00
SERVICES MARKUP					21%
TOTAL SUBCONTRACTOR					\$ -
SUBCONTRACTOR MARKUP					10% \$ -
SUBTOTAL					\$ 899.77
WSST 8.9%					8.9%
GRAND TOTAL					\$ 899.77

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

Sheet <u>1</u> of <u>1</u> Date <u>5/20/2008</u>	<h2 style="margin: 0;">CHANGE ORDER</h2>	Change Order Number <u>6</u>
<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.	CONTRACT NO.: <u>CSP - 0133</u> 56 th Street/Olympic Drive Roadway Improvement Project	
ENDORSED BY: <u>Ceccanti, Inc.</u> <small>COMPANY NAME</small> <small>SIGNATURE</small> <u>5-20-08</u> <small>DATE</small>	TO: Ceccanti, Inc. 4116 Brookdale Rd. E Tacoma, WA 98446	
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:

Contractor shall provide HMA pre-level from Sta. 25+50 to Sta. 40+00. The Unit price for the HMA used for the pre-level is \$96.21 per ton.

Cost for HMA Pre-Level = 596.41tons x \$96.21/ton = \$57,380.61

TOTAL ADDED COST = \$57,380.61

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

ORIGINAL CONTRACT AMOUNT \$ 4,613,314.80	CURRENT CONTRACT AMOUNT 4,773,639.31 \$ 4,779,013.80	NET CHANGE THIS ORDER \$ 57,380.61	CONTRACT TOTAL AFTER CHANGE 4,831,019.92 \$ 4,836,394.41
<input type="checkbox"/> APPROVAL RECOMMENDED: _____ <small>CITY ENGINEER</small>	<input type="checkbox"/> APPROVED: _____ <small>DATE</small>	<input type="checkbox"/> APPROVAL RECOMMENDED: _____ <small>CITY ADMINISTRATOR</small>	<input type="checkbox"/> APPROVED: _____ <small>DATE</small>
<input type="checkbox"/> APPROVED: _____ <small>MAYOR</small>		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.

CITY OF GIG HARBOR
PUBLIC WORKS DEPARTMENT

New Business - 3

Sheet <u>1</u> of <u>1</u> Date <u>1/14/2009</u>	CHANGE ORDER	Change Order Number <u>7</u>
<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 type="checkbox"/> OTHER: CHANGE MUTUALLY AGREED BETWEEN THE CITY AND THE VENDOR.	CONTRACT NO.: <u>CSP - 0133</u> 56 th Street/Olympic Drive Roadway Improvement Project	
ENDORSED BY: <u>Ceccanti, Inc.</u> <small>COMPANY NAME</small> _____ <small>SIGNATURE</small> <small>DATE</small> TITLE: _____	TO: <u>Ceccanti, Inc.</u> 4116 Brookdale Rd. E Tacoma, WA 98446	
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:

Revise bid item quantities as shown on the attached entitled "CSP0133-Olympic/56th Improvements, Final Contract Summary"

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

ORIGINAL CONTRACT AMOUNT	CURRENT CONTRACT AMOUNT	NET CHANGE THIS ORDER	CONTRACT TOTAL AFTER CHANGE
\$ <u>4,613,314.80</u>	\$ <u>4,831,019.92</u>	\$ <u>301,613.88</u>	\$ <u>5,132,633.80</u>
<input type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: _____ <small>CITY ENGINEER</small> <small>DATE</small>	<input type="checkbox"/> APPROVAL RECOMMENDED: <input type="checkbox"/> APPROVED: _____ <small>CITY ADMINISTRATOR</small> <small>DATE</small>		
<input type="checkbox"/> APPROVED: _____ <small>MAYOR</small> <small>DATE:</small> _____			

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.

CSP0133 - Olympic/56th Improvements
Final Contract Summary
CCO#7 Attachment

Item	DESCRIPTION	Unit	Unit Price	Bid Quantity	Final Quantity	Bid Total	Final Total	Difference between Bid and Final	Amount Greater than Bid Total	Amount Less than Bid Total	Variation from Bid Total (%)
1	POTHOLING	F/A	\$5,000.00	1	1.24	\$5,000.00	\$6,200.00	\$1,200.00	\$1,200.00	\$0.00	24.00%
2	MOBILIZATION	LS	\$230,000.00	1	1.00	\$230,000.00	\$230,000.00	\$0.00	\$0.00	\$0.00	0.00%
3	RECORD DRAWINGS	LS	\$150.00	1	1.00	\$150.00	\$150.00	\$0.00	\$0.00	\$0.00	0.00%
4	SPCC PLAN	LS	\$500.00	1	1.00	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	0.00%
5	CLEARING AND GRUBBING	LS	\$5,000.00	1	1.00	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	0.00%
6	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	LS	\$50,000.00	1	1.00	\$50,000.00	\$50,000.00	\$0.00	\$0.00	\$0.00	0.00%
7	REMOVING AND RESETTING FENCE	LF	\$15.00	131	150.10	\$1,965.00	\$2,251.50	\$286.50	\$286.50	\$0.00	14.58%
8	ROADWAY EXCAVATION INCLUDING HAUL	CY	\$20.00	11,200	11,513.73	\$224,000.00	\$230,274.60	\$6,274.60	\$6,274.60	\$0.00	2.80%
9	EMBANKMENT COMPACTION	CY	\$1.00	5,015	3,305.00	\$5,015.00	\$3,305.00	(\$1,710.00)	\$0.00	(\$1,710.00)	-34.10%
10	GRAVEL BORROW INCLUDING HAUL	TON	\$15.00	13,140	12,766.00	\$197,100.00	\$191,490.00	(\$5,610.00)	\$0.00	(\$5,610.00)	-2.85%
11	CONCRETE INLET	EA	\$1,000.00	3	3.00	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00	0.00%
12	CEMENT CONCRETE GUTTER	LF	\$25.00	120	0.00	\$3,000.00	\$0.00	(\$3,000.00)	\$0.00	(\$3,000.00)	-100.00%
13	HAND PLACED RIP RAP	CY	\$50.00	10	14.00	\$500.00	\$700.00	\$200.00	\$200.00	\$0.00	40.00%
14	DRAIN PIPE 4 IN. DIAM.	LF	\$40.00	6	0.00	\$240.00	\$0.00	(\$240.00)	\$0.00	(\$240.00)	-100.00%
15	DRAIN PIPE 6 IN. DIAM.	LF	\$40.00	158	101.00	\$6,320.00	\$4,040.00	(\$2,280.00)	\$0.00	(\$2,280.00)	-36.08%
16	PLAIN CONCRETE CULVERT PIPE 12 IN. DIAM.	LF	\$65.00	57	51.00	\$3,705.00	\$3,315.00	(\$390.00)	\$0.00	(\$390.00)	-10.53%
17	PLAIN CONCRETE CULVERT PIPE 18 IN. DIAM.	LF	\$85.00	8	8.00	\$680.00	\$680.00	\$0.00	\$0.00	\$0.00	0.00%
18	CATCH BASIN TYPE 1	EA	\$1,100.00	35	31.00	\$38,500.00	\$34,100.00	(\$4,400.00)	\$0.00	(\$4,400.00)	-11.43%
19	CATCH BASIN TYPE 1 WITH THRU CURB INLET	EA	\$1,200.00	1	3.00	\$1,200.00	\$3,600.00	\$2,400.00	\$2,400.00	\$0.00	200.00%
20	CATCH BASIN TYPE 2 -- 48 IN. IDAM.	EA	\$2,800.00	21	23.00	\$58,800.00	\$64,400.00	\$5,600.00	\$5,600.00	\$0.00	9.52%
21	CATCH BASIN TYPE 2 -- 54 IN. DIAM.	EA	\$5,400.00	10	10.00	\$54,000.00	\$54,000.00	\$0.00	\$0.00	\$0.00	0.00%
22	CORRUGATED POLYETHYLENE STORM SEWER PIPE -- 12" DIAM.	LF	\$50.00	3,166	2,928.30	\$158,300.00	\$146,415.00	(\$11,885.00)	\$0.00	(\$11,885.00)	-7.51%
23	CORRUGATED POLYETHYLENE STORM SEWER PIPE -- 15" DIAM.	LF	\$55.00	827	823.80	\$45,485.00	\$45,309.00	(\$176.00)	\$0.00	(\$176.00)	-0.39%
24	CORRUGATED POLYETHYLENE STORM SEWER PIPE -- 18" DIAM.	LF	\$75.00	119	111.00	\$8,925.00	\$8,325.00	(\$600.00)	\$0.00	(\$600.00)	-6.72%
25	ALUMINIZED STEEL STORM SEWER PIPE -- 36 IN. DIAM.	LF	\$100.00	30	33.00	\$3,000.00	\$3,300.00	\$300.00	\$300.00	\$0.00	10.00%
26	DUCTILE IRON STORM SEWER PIPE -- 8 IN. DIAM.	LF	\$65.00	26	26.00	\$1,690.00	\$1,690.00	\$0.00	\$0.00	\$0.00	0.00%
27	DUCTILE IRON STORM SEWER PIPE -- 12 IN. DIAM.	LF	\$70.00	131	263.80	\$9,170.00	\$18,466.00	\$9,296.00	\$9,296.00	\$0.00	101.37%
28	FLOW RESTRICTOR/OIL SEPARATOR -- 12 IN. DIAM.	EA	\$1,100.00	3	3.00	\$3,300.00	\$3,300.00	\$0.00	\$0.00	\$0.00	0.00%
29	DETENTION TANK -- 72 IN. DIAM.	LF	\$420.00	590	590.00	\$247,800.00	\$247,800.00	\$0.00	\$0.00	\$0.00	0.00%
30	VORTECHS STORMWATER TREATMENT VAULT MODEL 4000	EA	\$30,000.00	1	1.00	\$30,000.00	\$30,000.00	\$0.00	\$0.00	\$0.00	0.00%
31	VORTECHS STORMWATER TREATMENT VAULT MODEL 2000	EA	\$24,000.00	1	1.00	\$24,000.00	\$24,000.00	\$0.00	\$0.00	\$0.00	0.00%
32	CLEANING EXISTING DRAINAGE STRUCTURE	LS	\$1,200.00	1	1.00	\$1,200.00	\$1,200.00	\$0.00	\$0.00	\$0.00	0.00%
ITEMS 33-44 SUBJECT TO RETAIL TAX											
33	DROP MANHOLE CONNECTION	EA	\$1,000.00	2	1.00	\$2,000.00	\$1,000.00	(\$1,000.00)	\$0.00	(\$1,000.00)	-50.00%
34	SEWER CLEANOUT	EA	\$100.00	6	8.00	\$600.00	\$800.00	\$200.00	\$200.00	\$0.00	33.33%
35	ADJUST SEWER CLEANOUT	EA	\$100.00	6	6.00	\$600.00	\$600.00	\$0.00	\$0.00	\$0.00	0.00%
36	MANHOLE 48 INCH DIAMETER TYPE 1	EA	\$2,000.00	4	4.00	\$8,000.00	\$8,000.00	\$0.00	\$0.00	\$0.00	0.00%
37	DUCTILE IRON SANITARY SEWER PIPE -- 4 IN. DIAM.	LF	\$25.00	960	859.00	\$24,000.00	\$21,475.00	(\$2,525.00)	\$0.00	(\$2,525.00)	-10.52%
38	DUCTILE IRON SANITARY SEWER PIPE -- 8 IN. DIAM.	LF	\$55.00	680	680.00	\$37,400.00	\$37,400.00	\$0.00	\$0.00	\$0.00	0.00%
39	PVC SANITARY SEWER PIPE -- 6 IN. DIAM.	LF	\$40.00	252	263.00	\$10,080.00	\$10,520.00	\$440.00	\$440.00	\$0.00	4.37%
40	STRUCTURE EXCAVATION CLASS B INCLUDING HAUL	CY	\$10.00	1,826	1,826.00	\$18,260.00	\$18,260.00	\$0.00	\$0.00	\$0.00	0.00%
41	SHORING OR EXTRA EXCAVATION CLASS B	SF	\$0.10	16,688	19,190.10	\$1,668.80	\$1,919.01	\$250.21	\$250.21	\$0.00	14.99%
42	MANHOLE ADDITIONAL HEIGHT 48 IN. DIAM. TYPE 1	LF	\$10.00	24	24.00	\$240.00	\$240.00	\$0.00	\$0.00	\$0.00	0.00%
43	ADJUST MANHOLE	EA	\$300.00	1	2.00	\$300.00	\$600.00	\$300.00	\$300.00	\$0.00	100.00%
44	AIR RELEASE ASSEMBLY	EA	\$1,200.00	1	0.00	\$1,200.00	\$0.00	(\$1,200.00)	\$0.00	(\$1,200.00)	-100.00%
SUBTOTAL SANITARY SEWER ITEMS 33-44											
RETAIL SALES TAX ITEMS 33-44 8.4%											
							\$100,814.01	(\$3,534.79)	\$1,190.21	(\$4,725.00)	
							\$8,765.30	(\$296.92)	\$95.98	(\$396.90)	
							\$113,114.10	(\$3,831.71)	\$1,290.19	(\$5,121.90)	
							\$6,900.00	\$3,000.00	\$3,000.00	\$0.00	
45	ADJUST WATER VALVE	EA	\$300.00	13	23.00	\$3,900.00	\$6,900.00	\$3,000.00	\$3,000.00	\$0.00	76.92%
46	ADJUST WATER METER BOX	EA	\$150.00	10	6.00	\$1,500.00	\$900.00	(\$600.00)	\$0.00	(\$600.00)	-40.00%

New Business

CSP0133 - Olympic/56th Improvements
Final Contract Summary
CCO#7 Attachment

Item	DESCRIPTION	Unit	Unit Price	Bid Quantity	Final Quantity	Bid Total	Final Total	Difference between Bid and Final	Amount Greater than Bid Total	Amount Less than Bid Total	Variation from Bid Total (%)
47	BACKFILL FOR STRUCTURAL EARTH WALL	CY	\$8.00	1,870	1,996.00	\$14,960.00	\$15,968.00	\$1,008.00	\$1,008.00	\$0.00	6.74%
48	METAL HANDRAIL	LF	\$65.00	1,150	1,150.00	\$74,750.00	\$74,750.00	\$0.00	\$0.00	\$0.00	0.00%
49	CRUSHED SURFACING BASE COURSE	TON	\$23.00	2,300	8,308.87	\$52,900.00	\$191,104.01	\$138,204.01	\$138,204.01	\$0.00	261.26%
50	CRUSHED SURFACING TOP COURSE	TON	\$24.00	1,200	396.72	\$28,800.00	\$9,521.28	(\$19,278.72)	\$0.00	(\$19,278.72)	-66.94%
51	ANTI-STRIPPING ADDITIVE	F/A	\$2,000.00	1	0.00	\$2,000.00	\$0.00	(\$2,000.00)	\$0.00	(\$2,000.00)	-100.00%
52	ASPHALT TREATED BASE	TON	\$70.00	1,530	2,077.80	\$107,100.00	\$145,446.00	\$38,346.00	\$38,346.00	\$0.00	35.80%
53	PATTERNED CEMENT CONCRETE CROSSWALK	SY	\$225.00	286	0.00	\$64,350.00	\$0.00	(\$64,350.00)	\$0.00	\$0.00	-100.00%
54	PATTERNED CEMENT CONCRETE ISLAND	SY	\$145.00	240	267.40	\$34,800.00	\$38,773.00	\$3,973.00	\$3,973.00	\$0.00	11.42%
55	PLANING BITUMINOUS PAVEMENT	SY	\$6.00	1,112	1,301.20	\$6,672.00	\$7,807.20	\$1,135.20	\$1,135.20	\$0.00	17.01%
56	HMA CLASS 1/2 INCH PG 64-22	TON	\$67.00	3,981	5,348.56	\$266,727.00	\$358,353.52	\$91,626.52	\$91,626.52	\$0.00	34.35%
57	HMA FOR APPROACH CLASS 1/2 INCH PG 64-22	TON	\$137.00	134	220.20	\$18,358.00	\$30,167.40	\$11,809.40	\$11,809.40	\$0.00	64.33%
58	COLD PLANT MIX FOR TEMPORARY PAVEMENT PATCH	TON	\$60.00	200	371.66	\$12,000.00	\$22,299.60	\$10,299.60	\$10,299.60	\$0.00	85.83%
59	IRRIGATION SYSTEM	LS	\$80,000.00	1	1.00	\$80,000.00	\$80,000.00	\$0.00	\$0.00	\$0.00	0.00%
60	ESC LEAD	DAY	\$20.00	200	4.00	\$4,000.00	\$80.00	(\$3,920.00)	\$0.00	(\$3,920.00)	-98.00%
61	SEEDING, FERTILIZING, AND MULCHING	ACRE	\$2,000.00	2	1.00	\$4,000.00	\$2,000.00	(\$2,000.00)	\$0.00	(\$2,000.00)	-50.00%
62	PLASTIC COVERING	SY	\$1.00	670	0.00	\$670.00	\$0.00	(\$670.00)	\$0.00	(\$670.00)	-100.00%
63	CHECK DAM	LF	\$8.00	120	54.70	\$960.00	\$437.60	(\$522.40)	\$0.00	(\$522.40)	-54.42%
64	INLET PROTECTION	EA	\$60.00	68	0.00	\$4,080.00	\$0.00	(\$4,080.00)	\$0.00	(\$4,080.00)	-100.00%
65	SILT FENCE	LF	\$4.20	3,890	2,523.00	\$16,338.00	\$10,596.60	(\$5,741.40)	\$0.00	(\$5,741.40)	-35.14%
66	HIGH VISIBILITY FENCE	LF	\$2.00	150	0.00	\$300.00	\$0.00	(\$300.00)	\$0.00	(\$300.00)	-100.00%
67	MULCHING	ACRE	\$2,000.00	0.2	0.00	\$400.00	\$0.00	(\$400.00)	\$0.00	(\$400.00)	-100.00%
68	EROSION/WATER POLLUTION CONTROL	F/A	\$20,000.00	1	0.00	\$20,000.00	\$0.00	(\$20,000.00)	\$0.00	(\$20,000.00)	-100.00%
69	TOPSOIL TYPE A	CY	\$35.00	120	158.30	\$4,200.00	\$5,540.50	\$1,340.50	\$1,340.50	\$0.00	31.92%
70	PROPERTY RESTORATION	F/A	\$30,000.00	1	1.01	\$30,000.00	\$30,236.00	\$236.00	\$236.00	\$0.00	0.79%
71	WETLAND MITIGATION	LS	\$65,000.00	1	1.00	\$65,000.00	\$65,000.00	\$0.00	\$0.00	\$0.00	0.00%
72	PSIPE STREET TREE (Red Cascade Mountain Ash Street Tree)	EA	\$300.00	25	25.00	\$7,500.00	\$7,500.00	\$0.00	\$0.00	\$0.00	0.00%
73	STREET CLEANING	HR	\$100.00	200	226.50	\$20,000.00	\$22,650.00	\$2,650.00	\$2,650.00	\$0.00	13.25%
74	BARK OR WOOD CHIP MULCH	CY	\$40.00	20.0	20.00	\$800.00	\$800.00	\$0.00	\$0.00	\$0.00	0.00%
75	CEMENT CONC. TRAFFIC CURB	LF	\$8.00	432	556.10	\$3,456.00	\$4,448.80	\$992.80	\$992.80	\$0.00	28.73%
76	EXTRUDED CURB	LF	\$15.00	186	186.00	\$2,790.00	\$2,790.00	\$0.00	\$0.00	\$0.00	0.00%
77	PRECAST SLOPED MOUNTABLE CURB	LF	\$15.00	215	217.40	\$3,225.00	\$3,261.00	\$36.00	\$36.00	\$0.00	1.12%
78	PRECAST DUAL FACED SLOPED MOUNTABLE CURB	LF	\$15.00	5,330	6,562.40	\$79,950.00	\$98,436.00	\$18,486.00	\$18,486.00	\$0.00	23.12%
79	CEMENT CONC. TRAFFIC CURB AND GUTTER	LF	\$0.20	25,283	26,527.00	\$5,056.60	\$5,305.40	\$248.80	\$248.80	\$0.00	4.92%
80	PAINT LINE	LF	\$0.30	1,340	1,447.00	\$402.00	\$434.10	\$32.10	\$32.10	\$0.00	7.99%
81	PAINTED WIDE LINE	LF	\$4.00	240	1,168.00	\$960.00	\$4,672.00	\$3,712.00	\$3,712.00	\$0.00	386.67%
82	PLASTIC CROSSWALK LINE	SF	\$4.00	298	319.00	\$1,192.00	\$1,276.00	\$84.00	\$84.00	\$0.00	7.05%
83	PLASTIC STOP LINE	EA	\$75.00	20	33.00	\$1,500.00	\$2,475.00	\$975.00	\$975.00	\$0.00	65.00%
84	PLASTIC TRAFFIC ARROW	EA	\$85.00	22	22.00	\$1,870.00	\$1,870.00	\$0.00	\$0.00	\$0.00	0.00%
85	PLASTIC BICYCLE LANE SYMBOL	EA	\$25,000.00	1	1.00	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	0.00%
86	PERMANENT SIGNING	LS	\$445,000.00	1	1.00	\$445,000.00	\$445,000.00	\$0.00	\$0.00	\$0.00	0.00%
87	ILLUMINATION SYSTEM COMPLETE	LS	\$53,000.00	1	1.00	\$53,000.00	\$53,000.00	\$0.00	\$0.00	\$0.00	0.00%
88	INTERCONNECT SYSTEM COMPLETE	LS	\$109,000.00	1	1.00	\$109,000.00	\$109,000.00	\$0.00	\$0.00	\$0.00	0.00%
89	SIGNALIZATION SYSTEM COMPLETE-56th St/38th Ave	LS	\$153,000.00	1	1.00	\$153,000.00	\$153,000.00	\$0.00	\$0.00	\$0.00	0.00%
90	SIGNALIZATION SYSTEM COMPLETE-Olympic Dr/56th St	LS	\$29,000.00	1	1.00	\$29,000.00	\$29,000.00	\$0.00	\$0.00	\$0.00	0.00%
91	SIGNALIZATION SYSTEM COMPLETE-Olympic Dr/50th St	LS	\$38.00	7,680	8,576.00	\$291,840.00	\$325,888.00	\$34,048.00	\$34,048.00	\$0.00	11.77%
92	FLAGGERS AND SPOTTERS (\$38/HR MIN)	HR	\$57.00	1,920	1,694.50	\$109,440.00	\$96,586.50	(\$12,853.50)	\$0.00	(\$12,853.50)	-11.74%
93	TRAFFIC CONTROL SUPERVISOR	HR	\$0.20	12,000	16,701.00	\$2,400.00	\$3,340.20	\$940.20	\$940.20	\$0.00	39.58%
94	TEMPORARY PAVEMENT MARKINGS	LF	\$38.00	500	215.50	\$19,000.00	\$8,189.00	(\$10,811.00)	\$0.00	(\$10,811.00)	-56.90%
95	OTHER TRAFFIC CONTROL LABOR (\$38/HR MIN)	SF	\$10.00	3,000	609.00	\$6,090.00	\$6,090.00	\$0.00	\$0.00	\$0.00	-79.70%
96	CONSTRUCTION SIGNS CLASS A	EA	\$8,000.00	2	2.00	\$16,000.00	\$16,000.00	\$0.00	\$0.00	\$0.00	0.00%
97	PORTABLE CHANGEABLE MESSAGE SIGN	EA	\$8,000.00	2	2.00	\$16,000.00	\$16,000.00	\$0.00	\$0.00	\$0.00	0.00%

New Business

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Item	DESCRIPTION	Unit	Unit Price	Bid Quantity	Final Quantity	Bid Total	Final Total	Difference between Bid and Final	Amount Greater than Bid Total	Amount Less than Bid Total	Variation from Bid Total (%)
98	OPERATION OF PORTABLE CHANGEABLE MESSAGE SIGN	HR	\$2.00	150	940.00	\$300.00	\$1,880.00	\$1,580.00	\$1,580.00	\$0.00	526.67%
99	REMOVING TEMPORARY PAVEMENT MARKING	LF	\$0.10	12,000	2,436.00	\$1,200.00	\$243.60	(\$956.40)	\$0.00	(\$956.40)	-79.70%
100	OTHER TEMPORARY TRAFFIC CONTROL	LS	\$20,000.00	1	1.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$0.00	0.00%
101	STRUCTURE EXCAVATION CLASS B INCLUDING HAUL	CY	\$10.00	5,274	9,183.49	\$52,740.00	\$91,834.90	\$39,094.90	\$39,094.90	\$0.00	74.13%
102	SHORING OR EXTRA EXCAVATION CLASS B	SF	\$0.10	17,577	22,877.10	\$1,757.70	\$2,287.71	\$530.01	\$530.01	\$0.00	30.15%
103	GRAVEL BACKFILL FOR PIPE ZONE BEDDING	CY	\$20.00	1,067	2,193.00	\$21,340.00	\$43,860.00	\$22,520.00	\$22,520.00	\$0.00	105.53%
104	MONUMENT	EA	\$350.00	7	10.00	\$2,450.00	\$3,500.00	\$1,050.00	\$1,050.00	\$0.00	42.86%
105	CEMENT CONC. SIDEWALK	EA	\$1,000.00	3,288	4,031.40	\$115,080.00	\$141,099.00	\$26,019.00	\$26,019.00	\$0.00	22.61%
106	CEMENT CONC. SIDEWALK RAMP TYPE 1	EA	\$1,000.00	7	8.00	\$7,000.00	\$8,000.00	\$1,000.00	\$1,000.00	\$0.00	14.29%
107	CEMENT CONC. SIDEWALK RAMP TYPE 2	EA	\$1,500.00	2	2.00	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00	0.00%
108	CEMENT CONC. SIDEWALK RAMP TYPE 4a	EA	\$1,000.00	7	5.00	\$7,000.00	\$5,000.00	(\$2,000.00)	\$0.00	(\$2,000.00)	-28.57%
109	CEMENT CONC. DRIVEWAY ENTRANCE TYPE 1	SY	\$50.00	353	350.39	\$17,650.00	\$17,519.50	(\$130.50)	\$0.00	(\$130.50)	-0.74%
110	ADJUST MONUMENT CASE AND COVER	EA	\$350.00	5	4.00	\$1,750.00	\$1,400.00	(\$350.00)	\$0.00	(\$350.00)	-20.00%
111	STRUCTURAL EARTH WALL	SF	\$25.00	9,288	11,978.40	\$232,200.00	\$299,460.00	\$67,260.00	\$67,260.00	\$0.00	28.97%
112	MODULAR BLOCK WALL FOR CUT	SF	\$25.00	3,945	3,257.00	\$98,625.00	\$81,425.00	(\$17,200.00)	\$0.00	(\$17,200.00)	-17.44%
113	ADJUST CATCH BASIN	EA	\$350.00	5	3.00	\$1,750.00	\$1,050.00	(\$700.00)	\$0.00	(\$700.00)	-40.00%
114	ROADSIDE CLEANUP	F/A	\$5,000.00	1	0.00	\$5,000.00	\$0.00	(\$5,000.00)	\$0.00	(\$5,000.00)	-100.00%
115	TRIMMING AND CLEANUP	LS	\$15,000.00	1	1.00	\$15,000.00	\$15,000.00	\$0.00	\$0.00	\$0.00	0.00%
116	RELOCATION OF PRIVATE SIGN AT STA 10+45 LT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
117	RELOCATION OF PRIVATE SIGN AT STA 12+50 LT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
118	RELOCATION OF PRIVATE SIGN AT STA 14+45 RT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
119	RELOCATION OF PRIVATE SIGN AT STA 22+55 LT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
120	RELOCATION OF PRIVATE SIGN AT STA 29+94 RT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
121	RELOCATION OF PRIVATE SIGN AT STA 33+95 RT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
122	CONSTRUCTION GEOTEXTILE FOR SEPARATION	SY	\$0.80	2,933	283.40	\$2,346.40	\$226.72	(\$2,119.68)	\$0.00	(\$2,119.68)	-90.34%
123	CONSTRUCTION GEOTEXTILE FOR UNDERGROUND DRAINAGE	SY	\$0.80	525	0.00	\$420.00	\$0.00	(\$420.00)	\$0.00	(\$420.00)	-100.00%
124	MAILBOX SUPPORT TYPE 1	EA	\$350.00	4	2.00	\$1,400.00	\$700.00	(\$700.00)	\$0.00	(\$700.00)	-50.00%
125	GENERAL FORCE ACCOUNT	F/A	\$100,000.00	1	0.88	\$100,000.00	\$87,874.55	(\$12,125.45)	\$0.00	(\$12,125.45)	-12.13%
	SUBTOTAL ALL BUT SANITARY SEWER ITEMS 33 THRU 44					\$4,500,200.70	\$4,805,646.29	\$305,445.59	\$548,875.64	(\$243,430.05)	6.79%
	ITEMS 33 THRU 44 WITH RETAIL SALES TAX					\$113,114.10	\$109,282.39	(\$3,831.71)	\$1,290.19	(\$5,121.90)	-3.39%
	TOTAL					\$4,613,314.80	\$4,914,928.68	\$301,613.88	\$550,165.83	(\$248,551.95)	6.54%
	Change Order No. 1 (revise schedule specification)			n/a	n/a	n/a	\$0.00	\$0.00	\$0.00	\$0.00	
	Change Order No. 2 (Unforeseen conditions - sewer work)			n/a	n/a	n/a	\$98,966.51	\$98,966.51	\$98,966.51	\$0.00	
	Change Order No. 3 (n/a - no change order required)			n/a	n/a	n/a	\$0.00	\$0.00	\$0.00	\$0.00	
	Change Order No. 4 (Revise pad handrail to meet ADA)			n/a	n/a	n/a	\$48,254.00	\$48,254.00	\$48,254.00	\$0.00	
	Change Order No. 5 (Add 11 detector loops for signal)			n/a	n/a	n/a	\$13,104.00	\$13,104.00	\$13,104.00	\$0.00	
	Change Order No. 6 (Pre-level quantities)			n/a	n/a	n/a	\$57,380.61	\$57,380.61	\$57,380.61	\$0.00	
	<i>Subtotal Change Orders</i>					<i>n/a</i>	<i>\$217,705.12</i>	<i>\$217,705.12</i>	<i>\$217,705.12</i>	<i>\$0.00</i>	<i>4.72%</i>
	Final Contract Totals					\$4,613,314.80	\$5,132,633.80	\$519,319.00	\$767,870.95	(\$248,551.95)	1.26%

CSP 0133 - Olympic/56th Roadway Improvements
Construction Contract Summary

January 14, 2009

Description	Contract Change Order	Contract
Original Contract Amount		\$4,613,314.80
CCO#1 Revise Special Provision Section 1-08.3 Schedule	\$0.00	
CCO#2 Sanitary Sewer Work (includes 8.4% State Sales Tax) - unsuitable fill material	\$98,966.51 (authorized 12-10-07 and paid from Sewer Capital Fund)	
CCO#3 Traffic Signal Changes - reevaluated - no change order required	\$0.00	
	Subtotal (CCO#1 - 3):	\$98,966.51 2.15% of original contract amount
Revised Contract Amount (includes CCO#1 - 3) per 12-10-07 Council		\$4,712,281.31
CCO#4 Revise Metal Handrail Design, Fabrication and Installation (Code and Safety)	\$48,254.00 (present for approval at 1-26-09 Council)	
CCO#5 Install 11 additional traffic signal detection loops	\$13,104.00 (present for approval at 1-26-09 Council)	
CCO#6 HMA Pre-level materials and placement - not included in original contract	\$57,380.61 (present for approval at 1-26-09 Council)	
CCO#7 Net of Bid Item Quantity Overrun and Underrun	\$301,613.88 (present for approval at 1-26-09 Council)	
	Subtotal (CCO#4 - 7):	\$420,352.49 9.11% of original contract amount
	Total Contract Change Order Amount:	\$519,319.00 11.26% of original contract amount
Final Contract Amount (includes CCO#1 - 7)		\$5,132,633.80



COMMUNITY DEVELOPMENT DEPARTMENT

MEMORANDUM

DATE: January 15, 2009

TO: David Stubchaer, Public Works Director
Stephen Misiurak, City Engineer

FROM: Emily Appleton, Senior Engineer *EA 1.15.09*

SUBJECT: **(CSP0133) 56th Street/Olympic Drive Roadway Improvement Project
Construction Contract – Ceccanti, Inc
Contract Change Order No. 4-7 Justification Summary**

ATTACHMENTS: -Change Order Justification Memo (HDR, Inc.) dated July 8, 2008
-Comprehensive Overrun/Underrun Justification Memo (HDR, Inc.)
dated September 15, 2008

Below is a summary justification for contract change orders number 4-7 for the construction contract between the City of Gig Harbor and Ceccanti, Inc to construct the 56th Street/Olympic Drive Roadway Improvement project. Additional detail is provided in the attached memos prepared by the City's construction management consultant, HDR, Inc., and the Final Contract Summary spreadsheet prepared for the project.

Contract Change Order No. 4: The original design of the metal handrail relied on a Washington State Department of Transportation (WSDOT) standard detail that did not meet current International Building Code (IBC) standards or any standards issued by the American Public Works Association. To ensure pedestrian safety and maintain safety standards, design revisions were completed and the contractor utilized the revised design to fabricate and install the handrail. The IBC compliant handrail was significantly more costly and took a longer time to fabricate so a change order was prepared for the additional cost of \$48,254 and additional time of 26 working days for fabrication.

Contract Change Order No. 5: Pavement was required to be removed through the intersection of Olympic/50th Street where there were existing traffic signal loops. The plans showed the loops as "existing" and called for them to remain in place. This resulted in 13 additional loops that needed to be installed due to the pavement installation than were shown on the plans. The contractor provided a quote of \$1,008 per loop which was evaluated and recommended as a reasonable cost by the City's construction management consultant. The resulting change order amount for 13 additional loops was \$13,104 with no additional time added to the contract.

Contract Change Order No. 6: The plans and specifications as provided by David Evans and Associates did not call for a pre-leveling course prior to paving. In portions of the project where existing subgrade was adjacent to new road section the grades and cross

slopes/superelevation were not level enough to ensure a consistent depth of new pavement for a quality paving job. A pre-leveling course was required to ensure that there was consistent application and compaction of the final lift of asphalt so the pavement would not fail before the end of its useful 20-year lifespan. Negotiations with the contractor resulted in a cost of \$57,380.61 and no additional time added to the contract for this change order.

Please refer to the attached July 8, 2008 memo addressed to the City from the City's construction management consultant, HDR Engineering, Inc. for further details regarding CCO#4, 5 and 6.

Contract Change Order No. 7: During construction, the City's construction inspector (provided under contract with HDR) measured the quantities and collected delivery tickets of materials that were used to complete the project. In several cases, the actual quantity was more than the quantity estimated during design. This is not uncommon, and the "unit bid item" approach to project delivery allows for the contractor to be paid only for those quantities that were actually used on the project. As a result, various bid items need to be paid out at an amount greater than 100% of the estimated quantity. There are also bid items that were paid out at less than 100% of the estimated quantity, however, the net result is an overage. A summary table entitled "Final Contract Summary" details each bid item and the final quantities.

Some of the more significant bid item overruns are discussed below. Additional detail regarding each bid item that varied by more than 25% from the estimated quantity is discussed in the enclosed memo dated September 15, 2008 from HDR, Inc., the City's assigned project construction manager.

Bid Items #49 Base Course, #52 Asphalt Treated Base and #57 HMA for Approach

During project construction, there was a paramount emphasis on keeping the roadway open to through traffic and maintaining access to all the businesses. This was accomplished with relative success considering the scope of the project and the fact that much of the work was completed during the winter months. Because of this emphasis, the quantities of several bid items were greater than estimated, summarized as follows:

- In keeping the road open to traffic during the winter months, additional quantities of base course (Bid Item #49) and asphalt treated base (Bid Item #52) were used. This is because the base course and asphalt treated base material was being used as the road was being constructed for travel lanes and, due to loss of material as vehicles traveled through the construction zone, needed to be replaced and maintained on a daily basis.
- To keep the commercial driveways open during construction, additional quantities of base course (Bid Item #49), asphalt treated base (Bid Item #52) and HMA for Approach (Bid Item #57) were used. This was due to the following factors:
 - providing transition from the grade of the newly constructed gutter to the grade of the existing driveway.
 - temporarily constructing driveways larger than planned to maintain access during construction.
 - revisions to the driveways to obtain acceptable approach grades.
 - providing transition between the grades of the two travel lanes to maintain access to driveways for left turning vehicles.

In addition, for Bid Item #49, Base Course, a compounding factor to the actual quantity being greater than the estimated quantity was the density of the material used during construction. Material laboratory testing revealed that the base course used on the project was significantly denser than what is typically assumed when estimating the tonnage during design. The higher density alone resulted in approximately 20% higher quantity than estimated.

The total overrun amount for these three items (#49, #52 and #57) was \$188,204.41

Bid Items #101 Structural Excavation Class B Including Haul, #102 Shoring or Extra Excavation Class B and #111 Structural Earth Wall

The original topographic survey did not include sufficient detail to precisely size the retaining walls that were necessary to widen the roadway. As a result, some of the wall foundations, excavation for wall tiebacks and wall heights were 2 to 5 feet greater than the design contemplated. This resulted in additional quantities of excavation for the wall foundations and geo-grid tiebacks (Bid Item #101), additional shoring due to the extra excavation (Bid Item #102) and additional wall height that increase the quantity of wall (Bid Item #111).

The total overrun amount for these three items (#101, #102 and #111) was \$106,884.91

The net result of the **all** contract bid item quantity over and under run amounts is an additional cost of \$301,613.86 and no additional time added to the contract for CCO#7.

All of the work accounted for in these Change Orders was necessary in order to assure a quality project and time sensitive in order to maintain the project schedule and minimize impacts to the traveling public. This project has been substantially complete with the roadway and driveway accesses fully open for public use since early June 2008, ahead of the originally anticipated substantial completion of late July 2008. The contractor worked through the winter season and was flexible in coordinating with the utility companies to facilitate the early June 2008 date. Work after June 2008 was minimally disruptive to traffic and primarily consisted of work on the illumination system, wetland mitigation work and the fabrication and installation of the sidewalk handrail.

The original contract was for 150 working days with anticipated suspension of working days for utility relocation work and potential suspension of working days during the winter months due to weather. The final contract was 176 working days, including the extension of time for work related to CCO#4. There were 73 days that were suspended due to utility relocation work by other contractors or adverse weather conditions. The project originally had an estimated final completion date scheduled for mid-August 2008. Due to the extension of time for work related to CCO#4 and the suspended contract days, the actual contract final completion date is September 24, 2008.



Memo

To: Emily Appleton, PE	
From: Jamie Lane, PE	Project: CSP-0133 56 th & Olympic
CC: Gus Garcia	
Date: July 8, 2008	Job No: CSP-0133

RE: Change Order Justification**Change Order #4 Metal Handrail**

The handrail design included in the contract plans consists of two horizontal members, one at the top of the handrail and the other running approximately at mid-height (20 inches above the sidewalk), and vertical members every 8 ft. This design could allow a small child or animal to pass under the handrail. The original handrail design was replaced with a handrail design that does not allow anything larger than a 4" spherical ball to pass through the rail at any given point. This is consistent with the International Building Code and the APWA standard handrail design.

Change Order #5 Traffic Loops

The contract plans called for pavement removal through the intersections in order to tie the new pavement into the existing roadway. The pavement removal resulted in the removal of 13 traffic loops that were located within the existing roadway. These loops had to be replaced, and were not included in the contractor's original bid for the project.

Change Order #6 HMA Pre-Level

The design profile and superelevation were above the grade of the existing roadway. A pre-level course of HMA was required to level and bring the existing roadway up to design grades.



Memo

To: Emily Appleton, PE	
From: Jamie Lane, PE	Project: CSP-0133 56 th & Olympic
CC: Gus Garcia	
Date: Sept 15, 2008	Job No: CSP-0133

RE: Comprehensive Overrun/Underrun Justification Memo

BI #13 Hand Placed Rip Rap

The original bid quantity was 10 cubic yards and 14 cubic yards were installed. There were a total of three storm sewer outfalls that required rip rap. Approximately 1.33 additional cubic yards of rip rap were installed at each of the three locations to provide adequate armoring at the outfalls for erosion control purposes.

BI#14 Drain Pipe 4 in Diam

This item was deleted.

BI #15 Drain Pipe 6 in Diam

This item underran by 57' because it was replaced with 12" Ductile Iron Pipe (Bid Item #27).

BI #19 Catch Basin Type 1 with Thru Curb Inlet

There were two Type 1 Catch Basins that ended up in the curb that were changed to Type 1 Catch Basins with Thru Curb Inlet. There was a reduction in Bid Item #18 Type 1 Catch Basins from a total of 35 to 31 (Two Type 1 Catch Basins were deleted & two were changed to Type 1 w/Thru Curb Inlet). The bid item for Type 1 w/Thru Curb Inlet was increased by 2 for a total of 3 installed.

BI #27 Ductile Iron Storm Sewer Pipe – 12" Diam

Approximately 55' of 12" DI pipe was added at Sta. 24+50 LT behind Wall "C". This replaced the 6" drain pipe shown in the plans (Bid Item #15). Additional 12" drain pipe was used in areas where a minimum 12" of cover was not attainable.

BI #33 Drop Manhole Connection

Only one of these was needed instead of two.

BI #34 Sewer Cleanout

The original bid quantity of 6 sewer cleanouts appears to be incorrect. Eight cleanouts were installed per the plans.

BI #43 Adjust Manhole

The original bid quantity was for 1 manhole adjustment and there were actually 2 manholes that required adjustment.

BI #44 Air Release Assembly

This item was deleted.

BI #45 Adjust Water Valve

The original bid quantity was for 13 water valves to be adjusted. There were actually 23 water valves that required adjustment.

BI #49 Crushed Surfacing Base Course

The majority of the Crushed Surfacing used on the project was paid under Bid Item #49. A small amount (396.72 tons) was paid for under Bid Item #50 Crushed Surfacing Top Course. The material specified for Bid Item #49 and #50 was the same material. The remainder of the Crushed Surfacing Top Course was paid for under Bid Item #49.

The actual density of the material used was 2.22 tons/cy. When estimating the project, it is likely the design engineer used a Specific Gravity of 1.85 (which correlates to a density of 1.56 tons/cy) which is standard in the industry.

Additional roadwork was added during construction at the following locations:

- 50th Street from STA 66+00 to 69+50
- 5 foot sliver widening for missed EOP STA 10+00 to 41+00
- Sewer trench additional area STA 10+00 to 15+00
- Deletion of Stamped Cross-Walks required CSTC in lieu of concrete

HDR staff has calculated the actual volume of material used on the project based on the plans and the additional work added during construction as a result of field conditions and/or conflicts with the proposed design (see attached calculations). This volume was then multiplied by the actual material density of 2.22 tons/cy. The estimated tonnage of crushed surfacing is 6302.6 tons.

- *The estimated tonnage of CSTC/CSBC was assumed from neat line measurements using the DEA provided AutoCad drawing for the general outline. The square footage derived is based on measurements from gutter to gutter. The typical section for each road section defined depicts a .33 foot depth of material under the curb that was not accounted for. Additionally, there was crushed surfacing material under the remaining stamped concrete section in the median and the typical detail for the city sidewalks also depicts crushed material for leveling. The proposed driveways were amended in the field to fit actual conditions which resulted in additional CSTC material being used. All the remaining areas can be further quantified upon receipt of the as-built information from the design engineer.*

BI #50 Crushed Surfacing Top Course

Since the Crushed Surfacing Top Course was the same material as the Crushed Surfacing Base Course (Bid Item #49), it was agreed upon with the contractor to pay for the material under Bid Item #49. A small amount of material was paid for under Bid Item #50 prior to the agreement taking place.

BI #51 Anti-Stripping Additive

This item wasn't used.

BI #52 Asphalt Treated Base

The paving limits were extended on both ends of the project (from 9+40 to 10+50 and from 39+90 to 41+00). At the 56th/38th intersection (STA 9+40 to 10+50), due to the amount and intensity of utility work that occurred, the paving limits of the project were extended to the end of the radii to eliminate the necessary utility patches and to prolong the operational life of the intersection. At the intersection of 50th St/Olympic Drive, the paving limits were extended due to the existing centerline profile grade of Olympic Drive and the proposed centerline profile grade of 50th St. These additions amount to approximately 180 tons of additional ATB (2 x 110' x 65' x 2" deep).

The paving limits on 50th Street were extended due to the complete redesign of the proposed storm drainage facilities. The plans depicted the majority of the storm pipe being installed in the roadside shoulder, however, existing utilities and lack of right-of-way necessitated the proposed pipe be installed within the roadway prism. This amounted to approximately 56 additional tons of ATB.

From STA 10+50 to 15+00 the paving limits of the sanitary sewer trench were widened from the proposed plan width to repair the failure in the existing pavement that occurred as a result of the sanitary sewer main installation. The detail shown on Plan Sht. SD-17 indicates a 30" wide trench excavation. The detail further indicates that pavement shall be replaced 1' outside the trench for a total pavement width of 4.5'. Due to the depth (>20') of the sanitary sewer trench, the adjacent roadbed became unstable and required additional pavement and subgrade restoration beyond the plan limits. This amounts to approximately 35 additional tons of ATB.

From STA 10+50 to 15+00 an additional 5' width was paved on both sides of the roadway. The original topographic location of the edge of pavement did not reflect the actual field conditions. The existing shoulder was actually constructed of chip seal. In order to create a structurally uniform subgrade, this additional 10' width was constructed using the typical roadway cross section shown in the contract plans. This amounts to approximately 112 tons additional ATB.

BI #53 Patterned Cement Concrete Crosswalk

This item was deleted and replaced with Plastic Crosswalk Line (Bid Item #82).

BI #56 HMA Class ½ Inch PG 64-22

The additional areas noted under BI #52 also required HMA Class ½ Inch PG 64-22 that was in addition to the planned quantity. In addition, due to grade issues after a pre-level course was laid (Change Order #6), an additional leveling course was required prior to the base and wearing courses being laid. These changes resulted in an overrun of approximately 1400 tons of HMA Class ½ Inch PG 64-22.

BI #57 HMA for Approach Class ½ Inch PG 64-22

Some approaches were extended beyond the plan limits to fit field grades. This includes the intersection at 38th Ave and 4 other driveways. For example, the driveway at Les Schwab was extended about 20' beyond the plan limits to fit field conditions.

BI #58 Cold Mix for Temporary Pavement Patch

Due to the extreme depth of the sanitary sewer trenches (>20' deep), the trench width was wider than planned due to laying back of the trench slopes for safety reasons. This required additional cold mix patching.

The storm sewer detention tanks were installed in one large trench instead of two smaller trenches, resulting in additional cold mix patching.

The Cold Mix bid item was used to pay for the HMA used to construct the bypass routes around the sanitary sewer installation. Cold mix was also required for pothole patching of the bypass route.

BI #60 ESC Lead

The contractor has only provided documentation for 4 days of ESC Lead. Unless the contractor provides documentation of additional days, this item will underrun by 196 days.

BI #61 Seeding, Fertilizing and Mulching

This item was field measured as 1 acre. The bid item quantity was 2 acres. Only 1 acre was available to seed so that is the quantity that was paid.

BI #62 Plastic Covering

This is an erosion control item that is used as needed. This item wasn't used.

Bid Item #63 Check Dam

This is an erosion control item that is used as needed. The bid quantity of 120 lineal feet was more than what was needed during construction.

Bid Item #64 Inlet Protection

This is an erosion control item that is used as needed. This item wasn't used.

Bid Item #65 Silt Fence

This is an erosion control item that is used as needed. The bid quantity of 3,890 lineal feet was more than what was needed during construction.

Bid Item #66 High Visibility Fence

This is an erosion control item that is used as needed. This item wasn't used.

Bid Item #67 Mulching

This is an erosion control item that is used as needed. This item wasn't used.

Bid Item #68 Erosion/Water Pollution Control

This is a Force Account erosion control item that is used as needed. This item wasn't used.

BI #69 Topsoil Type A

This item overran by approximately 38 cubic yards. The topsoil was installed per plans. The original bid quantity was less than was needed.

BI #76 Extruded Curb

The original bid quantity was 432 lineal feet. The actual quantity installed was 556.1 LF. The curb was installed per the plans. The original bid quantity did not reflect actual quantities needed for construction.

BI #79 Cement Conc. Curb & Gutter

The original bid quantity of 5330 LF appears to be incorrect. Based on the plans the estimated quantity was calculated to be 6466 LF. The actual amount of curb & gutter installed is 6562.4 LF, which is within 1% of the calculated quantity. The concrete curb & gutter was installed per the plans.

BI #82 Plastic Crosswalk Line

Bid Item #53 Patterned Cement Concrete Crosswalk was eliminated and replaced with plastic crosswalk line. This accounts for the overrun of this bid item.

BI #84 Plastic Traffic Arrow

The plastic traffic arrows were installed per the plans. The original bid quantity of 20 arrows appears to be incorrect. A total of 33 arrows were installed.

BI #94 Temporary Pavement Markings

This item overran due to an additional pre-level course being added (Change Order #6). This required an additional set of temporary pavement markings between pavement courses.

Bid Item #95 Other Traffic Control Labor (\$38/HR min)

This item is basically an allowance for traffic control labor needed that isn't covered under the bid items for flagging or traffic control supervisor. This item is used as needed during construction. The bid quantity of 500 hours was more than what was needed during construction.

Bid Item #96 Construction Signs Class A

The contractor negotiated the use of Portable Changeable Message Signs (Bid Item #98) in lieu of temporary construction signs during the road closure. Consequently, this item underran and Bid Item #98 overran. This was a negotiated change.

Bid Item #98 Operation of Portable Changeable Message Sign

The hours of operation for the PCMS all occurred during the week-long roadway closure in October 2007. The closure was required for the installation of the sanitary sewer line. Operation of the PCMS(s) were paid for every 24 hours they were in operation. This was part of the negotiated road closure with the contractor.

Bid Item #99 Removing Temporary Pavement Marking

The temporary pavement markings installed under BI #94 were mostly temporary striping which was just paved over with each additional pavement course and did not require removal prior to paving. This resulted in a significant underrun for this bid item.

Bid Item #101 Structural Excavation Class B Including Haul

Due to issues with the existing ground topographic survey some wall foundations ended up 2-4' deeper than original plan elevations. This necessitated additional excavation beyond what is shown in the plans.

Structural excavation includes excavation for the installation of geo-grid wall tiebacks. This additional excavation extended 3-5' beyond the plan limits for wall excavation. It appears the structural excavation plan quantities were derived from the typical wall sections shown in the plans, and did not include the actual excavation limits for the structure reinforcement (tie backs), which were more extensive upon final wall design.

Bid Item #102 Shoring or Extra Excavation Class B

There were issues with the existing ground topographic survey that necessitated additional shoring or extra excavation class B specific to structural earth walls "D" & "F". Also see the explanation for BI #101.

Bid Item #103 Gravel Backfill for Pipe Zone Bedding

The original estimated quantity of 1,067 CY appears to be incorrect. Based on the amount of pipe installed, the actual amount of pipe bedding was calculated to be 2,193 CY (see attached calculations).

Bid Item #104 Monument

The original bid item quantity of 7 monuments was not sufficient to cover all of the monuments that needed to be re-established during construction. A total of 10 monuments were required to mark the location of the intersections, PC, PT and PI of the curves in the alignment.

Bid Item #105 Cement Conc Sidewalk

The bid quantity of 3,288 appears to be incorrect. Using the typical cross sections shown in the plans, the plan sidewalk quantity should have been 4042.5 SY. The amount of sidewalk installed is 4031.4 SY.

Bid Item #108 Cement Conc. Sidewalk Ramp Type 4a

The bid item quantity was 7 ramps. The contractor actually installed 5 of these. One of the type 4a ramps was replaced by a Type 1 Ramp (Bid Item #106)

Bid Item #111 Structural Earth Wall

Due to errors in the original ground topographic survey, the structural earth walls were taller than originally planned, resulting in an overrun of this bid item.

Bid Item #113 Adjust Catch Basin

The original bid quantity was for adjustment of 5 catch basins and there were actually only 3 that were adjusted during construction.

Bid Item #114 Roadside Cleanup

This was a Force Account item that was not used.

Bid Item #122 Construction Geotextile for Separation

A small portion of this item was used before it was decided to not use it because it was not needed.

Bid Item #123 Construction Geotextile for Underground Drainage

This item was not installed by the contractor (it was designed to be installed under the storm sewer detention tanks).

Bid Item #124 Mailbox Support Type 1

The original bid quantity was 4 mailbox supports and only 2 were needed.

Calculation Based on Actual Lengths of Pipe Installed

Bid Item	Description	Diam (in)	Diam (ft)	Length Installed (ft)	Payment Width (ft)	Depth of Bedding (ft)	Area of Pipe (ft ²)	Volume (ft ³)	Volume (cy)
14	Drain Pipe 4" Diam	4	0.33	0	2.5	0.55	0.087	0.0	0.0
15	Drain Pipe 6" Diam	6	0.5	101	2.5	0.575	0.196	358.9	13.3
16	Plain Conc. Culvert Pipe 12" Diam	12	1	51	3	0.65	0.785	265.9	9.8
17	Plain Conc. Culvert Pipe 18" Diam	18	1.5	8	3.75	0.725	1.767	60.9	2.3
22	CP Storm Sewer Pipe 12" Diam	12	1	2928.3	3	0.65	0.785	15269.8	565.5
23	CP Storm Sewer Pipe 15" Diam	15	1.25	823.8	3.375	0.6875	1.227	5244.7	194.2
24	CP Storm Sewer Pipe 18" Diam	18	1.5	111	3.75	0.725	1.767	844.5	31.3
26	Ductile Iron Storm Sewer Pipe 8" Diam	8	0.67	26	2.5	0.6	0.349	99.3	3.7
27	Ductile Iron Storm Sewer Pipe 12" Diam	12	1	263.8	3	0.65	0.785	1375.6	50.9
25	Aluminized Steel Storm Sewer Pipe 36" Diam.	36	3	33	6	6	7.069	954.7	35.4
29	Detention Tank 72"	72	6	590	10.5	8.3	28.275	34736.1	1286.5
								TOTAL	2193.0

Det. Tank	Height from Rim to Bottom of Tank	Depth from Rim to Bottom of Trench (+6")	Trench Depth Minus Pavement Section (-2.42')	Average Trench Depth
A1	10.64	11.14	8.72	
A2	8.93	9.43	7.01	
B1	9.77	10.27	7.85	
B2	9.25	9.75	7.33	
C1	11.44	11.94	9.52	
C2	11.55	12.05	9.63	
				8.3

CSP-0133

Specific Gravity = 2.63
 Density = 2.22 Tons/CY
 Depth of CSTC = 2"
 Depth of CSBC = 4"
 Total Depth of Crushed Surfacing = 6"

Bid Item #49 #50
 Crushed Surfacing Top Course Crushed Surfacing Base Course

Quantity Tabulation of CSTC/CSBC on 50th Street
 * Extensive restoration required as a result of the re-design of storm drain on 50th St

Area #	Area (sf)	Depth (in)	Volume (cf)	Volume (cy)	Weight (tons)
1	4205	6	2102.5	77.9	172.9
2	4459	6	2229.5	82.6	183.3
3	32072	6	16036	593.9	1318.5
4	33650	6	16825	623.1	1383.4
5	3760	6	1880	69.6	154.6
6	668	6	334	12.4	27.5
7	1228	6	614	22.7	50.5
8	11172	6	5586	206.9	459.3
9	1532	6	766	28.4	63.0
10	3684	6	1842	68.2	151.5
11	3681	6	1840.5	68.2	151.3
12	448	6	224	8.3	18.4
13	2243	6	1121.5	41.5	92.2
14	7694	6	3847	142.5	316.3
15	2101	6	1050.5	38.9	86.4
16	2014	6	1007	37.3	82.8
17	1074	6	537	19.9	44.2
18	4204	6	2102	77.9	172.8
19	1071	6	535.5	19.8	44.0
20	2677	6	1338.5	49.6	110.1
21	257	6	128.5	4.8	10.6
22	10576	6	5288	195.9	434.8
SUBTOTAL					5528.2

Quantity tabulation for CSBC Leveling Pad for Cut/Structural Earth Walls

Total Length of Cut/SE Walls		2399
Depth	6	ft
Width	3	in
Volume	3598.5	cf
Volume	133.3	cy
Weight	295.9	tons

Crosswalk Area		2244
Depth	6	sf
Volume	1122	in
Volume	41.6	sf
Weight	92.3	cy
		tons

TOTAL 6302.6

Driveways	Area (sf)	Depth (in)	Volume (cf)	Volume (cy)	Weight (tons)
A	703	4	234	8.7	19.3
B	952	4	317	11.8	26.1
C	722	4	241	8.9	19.8
D	1460	4	487	18.0	40.0
E	769	4	256	9.5	21.1
F	1295	4	432	16.0	35.5
G	1450	4	483	17.9	39.7
SUBTOTAL					201.5

Calc By: GG

June 4, 2008



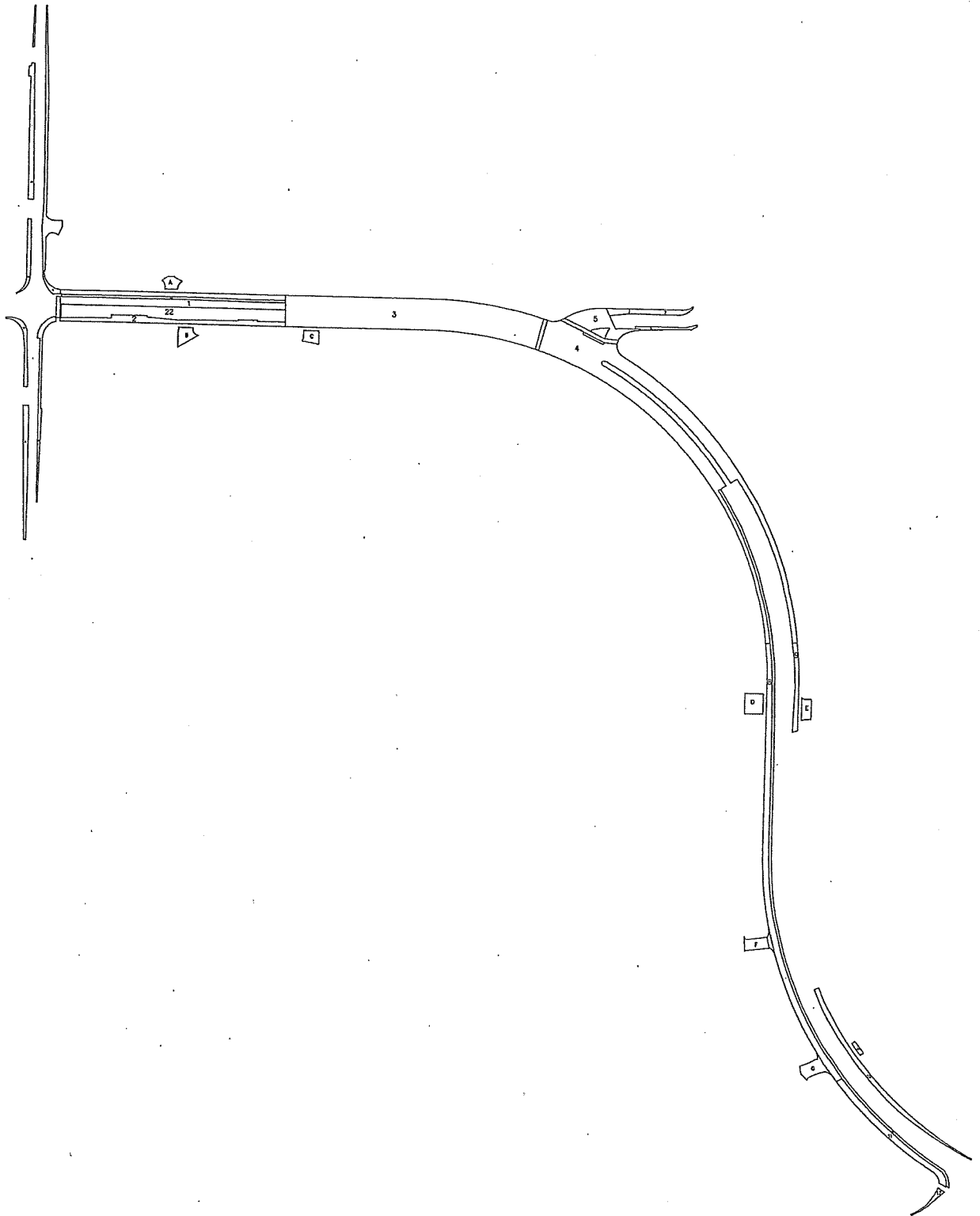
Krazan

Land Development Engineers

KA Project No.:	<u>106-07203</u>	Sample ID Number:	<u>P13513</u>
Client:	<u>HDR</u>	Date Tested:	<u>11/30/2007</u>
Project:	<u>56th & Olympic</u>	Tested By:	<u>AC</u>
Location of Sample:	<u>Nisqually Pit</u>		
Sample Description:	<u>3/4" Minus</u>		

	<u>Sample #1</u>	<u>Sample#2</u>	<u>Sample#3</u>
A Weight of Sample (Dry)	<u>2001 g</u>	<u> </u>	<u> </u>
B Weight of Sample (SSD)	<u>2054 g</u>	<u> </u>	<u> </u>
C Weight of Sample in Water	<u>1294 g</u>	<u> </u>	<u> </u>

Bulk Specific Gravity 2.632 = 2.22 TON/cy



CSP0133 - Olympic/56th Improvements
Final Contract Summary

Item	DESCRIPTION	Unit	Unit Price	Bid Quantity	Final Quantity	Bid Total	Final Total	Difference between Bid and Final	Amount Greater than Bid Total	Amount Less than Bid Total	Variation from Bid Total (%)
1	POTHOLING	F/A	\$5,000.00	1	1.24	\$5,000.00	\$6,200.00	\$1,200.00	\$1,200.00	\$0.00	24.00%
2	MOBILIZATION	LS	\$230,000.00	1	1.00	\$230,000.00	\$230,000.00	\$0.00	\$0.00	\$0.00	0.00%
3	RECORD DRAWINGS	LS	\$150.00	1	1.00	\$150.00	\$150.00	\$0.00	\$0.00	\$0.00	0.00%
4	SPPC PLAN	LS	\$500.00	1	1.00	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	0.00%
5	CLEARING AND GRUBBING	LS	\$5,000.00	1	1.00	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	0.00%
6	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	LS	\$50,000.00	1	1.00	\$50,000.00	\$50,000.00	\$0.00	\$0.00	\$0.00	0.00%
7	REMOVING AND RESETTING FENCE	LF	\$15.00	131	150.10	\$1,965.00	\$2,251.50	\$286.50	\$286.50	\$0.00	14.58%
8	ROADWAY EXCAVATION INCLUDING HAUL	CY	\$20.00	11,200	11,513.73	\$224,000.00	\$230,274.60	\$6,274.60	\$6,274.60	\$0.00	2.80%
9	EMBANKMENT COMPACTION	CY	\$1.00	5,015	3,305.00	\$5,015.00	\$3,305.00	(\$1,710.00)	\$0.00	(\$1,710.00)	-34.10%
10	GRAVEL BORROW INCLUDING HAUL	TON	\$15.00	13,140	12,766.00	\$197,100.00	\$191,490.00	(\$5,610.00)	\$0.00	(\$5,610.00)	-2.85%
11	CONCRETE INLET	EA	\$1,000.00	3	3.00	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00	0.00%
12	CEMENT CONCRETE GUTTER	LF	\$25.00	120	0.00	\$3,000.00	\$0.00	(\$3,000.00)	\$0.00	(\$3,000.00)	-100.00%
13	HAND PLACED RIP RAP	CY	\$50.00	10	14.00	\$500.00	\$700.00	\$200.00	\$200.00	\$0.00	40.00%
14	DRAIN PIPE 4 IN. DIAM.	LF	\$40.00	6	0.00	\$240.00	\$0.00	(\$240.00)	\$0.00	(\$240.00)	-100.00%
15	DRAIN PIPE 6 IN. DIAM.	LF	\$40.00	158	101.00	\$6,320.00	\$4,040.00	(\$2,280.00)	\$0.00	(\$2,280.00)	-36.08%
16	PLAIN CONCRETE CULVERT PIPE 12 IN. DIAM.	LF	\$65.00	57	51.00	\$3,705.00	\$3,315.00	(\$390.00)	\$0.00	(\$390.00)	-10.53%
17	PLAIN CONCRETE CULVERT PIPE 18 IN. DIAM.	LF	\$85.00	8	8.00	\$680.00	\$680.00	\$0.00	\$0.00	\$0.00	0.00%
18	CATCH BASIN TYPE 1	EA	\$1,100.00	35	31.00	\$38,500.00	\$34,100.00	(\$4,400.00)	\$0.00	(\$4,400.00)	-11.43%
19	CATCH BASIN TYPE 1 WITH THRU CURB INLET	EA	\$1,200.00	1	3.00	\$1,200.00	\$3,600.00	\$2,400.00	\$2,400.00	\$0.00	200.00%
20	CATCH BASIN TYPE 2 -- 48 IN. IDAM.	EA	\$2,800.00	21	23.00	\$58,800.00	\$64,400.00	\$5,600.00	\$5,600.00	\$0.00	9.52%
21	CATCH BASIN TYPE 2 -- 54 IN. DIAM.	EA	\$5,400.00	10	10.00	\$54,000.00	\$54,000.00	\$0.00	\$0.00	\$0.00	0.00%
22	CORRUGATED POLYETHYLENE STORM SEWER PIPE -- 12" di	LF	\$50.00	3,166	2,928.30	\$158,300.00	\$146,415.00	(\$11,885.00)	\$0.00	(\$11,885.00)	-7.51%
23	CORRUGATED POLYETHYLENE STORM SEWER PIPE -- 15" di	LF	\$55.00	827	823.80	\$45,485.00	\$45,309.00	(\$176.00)	\$0.00	(\$176.00)	-0.39%
24	CORRUGATED POLYETHYLENE STORM SEWER PIPE -- 18" di	LF	\$75.00	119	111.00	\$8,925.00	\$8,325.00	(\$600.00)	\$0.00	(\$600.00)	-6.72%
25	ALUMINIZED STEEL STORM SEWER PIPE -- 36 IN. DIAM.	LF	\$100.00	30	33.00	\$3,000.00	\$3,300.00	\$300.00	\$300.00	\$0.00	10.00%
26	DUCTILE IRON STORM SEWER PIPE -- 8 IN. DIAM.	LF	\$65.00	26	26.00	\$1,690.00	\$1,690.00	\$0.00	\$0.00	\$0.00	0.00%
27	DUCTILE IRON STORM SEWER PIPE -- 12 IN. DIAM.	LF	\$70.00	131	263.80	\$9,170.00	\$18,466.00	\$9,296.00	\$9,296.00	\$0.00	101.37%
28	FLOW RESTRICTOR/OIL SEPARATOR -- 12 IN. DIAM.	EA	\$1,100.00	3	3.00	\$3,300.00	\$3,300.00	\$0.00	\$0.00	\$0.00	0.00%
29	DETENTION TANK -- 72 IN. DIAM.	LF	\$420.00	590	590.00	\$247,800.00	\$247,800.00	\$0.00	\$0.00	\$0.00	0.00%
30	VORTECHS STORMWATER TREATMENT VAULT MODEL 4000	EA	\$30,000.00	1	1.00	\$30,000.00	\$30,000.00	\$0.00	\$0.00	\$0.00	0.00%
31	VORTECHS STORMWATER TREATMENT VAULT MODEL 2000	EA	\$24,000.00	1	1.00	\$24,000.00	\$24,000.00	\$0.00	\$0.00	\$0.00	0.00%
32	CLEANING EXISTING DRAINAGE STRUCTURE	LS	\$1,200.00	1	1.00	\$1,200.00	\$1,200.00	\$0.00	\$0.00	\$0.00	0.00%
ITEMS 33-44 SUBJECT TO RETAIL TAX											
33	DROP MANHOLE CONNECTION	EA	\$1,000.00	2	1.00	\$2,000.00	\$1,000.00	(\$1,000.00)	\$0.00	(\$1,000.00)	-50.00%
34	SEWER CLEANOUT	EA	\$100.00	6	8.00	\$600.00	\$800.00	\$200.00	\$200.00	\$0.00	33.33%
35	ADJUST SEWER CLEANOUT	EA	\$100.00	6	6.00	\$600.00	\$600.00	\$0.00	\$0.00	\$0.00	0.00%
36	MANHOLE 48 INCH DIAMETER TYPE 1	EA	\$2,000.00	4	4.00	\$8,000.00	\$8,000.00	\$0.00	\$0.00	\$0.00	0.00%
37	DUCTILE IRON SANITARY SEWER PIPE -- 4 IN. DIAM.	LF	\$25.00	960	859.00	\$24,000.00	\$21,475.00	(\$2,525.00)	\$0.00	(\$2,525.00)	-10.52%
38	DUCTILE IRON SANITARY SEWER PIPE -- 8 IN. DIAM.	LF	\$55.00	680	680.00	\$37,400.00	\$37,400.00	\$0.00	\$0.00	\$0.00	0.00%
39	PVC SANITARY SEWER PIPE -- 6 IN. DIAM.	LF	\$40.00	252	263.00	\$10,080.00	\$10,520.00	\$440.00	\$440.00	\$0.00	4.37%
40	STRUCTURE EXCAVATION CLASS B INCLUDING HAUL	CY	\$10.00	1,826	1,826.00	\$18,260.00	\$18,260.00	\$0.00	\$0.00	\$0.00	0.00%
41	SHORING OR EXTRA EXCAVATION CLASS B	SF	\$0.10	16,688	19,190.10	\$1,668.80	\$1,919.01	\$250.21	\$250.21	\$0.00	14.99%
42	MANHOLE ADDITIONAL HEIGHT 48 IN. DIAM. TYPE 1	LF	\$10.00	24	24.00	\$240.00	\$240.00	\$0.00	\$0.00	\$0.00	0.00%
43	ADJUST MANHOLE	EA	\$300.00	1	2.00	\$300.00	\$600.00	\$300.00	\$300.00	\$0.00	100.00%
44	AIR RELEASE ASSEMBLY	EA	\$1,200.00	1	0.00	\$1,200.00	\$0.00	(\$1,200.00)	\$0.00	(\$1,200.00)	-100.00%
SUBTOTAL SANITARY SEWER Items 33-44											
RETAIL SALES TAX Items 33-44 8.4%											
							\$104,348.80	\$100,814.01	\$1,190.21	(\$4,725.00)	
							\$8,765.30	\$8,468.38	\$99.98	(\$366.90)	
							\$113,114.10	\$109,282.39	\$1,290.19	(\$5,121.90)	
TOTAL Items 33-44											
45	ADJUST WATER VALVE	EA	\$300.00	13	23.00	\$3,900.00	\$6,900.00	\$3,000.00	\$3,000.00	\$0.00	76.92%
46	ADJUST WATER METER BOX	EA	\$150.00	10	6.00	\$1,500.00	\$900.00	(\$600.00)	\$0.00	(\$600.00)	-40.00%

New Business

CSP0133 - Olympic/56th Improvements
Final Contract Summary

Item	DESCRIPTION	Unit	Unit Price	Bid Quantity	Final Quantity	Bid Total	Final Total	Difference between Bid and Final	Amount Greater than Bid Total	Amount Less than Bid Total	Variation from Bid Total (%)
47	BACKFILL FOR STRUCTURAL EARTH WALL	CY	\$8.00	1,870	1,996.00	\$14,980.00	\$15,968.00	\$1,008.00	\$1,008.00	\$0.00	6.74%
48	METAL HANDRAIL	LF	\$65.00	1,150	1,150.00	\$74,750.00	\$74,750.00	\$0.00	\$0.00	\$0.00	0.00%
49	CRUSHED SURFACING BASE COURSE	TON	\$23.00	2,300	8,308.87	\$52,900.00	\$191,104.01	\$138,204.01	\$138,204.01	\$0.00	261.26%
50	CRUSHED SURFACING TOP COURSE	TON	\$24.00	1,200	396.72	\$28,800.00	\$9,521.28	(\$19,278.72)	\$0.00	(\$19,278.72)	-66.94%
51	ANTI-STRIPPING ADDITIVE	F/A	\$2,000.00	1	0.00	\$2,000.00	\$0.00	(\$2,000.00)	\$0.00	(\$2,000.00)	-100.00%
52	ASPHALT TREATED BASE	TON	\$70.00	1,530	2,077.80	\$107,100.00	\$145,446.00	\$38,346.00	\$38,346.00	\$0.00	35.80%
53	PATTERNED CEMENT CONCRETE CROSSWALK	SY	\$225.00	286	0.00	\$64,350.00	\$0.00	(\$64,350.00)	\$0.00	(\$64,350.00)	-100.00%
54	PATTERNED CEMENT CONCRETE ISLAND	SY	\$145.00	240	267.40	\$34,800.00	\$38,773.00	\$3,973.00	\$3,973.00	\$0.00	11.42%
55	PLANING BITUMINOUS PAVEMENT	SY	\$6.00	1,112	1,301.20	\$6,672.00	\$7,807.20	\$1,135.20	\$1,135.20	\$0.00	17.01%
56	HMA CLASS 1/2 INCH PG 64-22	TON	\$67.00	3,981	5,348.56	\$266,727.00	\$358,353.52	\$91,626.52	\$91,626.52	\$0.00	34.35%
57	HMA FOR APPROACH CLASS 1/2 INCH PG 64-22	TON	\$137.00	134	220.20	\$18,358.00	\$30,167.40	\$11,809.40	\$11,809.40	\$0.00	64.33%
58	COLD PLANT MIX FOR TEMPORARY PAVEMENT PATCH	TON	\$60.00	200	371.66	\$12,000.00	\$22,299.60	\$10,299.60	\$10,299.60	\$0.00	85.83%
59	IRRIGATION SYSTEM	LS	\$80,000.00	1	1.00	\$80,000.00	\$80,000.00	\$0.00	\$0.00	\$0.00	0.00%
60	ESC LEAD	DAY	\$20.00	200	4.00	\$4,000.00	\$80.00	(\$3,920.00)	\$0.00	(\$3,920.00)	-98.00%
61	SEEDING, FERTILIZING, AND MULCHING	ACRE	\$2,000.00	2	1.00	\$4,000.00	\$2,000.00	(\$2,000.00)	\$0.00	(\$2,000.00)	-50.00%
62	PLASTIC COVERING	SY	\$1.00	670	0.00	\$670.00	\$0.00	(\$670.00)	\$0.00	(\$670.00)	-100.00%
63	CHECK DAM	LF	\$8.00	120	54.70	\$960.00	\$437.60	(\$522.40)	\$0.00	(\$522.40)	-54.42%
64	INLET PROTECTION	EA	\$60.00	68	0.00	\$4,080.00	\$0.00	(\$4,080.00)	\$0.00	(\$4,080.00)	-100.00%
65	SILT FENCE	LF	\$4.20	3,890	2,523.00	\$16,338.00	\$10,596.60	(\$5,741.40)	\$0.00	(\$5,741.40)	-35.14%
66	HIGH VISIBILITY FENCE	LF	\$2.00	150	0.00	\$300.00	\$0.00	(\$300.00)	\$0.00	(\$300.00)	-100.00%
67	MULCHING	ACRE	\$2,000.00	0.2	0.00	\$400.00	\$0.00	(\$400.00)	\$0.00	(\$400.00)	-100.00%
68	EROSION/WATER POLLUTION CONTROL	F/A	\$20,000.00	1	0.00	\$20,000.00	\$0.00	(\$20,000.00)	\$0.00	(\$20,000.00)	-100.00%
69	TOPSOIL TYPE A	CY	\$35.00	120	158.30	\$4,200.00	\$5,540.50	\$1,340.50	\$1,340.50	\$0.00	31.92%
70	PROPERTY RESTORATION	F/A	\$30,000.00	1	1.01	\$30,000.00	\$30,236.00	\$236.00	\$236.00	\$0.00	0.79%
71	WETLAND MITIGATION	LS	\$65,000.00	1	1.00	\$65,000.00	\$65,000.00	\$0.00	\$0.00	\$0.00	0.00%
72	PSIPE STREET TREE (Red Cascade Mountain Ash Street Tree)	EA	\$300.00	25	25.00	\$7,500.00	\$7,500.00	\$0.00	\$0.00	\$0.00	0.00%
73	STREET CLEANING	HR	\$100.00	200	226.50	\$20,000.00	\$22,650.00	\$2,650.00	\$2,650.00	\$0.00	13.25%
74	BARK OR WOOD CHIP MULCH	CY	\$40.00	20.0	20.00	\$800.00	\$800.00	\$0.00	\$0.00	\$0.00	0.00%
75	CEMENT CONC. TRAFFIC CURB	LF	\$35.00	540	570.90	\$18,900.00	\$19,981.50	\$1,081.50	\$1,081.50	\$0.00	5.72%
76	EXTRUDED CURB	LF	\$8.00	432	556.10	\$3,456.00	\$4,448.80	\$992.80	\$992.80	\$0.00	28.73%
77	PRECAST SLOPED MOUNTABLE CURB	LF	\$15.00	186	186.00	\$2,790.00	\$2,790.00	\$0.00	\$0.00	\$0.00	0.00%
78	PRECAST DUAL FACED SLOPED MOUNTABLE CURB	LF	\$15.00	215	217.40	\$3,225.00	\$3,261.00	\$36.00	\$36.00	\$0.00	1.12%
79	CEMENT CONC. TRAFFIC CURB AND GUTTER	LF	\$15.00	5,330	6,562.40	\$79,950.00	\$98,436.00	\$18,486.00	\$18,486.00	\$0.00	23.12%
80	PAINT LINE	LF	\$0.20	25,283	26,527.00	\$5,056.60	\$5,305.40	\$248.80	\$248.80	\$0.00	4.92%
81	PAINTED WIDE LINE	LF	\$0.30	1,340	1,447.00	\$402.00	\$434.10	\$32.10	\$32.10	\$0.00	7.99%
82	PLASTIC CROSSWALK LINE	SF	\$4.00	240	1,168.00	\$960.00	\$4,672.00	\$3,712.00	\$3,712.00	\$0.00	386.67%
83	PLASTIC STOP LINE	LF	\$4.00	298	319.00	\$1,192.00	\$1,276.00	\$84.00	\$84.00	\$0.00	7.05%
84	PLASTIC TRAFFIC ARROW	EA	\$75.00	20	33.00	\$1,500.00	\$2,475.00	\$975.00	\$975.00	\$0.00	65.00%
85	PLASTIC BICYCLE LANE SYMBOL	EA	\$85.00	22	22.00	\$1,870.00	\$1,870.00	\$0.00	\$0.00	\$0.00	0.00%
86	PERMANENT SIGNING	LS	\$25,000.00	1	1.00	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	0.00%
87	ILLUMINATION SYSTEM COMPLETE	LS	\$445,000.00	1	1.00	\$445,000.00	\$445,000.00	\$0.00	\$0.00	\$0.00	0.00%
88	INTERCONNECT SYSTEM COMPLETE	LS	\$53,000.00	1	1.00	\$53,000.00	\$53,000.00	\$0.00	\$0.00	\$0.00	0.00%
89	SIGNALIZATION SYSTEM COMPLETE-56th St/38th Ave	LS	\$109,000.00	1	1.00	\$109,000.00	\$109,000.00	\$0.00	\$0.00	\$0.00	0.00%
90	SIGNALIZATION SYSTEM COMPLETE-Olympic Dr/56th St	LS	\$153,000.00	1	1.00	\$153,000.00	\$153,000.00	\$0.00	\$0.00	\$0.00	0.00%
91	SIGNALIZATION SYSTEM COMPLETE-Olympic Dr/50th St	LS	\$29,000.00	1	1.00	\$29,000.00	\$29,000.00	\$0.00	\$0.00	\$0.00	0.00%
92	FLAGGERS AND SPOTTERS (\$38/HR MIN)	HR	\$38.00	7,680	8,576.00	\$291,840.00	\$325,888.00	\$34,048.00	\$34,048.00	\$0.00	11.77%
93	TRAFFIC CONTROL SUPERVISOR	HR	\$57.00	1,920	1,694.50	\$109,440.00	\$96,586.50	(\$12,853.50)	\$0.00	(\$12,853.50)	-11.74%
94	TEMPORARY PAVEMENT MARKINGS	LF	\$0.20	12,000	16,701.00	\$2,400.00	\$3,340.20	\$940.20	\$940.20	\$0.00	39.18%
95	OTHER TRAFFIC CONTROL LABOR (\$38/HR MIN)	HR	\$38.00	500	215.50	\$19,000.00	\$8,189.00	(\$10,811.00)	\$0.00	(\$10,811.00)	-56.90%
96	CONSTRUCTION SIGNS CLASS A	SF	\$10.00	3,000	609.00	\$30,000.00	\$6,090.00	(\$23,910.00)	\$0.00	(\$23,910.00)	-79.70%
97	PORTABLE CHANGEABLE MESSAGE SIGN	EA	\$8,000.00	2	2.00	\$16,000.00	\$16,000.00	\$0.00	\$0.00	\$0.00	0.00%

New Business

CSP0133 - Olympic/56th Improvements
Final Contract Summary

Item	DESCRIPTION	Unit	Unit Price	Bid Quantity	Final Quantity	Bid Total	Final Total	Difference between Bid and Final	Amount Greater than Bid Total	Amount Less than Bid Total	Variation from Bid Total (%)
98	OPERATION OF PORTABLE CHANGEABLE MESSAGE SIGN	HR	\$2.00	150	940.00	\$300.00	\$1,880.00	\$1,580.00	\$1,580.00	\$0.00	526.67%
99	REMOVING TEMPORARY PAVEMENT MARKING	LF	\$0.10	12,000	2,436.00	\$1,200.00	\$243.60	(\$956.40)	\$0.00	(\$956.40)	-79.70%
100	OTHER TEMPORARY TRAFFIC CONTROL	LS	\$20,000.00	1	1.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$0.00	0.00%
101	STRUCTURE EXCAVATION CLASS B INCLUDING HAUL	CY	\$10.00	5,274	9,183.49	\$52,740.00	\$91,834.90	\$39,094.90	\$39,094.90	\$0.00	74.13%
102	SHORING OR EXTRA EXCAVATION CLASS B	SF	\$0.10	17,577	22,877.10	\$1,757.70	\$2,287.71	\$530.01	\$530.01	\$0.00	30.15%
103	GRAVEL BACKFILL FOR PIPE ZONE BEDDING	CY	\$20.00	1,067	2,193.00	\$21,340.00	\$43,860.00	\$22,520.00	\$22,520.00	\$0.00	105.53%
104	MONUMENT	EA	\$350.00	7	10.00	\$2,450.00	\$3,500.00	\$1,050.00	\$1,050.00	\$0.00	42.86%
105	CEMENT CONC. SIDEWALK	SY	\$35.00	3,288	4,031.40	\$115,080.00	\$141,099.00	\$26,019.00	\$26,019.00	\$0.00	22.61%
106	CEMENT CONC. SIDEWALK RAMP TYPE 1	EA	\$1,000.00	7	8.00	\$7,000.00	\$8,000.00	\$1,000.00	\$1,000.00	\$0.00	14.29%
107	CEMENT CONC. SIDEWALK RAMP TYPE 2	EA	\$1,500.00	2	2.00	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00	0.00%
108	CEMENT CONC. SIDEWALK RAMP TYPE 4a	EA	\$1,000.00	7	5.00	\$7,000.00	\$5,000.00	(\$2,000.00)	\$0.00	(\$2,000.00)	-28.57%
109	CEMENT CONC. DRIVEWAY ENTRANCE TYPE 1	SY	\$50.00	353	350.39	\$17,650.00	\$17,519.50	(\$130.50)	\$0.00	(\$130.50)	-0.74%
110	ADJUST MONUMENT CASE AND COVER	EA	\$350.00	5	4.00	\$1,750.00	\$1,400.00	(\$350.00)	\$0.00	(\$350.00)	-20.00%
111	STRUCTURAL EARTH WALL	SF	\$25.00	9,288	11,978.40	\$232,200.00	\$299,460.00	\$67,260.00	\$67,260.00	\$0.00	28.97%
112	MODULAR BLOCK WALL FOR CUT	SF	\$25.00	3,945	3,257.00	\$98,625.00	\$81,425.00	(\$17,200.00)	\$0.00	(\$17,200.00)	-17.44%
113	ADJUST CATCH BASIN	EA	\$350.00	5	3.00	\$1,750.00	\$1,050.00	(\$700.00)	\$0.00	(\$700.00)	-40.00%
114	ROADSIDE CLEANUP	F/A	\$5,000.00	1	0.00	\$5,000.00	\$0.00	(\$5,000.00)	\$0.00	(\$5,000.00)	-100.00%
115	TRIMMING AND CLEANUP	LS	\$15,000.00	1	1.00	\$15,000.00	\$15,000.00	\$0.00	\$0.00	\$0.00	0.00%
116	RELOCATION OF PRIVATE SIGN AT STA 10+45 LT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
117	RELOCATION OF PRIVATE SIGN AT STA 12+50 LT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
118	RELOCATION OF PRIVATE SIGN AT STA 14+45 RT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
119	RELOCATION OF PRIVATE SIGN AT STA 22+55 LT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
120	RELOCATION OF PRIVATE SIGN AT STA 29+94 RT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
121	RELOCATION OF PRIVATE SIGN AT STA 33+95 RT	LS	\$3,600.00	1	1.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00	\$0.00	0.00%
122	CONSTRUCTION GEOTEXTILE FOR SEPARATION	SY	\$0.80	2,933	283.40	\$2,346.40	\$226.72	(\$2,119.68)	\$0.00	(\$2,119.68)	-90.34%
123	CONSTRUCTION GEOTEXTILE FOR UNDERGROUND DRAINAGE	SY	\$0.80	525	0.00	\$420.00	\$0.00	(\$420.00)	\$0.00	(\$420.00)	-100.00%
124	MAILBOX SUPPORT TYPE 1	EA	\$350.00	4	2.00	\$1,400.00	\$700.00	(\$700.00)	\$0.00	(\$700.00)	-50.00%
125	GENERAL FORCE ACCOUNT	F/A	\$100,000.00	1	0.88	\$87,874.55	\$87,874.55	(\$12,125.45)	\$0.00	(\$12,125.45)	-12.13%
SUBTOTAL ALL BUT SANITARY SEWER ITEMS 33 THRU 44						\$4,500,200.70	\$4,805,646.29	\$305,445.59	\$548,875.64	(\$243,430.05)	6.79%
ITEMS 33 THRU 44 WITH RETAIL SALES TAX						\$113,114.10	\$109,282.39	(\$3,831.71)	\$1,290.19	(\$5,121.90)	-3.39%
TOTAL						\$4,613,314.80	\$4,914,928.68	\$301,613.88	\$550,165.83	(\$248,551.95)	6.54%
	Change Order No. 1 (revise schedule specification)			n/a	n/a	n/a	\$0.00	\$0.00	\$0.00	\$0.00	
	Change Order No. 2 (Unforeseen conditions - sewer work)			n/a	n/a	n/a	\$98,966.51	\$98,966.51	\$98,966.51	\$0.00	
	Change Order No. 3 (n/a - no change order required)			n/a	n/a	n/a	\$0.00	\$0.00	\$0.00	\$0.00	
	Change Order No. 4 (Revise ped handrail to meet ADA)			n/a	n/a	n/a	\$48,254.00	\$48,254.00	\$48,254.00	\$0.00	
	Change Order No. 5 (Add 11 detector loops for signal)			n/a	n/a	n/a	\$13,104.00	\$13,104.00	\$13,104.00	\$0.00	
	Change Order No. 6 (Pre-level quantities)			n/a	n/a	n/a	\$57,380.61	\$57,380.61	\$57,380.61	\$0.00	
	<i>Subtotal Change Orders</i>					<i>n/a</i>	<i>\$217,705.12</i>	<i>\$217,705.12</i>	<i>\$217,705.12</i>	<i>\$0.00</i>	<i>4.2%</i>
	Final Contract Totals					\$4,613,314.80	\$5,132,633.80	\$519,319.00	\$767,870.95	(\$248,551.95)	1.26%
				Amount previously authorized (CCO#2):			\$98,966.51				
				NET ADDITIONAL for Closeout:			\$420,352.49				

New Business - 3

Appleton, Emily

From: Appleton, Emily
Sent: Tuesday, January 20, 2009 11:06 AM
To: Stubchaer, David
Subject: RE: Olympic Change Orders 4-7 Council Bill

Hi David - The spreadsheet had a typo in the unit column for potholing – should be force account (F/A) instead of lump sum (LS). This is consistent with the contract language (which says potholing will be paid under force account) and the bid proposal. I'll make the correction to the spreadsheet – that Angela sure has a good eye!

Based on the most recent info submitted by Ceccanti, it looks like we are about \$32,000 (plus markup) apart on the protest. I guess we may eventually need her assistance. I think we should see what Ceccanti's response to the final offer looks like and go from there.

I'll make the corrections noted on the hard copy Council bill and get to Finance before noon! Thanks,

Emily

Emily Appleton
 (253) 853-7620

From: Stubchaer, David
Sent: Monday, January 19, 2009 4:36 PM
To: Appleton, Emily
Subject: FW: Olympic Change Orders 4-7 Council Bill

Emily, I'm in negotiations for most of the day tomorrow. Please take a look at Angela's comments below. The Council Bill schedule says they're due to Finance by noon on Tuesday, Jan. 20.

Thanks, David

From: Angela S. Belbeck [mailto:abelbeck@omwlaw.com]
Sent: Monday, January 19, 2009 3:18 PM
To: Stubchaer, David
Subject: RE: Olympic Change Orders 4-7 Council Bill

David - This packet looks great. Wasn't sure if you wanted the recommendation to read the same as the upper left proposed council action--they are different on this one. *(OK per David)*

I have just two questions that don't affect approval of the council bill and attachments: First, I didn't see any justification for the increase in BI #1, which was the lump sum for potholing. Just wasn't sure how a lump sum item was increased without a change order (or is that one of the smaller items for CO #7?). Second, how far apart are you \$wise in CO#7? Do you need any assistance addressing the protest, or is it just an argument over quantities?
See response, above.
 That's it.

--Angela

From: Stubchaer, David [mailto:StubchaerD@cityofgigharbor.net]
Sent: Saturday, January 17, 2009 7:56 PM
To: Angela S. Belbeck

1/20/2009

New Business - 3

Subject: Olympic Change Orders 4-7 Council Bill

Angela, here is the proposed final version - I had sent you drafts before - with attachments.

Thanks, David

<<Olympic changer orders 4-7.pdf>> <<Olympic Exhibit A.pdf>> <<Olympic Exhibit B.pdf>> <<Olympic Exhibit C.pdf>> <<Olympic Exhibit D.pdf>>

David Stubchaer

Public Works Director

(253) 853-7614



Subject: Wastewater Treatment Plant
Phase 1 Improvements Project CSSP-0904
-- Construction Contract Award

Proposed Council Action: Authorize the award and execution of a construction contract for the Wastewater Treatment Plant Phase 1 Improvements Project to Prospect Construction, Inc. for their bid in the amount of ten million, eight hundred eighty-three thousand nine hundred forty nine dollars and zero cents (\$10,883,949.00).

Dept. Origin: Engineering Division
Prepared by: Stephen Misiurak, P.E.
City Engineer *SM*
For Agenda of: January 26, 2009
Exhibits: Construction Contract
Budget Estimate Summary
Engr Design Team Award
Recommendation Letter

Initial & Date

Concurred by Mayor: *CLH 1/21/09*
Approved by City Administrator: *PK*
Approved as to form by City Atty: *AD per email 1/14/09*
Approved by Finance Director: *DF 1/21/09*
Approved by Department Head: *DS 1/16/09*

Expenditure	Amount	Appropriation
Required \$10,883,949.00	Budgeted \$15,000,000	Required \$ 0

INFORMATION / BACKGROUND

This project provides for construction of the Wastewater Treatment Plant Phase 1 Improvements (CSSP-0702). The work to be completed under this contract generally includes construction of the new buildings, tanks, and retaining walls; process piping and equipment; installation of Owner-supplied equipment; modification and demolition of existing facilities and structures; improvement to instrumentation, control, telemetry, and power systems; and site clearing, grading, final surfacing, and landscaping improvements at the City's Wastewater Treatment Plant (WWTP) site; and installation of fiber optic telemetry cable from the City's WWTP to the City's Pump Station 2A (PS2A) located at Ruth M. Bogue Park, along with modification to the telemetry and control system at the PS2A facility.

In accordance with the competitive bid process, the City had engineered plans and specifications prepared and issued a call for bids on December 11, 2008. Ten contractors submitted sealed bids on December 11, 2008. The results are shown in the attached Attachment A, Engineer's Certified Bid Tabulation for Schedule A. Prospect Construction, Inc. was determined to be the lowest responsible bidder, with a bid in the amount of \$10,883,949.00.

In determining "lowest responsible bidder", in addition to price, the following elements were given consideration by the City:

- a) The ability, capacity, and skill of the bidder to perform the contract or provide the service required;
- b) The character, integrity, reputation, judgment, experience, and efficiency of the bidder;

- c) Whether the bidder can perform the contract within the time specified;
- d) The quality of performance of previous contracts or services;
- e) The previous and existing compliance by the bidder with laws relating to the contract or services.

The City Engineer's analysis has concluded that Prospect Construction, Inc. has satisfied all the above criteria.

FISCAL CONSIDERATION

The 2009 Sewer Capital Fund has allocated \$15,000,000 for this project. See attached budget summary sheet for project related costs. The engineer's estimate was \$15,000,000. However, as can be seen from a summary of the bids provided, all bids were below this estimate, reflecting a very competitive bidding climate.

As discussed during the January 12, 2009 City Council meeting, Council elected not to pursue interim financing at this time. This results in a potential \$4 million funding gap, which we expect to cover with a Public Works Trust Fund (PWTF) loan. If the PWTF is unsuccessful, the City will then pursue revenue bonds.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Award the construction contract for the Wastewater Treatment Plant Phase 1 Improvements Project to Prospect Construction, Inc. for their bid in the amount of ten million, eight hundred eighty-three thousand nine hundred forty-nine dollars and zero cents (\$10,883,949.00), including retail sales tax, and authorize the Mayor to execute the same.


WWTP Phase 1 Expansion Budget Estimate Summary (CSSP-0702)
December, 2008

Design		
Design Services	Cosmopolitan Engineering Group	\$1,261,651
Design Review Services	Parametrix, Inc.	\$185,090
City Staff Time	City of Gig Harbor	\$160,000
<i>subtotal</i>		\$1,606,741

Construction		
Project Management		
Project Management	Cosmopolitan Engineering Group	\$712,527
Material Testing	TBD	\$100,000
Project Assistance	Parametrix, Inc.	\$599,808
SCADA Design & Programming	AIA	\$212,000
City Staff Time	City of Gig Harbor	\$274,350
<i>subtotal</i>		\$1,898,685

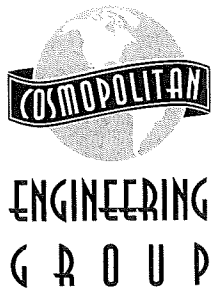
Construction		
Construction Contract (Apparent low bidder)	Prospect Construction Co.	\$10,883,949
10% contingency		\$1,088,395
Centrifuge	Purchased by City	\$270,458
Blowers	Purchased by City	\$333,148
Austin St. detour improvements	TBD	\$75,540
Waterline Extension (constr. complete)	Pape & Sons	\$71,000
City Building Permit Fees		\$110,000
<i>subtotal</i>		\$12,832,490

Total Estimated Design & Construction Costs **\$16,337,916**

Funding Sources	
PWTF Loan	\$10,000,000
DOE Grant	\$1,000,000
PWTF Design Loan (already rec'd & spent by City)	\$765,000
Costs already paid by City through 2008 (above the PWTF Design Loan amount)	\$1,516,347
Revenue Bond 2009	\$3,056,569

Revised: Dec. 11, 2008

Total Funding **\$16,337,916**



New Business - 4
RECEIVED
DEC 22 2008
CITY OF GIG HARBOR
ENGINEERING

December 19, 2008

Civil, Environmental,
and Recreational
Consulting

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

Re: City of Gig Harbor WWTP Phase I Improvements Project (CSSP-0702)
Engineering Design Team Recommendation of Award
Project #GIG019

Dear Mr. Misiurak:

The Engineering Design Team has evaluated the lowest responsible bidder's Proposal for the City of Gig Harbor WWTP Phase I Improvements Project (CSSP-0702); bid opening for which was held on December 11, 2008 at 2:00 p.m. at the City Civic Center Community Rooms A and B. Of the 10 bids received, the lowest responsible bidder for both Schedule A and Schedule B is Prospect Construction, Inc. of Puyallup, Washington. The City has elected to award Schedule A to the lowest responsible bidder. Prospect Construction, Inc.'s total bid amount for Schedule A, with sales tax, is \$10,883,949.

Attachment A to this letter is the Engineer's Certified Bid Tabulation for Schedule A. No bid informalities or irregularities were found in Prospect Construction, Inc.'s Proposal. Any bid informalities or irregularities with other bids received are noted in the bid tabulation.

The lowest responsible bidder's Proposal was evaluated for responsiveness to the Instructions to Bidders – Section 00100 of the Bidding Documents, and the contents of their proposal. The following elements were given due consideration in addition to price:

- The ability, capacity, and skill of the bidder to perform the contract or provide the service required;
- The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
- Whether the bidder can perform the contract within the time specified;
- The quality of performance of previous contracts or services;
- The previous and existing compliance by the bidder with laws relating to the contract or services.

P.O. Box 1678

Tacoma, WA

98401-1678

(253) 272-7220

Fax: (253) 272-7250

RECEIVED

DEC 22 2008

CITY OF GIG HARBOR
ENGINEERING

New Business - 4

December 19, 2008
Page 2

It is the opinion of the Design Team that Prospect Construction, Inc. has satisfied all of the above criteria. Correspondence notes in checking Prospect Construction, Inc.'s references meeting the established criteria for projects "Similar in Scope and Complexity" are included in Attachment B. To qualify, the projects must have achieved substantial completion within the last six (6) years, have initial construction contract value in excess of \$6 million, and have multi-year construction schedules. Five projects were found in the provided references which meet this criteria and contact was made to four (the fifth did not return calls after 3 attempts).

The Design Team's and WWTP Supervisor's recommendations for selection of Major Equipment Items and Products in accordance with Section 00320 of the Bidding Documents are included in Attachment C. In accordance with the instructions contained in Section 00320, we recommend the Contract award be based solely upon "Basis of Bid" equipment items and products. Prices for the Basis of Bid equipment items and products are already contained in the Schedule A total bid amount. Replacement of the basis of bid equipment items and products with recommended manufacturers should be made in an initial change order following contract award. The following additive and deductive amounts would be incorporated.

Section 11089 – Aeration Diffuser System	Change fro SSI to Aerostrip Corp.	Addition of \$37,000
Section 15100 – Gates, Stop & Slide	Change from Fontaine USA to Golden Harvest	Deduction of 37,440
Net Change to Basis of Bid Amount, Schedule A		Deduction of \$440

In summary, we recommend that the City award the Schedule A Gig Harbor WWTP Phase I Improvements Contract to Prospect Construction, Inc., price and other factors considered.

Sincerely,

COSMOPOLITAN ENGINEERING GROUP, INC.

David J. McBride, PE

DJM:jms

Enclosures: Attachment A: Bid Tabulation for Gig Harbor WWTP Phase I Improvements (CSSP-0702)

Attachment B: Correspondence Notes from Prospect Construction, Inc.'s References

Attachment C: Major Equipment Items & Products Selection Memoranda (H.R. Esvelt Engineering, December 12, 2008 and Richard Sample Engineering December 15, 2008)



BID TABULATION



Project Name: Gig Harbor WWTP Phase I Improvements
 Project #: CSSP-0702
 Bid Opening Date: December 11, 2008 @ 2:00 p.m.

BID ITEM	QTY	DESCRIPTION OF BID ITEMS	SCHEDULE A						
			ENGINEER'S ESTIMATE	#1 BIDDER	#2 BIDDER	#3 BIDDER	#4 BIDDER	#5 BIDDER	
			Amount	Amount	Amount	Amount	Amount	Amount	Amount
1	LS	Mobilization and Demobilization	\$483,000	\$425,000	\$300,000	\$1,066,405	\$270,000	\$326,952	
2	LS	Temporary Erosion and Sediment Control	\$30,000	\$50,000	\$20,000	\$64,817	\$70,000	\$31,209	
3A	100 HR	Other Traffic Control Labor	\$4,800	\$4,500	\$5,400	\$5,076	\$3,700	\$4,000	
3B	520 HR	Flaggers and Spotters	\$25,000	\$23,400	\$28,000	\$26,395	\$19,240	\$20,800	
4	LS	Traffic Control Supervisor	\$15,000	\$2,000	\$9,200	\$4,320	\$50,000	\$24,180	
5	LS	Temporary Traffic Control Devices	\$110,000	\$75,000	\$5,000	\$83,160	\$75,000	\$74,300	
6	LS	Fiber Optic Cable Installation	\$25,000	\$25,000	\$30,000	\$35,640	\$40,000	\$20,000	
7	LS	Trench and Site Safety Provision Complete	\$8,000	\$10,000	\$10,000	\$5,040	\$5,000	\$16,339	
8	LS	Phase I Wastewater Treatment Plant and Equipment	\$11,604,813	\$7,960,415	\$9,000,000	\$7,677,014	\$8,936,017	\$8,944,408	
9A	LS	Anoxic Basins	\$1,245,387	\$1,080,728	\$610,000	\$1,197,734	\$950,000	\$1,074,492	
10	500 CY	Removal of Unsuitable Native Material	\$25,000	\$500	\$5,000	\$6,480	\$6,000	\$13,090	
11	500 CY	Structural Fill to Replace Unsuitable Native Material	\$12,500	\$500	\$10,000	\$9,180	\$10,000	\$19,630	
12	LS	Phase I Landscaping and Irrigation	\$100,000	\$110,000	\$78,000	\$84,348	\$80,000	\$78,100	
13	LS	Contractor's Operation and Maintenance Manual	\$69,000	\$65,000	\$5,000	\$75,600	\$65,000	\$61,500	
14	LS	Record Drawings	\$12,500	\$5,000	\$10,000	\$7,560	\$15,000	\$38,000	
15	LS	Two-Year Maintenance Bond	\$30,000	\$3,500	\$6,000	\$19,440	\$60,000	\$5,000	
16	LS	Force Account	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	
Subtotal Schedule A (Sum of Items 1-16)			\$14,000,000	\$10,040,543	\$10,332,200	\$10,568,209	\$10,854,957	\$10,952,209	
Sales Tax (8.4% On Items 1-16)			\$1,176,000	\$843,406	\$867,905	\$887,730	\$911,816	\$919,985	
TOTAL BID PRICE (SCHEDULE A)			\$15,176,000	\$10,883,949	\$11,200,105	\$11,455,939	\$11,766,773	\$11,872,185	

See Note 1
See Note 2
See Note 3

Sealed bids were opened at the City of Gig Harbor Civic Center Community Rooms A & B at 3510 Grandview Street, Gig Harbor, WA 98335 at 2:00 p.m. local time on December 11, 2008.

I hereby certify that, to the best of my knowledge, the above tabulations are true and correct transcription of the unit prices and total amount bid.



Notes:

- 1 - Corrected Total Base Bid Amount from \$11,456,329 to Total Shown to Reflect Written Amount of Bid Item 7 (\$5,400 Submitted Numerically versus \$5,040 Written)
- 2 - Bid Item 13 Amount Does Not Exceed 0.5% of Contract Amount (excluding force account allowance) per Specification Section 01160 - BID ITEM DESCRIPTION
- 3 - Corrected Total Base Bid Amount from \$11,873,056 to Total Shown to Reflect Computed Sum of Bid Items 1 through 16
- 4 - Incorrect Bid Form Used, No Bid Amount Provided for Bid Item 3B

BID TABULATION



Project Name: Gig Harbor WWTP Phase I Improvements
 Project #: CSSP-0702
 Bid Opening Date: December 11, 2008 @ 2:00 p.m.

BID ITEM	QTY	DESCRIPTION OF BID ITEMS	ENGINEER'S ESTIMATE		#6 BIDDER		#7 BIDDER		#8 BIDDER		#9 BIDDER		#10 BIDDER	
			Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
1	LS	Mobilization and Demobilization	\$483,000	\$1,100,000	\$350,000	\$944,267	\$340,000	\$400,000						
2	LS	Temporary Erosion and Sediment Control	\$30,000	\$25,500	\$180,000	\$70,056	\$25,000	\$50,000						
3A	100 HR	Other Traffic Control Labor	\$4,800	\$4,750	\$4,500	\$6,729	\$4,500	\$4,500						
3B	520 HR	Flaggers and Spotters	\$25,000	\$24,700	\$23,400	\$29,214	\$23,400	\$0						
4	LS	Traffic Control Supervisor	\$15,000	\$18,800	\$5,000	\$6,036	\$4,500	\$4,600						
5	LS	Temporary Traffic Control Devices	\$110,000	\$78,000	\$86,000	\$78,806	\$65,000	\$320,000						
6	LS	Fiber Optic Cable Installation	\$25,000	\$30,000	\$25,000	\$27,558	\$60,000	\$33,000						
7	LS	Trench and Site Safety Provision Complete	\$8,000	\$5,300	\$5,000	\$34,074	\$20,000	\$5,000						
8	LS	Phase I Wastewater Treatment Plant and Equipment	\$11,604,813	\$9,026,000	\$9,225,100	\$9,015,394	\$10,311,400	\$9,997,700						
9A	LS	Anoxic Basins	\$1,245,387	\$950,000	\$1,425,000	\$1,310,385	\$1,050,000	\$2,250,000						
10	500 CY	Removal of Unsuitable Native Material	\$25,000	\$21,000	\$10,250	\$13,800	\$12,500	\$10,000						
11	500 CY	Structural Fill to Replace Unsuitable Native Material	\$12,500	\$19,000	\$15,750	\$25,190	\$12,500	\$10,000						
12	LS	Phase I Landscaping and Irrigation	\$100,000	\$116,000	\$78,000	\$158,466	\$115,000	\$135,000						
13	LS	Contractor's Operation and Maintenance Manual	\$69,000	\$5,200	\$70,000	\$5,000	\$75,000	\$5,000						
14	LS	Record Drawings	\$12,500	\$5,200	\$5,000	\$5,000	\$5,000	\$5,000						
15	LS	Two-Year Maintenance Bond	\$30,000	\$13,600	\$2,000	\$32,000	\$6,500	\$20,000						
16	LS	Force Account	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000						
Subtotal Schedule A (Sum of Items 1-16)			\$14,000,000	\$11,643,050	\$11,710,000	\$11,961,975	\$12,330,300	\$13,449,800						
Sales Tax (8.4% On Items 1-16)			\$1,176,000	\$978,016	\$983,640	\$1,004,806	\$1,035,745	\$1,129,783						
TOTAL BID PRICE (SCHEDULE A)			\$15,176,000	\$12,621,066	\$12,693,640	\$12,966,780	\$13,366,045	\$14,579,583						

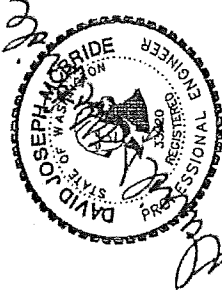
See Notes 2, 4

See Note 2

See Note 2

Scaled bids were opened at the City of Gig Harbor Civic Center Community Rooms A & B at 3510 Grandview Street, Gig Harbor, WA 98335 at 2:00 p.m. local time on December 11, 2008.

I hereby certify that, to the best of my knowledge, the above tabulations are true and correct transcription of the unit prices and total amount bid.



Notes:

- 1 - Corrected Total Base Bid Amount from \$11,456,329 to Total Shown to Reflect Written Amount of Bid Item 7 (\$5,400 Submitted Numerically versus \$5,040 Written)
- 2 - Bid Item 13 Amount Does Not Exceed 0.5% of Contract Amount (excluding force account allowance) per Specification Section 01160 - BID ITEM DESCRIPTION
- 3 - Corrected Total Base Bid Amount from \$11,873,056 to Total Shown to Reflect Computed Sum of Bid Items 1 through 16
- 4 - Incorrect Bid Form Used, No Bid Amount Provided for Bid Item 3B

**CITY OF GIG HARBOR
CONTRACT
For
WASTEWATER TREATMENT PLANT PHASE 1 IMPROVEMENTS
PROJECT
CSSP – 0904**

THIS AGREEMENT, made and entered into, this ____ day of _____, 2009, by and between the City of Gig Harbor, a Non-Charter Code city in the State of Washington, hereinafter called the "City", and Prospect Construction, Inc., a Washington corporation, 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 for the construction of new buildings, tanks, and retaining walls; process piping and equipment; installation of Owner-supplied equipment; modification and demolition of existing facilities and structures; improvement to instrumentation, control telemetry, and power systems; and site clearing, grading, final surfacing, and landscaping improvements at the City's Wastewater Treatment Plant (WWTP) site; and installation of fiber optic telemetry cable from the City's WWTP to the City's Pump Station 2A (PS2A) located at Ruth M. Bogue Park, along with modification to the telemetry and control system at the PS2A facility, and other work, all in accordance with the special provisions and standard specifications, and shall perform any changes in the work, all in full compliance with the contract documents entitled "Wastewater Treatment Plant Phase 1 Improvements Project, CSSP-0904," 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 Ten Million Eight Hundred Eighty Three Thousand Nine Hundred Forty-Nine dollars and no cents (\$10,883,949.00), including retail sales tax, subject to the provisions of the Contract Documents, the Special Provisions, and the Standard Specifications.
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 Engineer, whichever is later. All physical contract work shall be completed within 540 calendar days.
3. The Contractor agrees to pay the City the sum of \$ 3,023.32 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," "Quotation Proposal," "Addenda" if any, "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 Technical specifications.
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:

Prospect Construction, Inc.
116 23rd Street SE
Puyallup, WA 98372
253-446-1600 253-446-1601 (FAX)

City Clerk

APPROVED FOR FORM:

City Attorney

CITY OF GIG HARBOR

**WASTEWATER TREATMENT PLANT
PHASE 1 IMPROVEMENTS**

Prospect Construction, Inc.

Projected Monthly Requests

Month	
Feb-09	\$179,000
Mar-09	\$519,200
Apr-09	\$765,250
May-09	\$785,000
Jun-09	\$838,000
Jul-09	\$1,990,378
Aug-09	\$1,077,950
Sep-09	\$778,400
Oct-09	\$783,400
Nov-09	\$505,500
Dec-09	\$505,750
Jan-10	\$226,000
Feb-10	\$140,200
Mar-10	\$66,515
Apr-10	\$114,000
May-10	\$139,000
Jun-10	\$310,000
Jul-10	\$267,000
Aug-10	\$50,000
TOTAL	\$10,040,543



Subject: WWTP Phase 1 Improvement Project (CSSP-0904)
Consultant Services Contract for Construction Testing Services

Proposed Council Action: Authorize the award and execution of the Consultant Services Contract for the WWTP Construction Testing Services to Construction Testing Laboratories, Inc. (CTL) in the not to exceed amount of \$53,612.00.

Dept. Origin: Public Works Department

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

For Agenda of: January 26, 2009

Exhibits: Consultant Services Contact Exhibit A – Scope of Work

Initial & Date

Concurred by Mayor: *CH 1/21/09*
Approved by City Administrator: *RJK*
Approved as to form by City Atty: *app via email AB*
Approved by Finance Director: *OF 1/21/09*
Approved by Department Head: *DF 1/21/09*

Expenditure Required	\$53,612.00	Amount Budgeted	\$15,000,000	Appropriation Required	\$0
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INFORMATION / BACKGROUND

This contract provides for quality control testing during construction of the Wastewater Treatment Plant Phase 1 Improvements project.

The work to be completed under this contract generally consists of insitu soil density and moisture content testing, concrete cylinder casting, concrete slump and air entrainment testing, asphalt compaction testing, laboratory testing and analysis of soil proctor and gradation, concrete cylinder strength testing and other related inspections as outlined in the Wastewater Treatment Plant (WWTP) Phase 1 Improvement contract documents.

In accordance with the City's selection process, on November 4th, 2008, the City advertised for statement of qualifications for quality control testing during construction of the Wastewater Treatment Plant Phase 1 Improvements. On November 12th, 2008, the City received seven statements of qualifications. The seven firms were then evaluated and ranked. The City then conducted an interview of the top two ranked firms and made a laboratory site visit prior to making the final selection. CTL, Inc. was selected as the most qualified firm to provide the testing services.

FISCAL CONSIDERATION

The cost of this testing service is necessary and is covered in our Sewer Capital Fund. A summary of projected costs is provided.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the award and execution of the Contract for the WWTP on-site construction testing services to Construction Testing Laboratories, Inc. for the amount not to exceed \$53,612.00.

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
CONSTRUCTION TESTING LABORATORIES, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (the "City"), and Construction Testing Laboratories, Inc., a corporation organized under the laws of the State of Washington (the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in construction testing services for the WWTP Phase 1 Improvement Project and desires that the Consultant perform services necessary to provide the following consultation services; 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;

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

TERMS

1. Retention of Consultant - Scope of Services. The City hereby retains the Consultant to provide professional services as defined in this Agreement and as necessary to accomplish the scope of work attached hereto as **Exhibit A** and incorporated herein by this reference as if set forth in full. The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this Agreement.

2. Payment.

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Fifty Three Thousand Six Hundred Twelve Dollars and No Cents (\$53,612.00) for the services described in Section 1 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. The Consultant's staff and billing rates shall be as described in **Exhibit A – Scope of Work**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit A** or bill at rates in excess of the hourly rates shown in **Exhibit A**, unless the parties agree to a modification of this Contract, pursuant to Section 18 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.

3. 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 subconsultant of the Consultant shall be or shall be deemed to be the employee, agent, representative or subconsultant 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 subconsultants of the Consultant. The Consultant will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and subconsultants 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.

4. 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 August 15, 2010; provided however, that additional time shall be granted by the City for excusable days or extra work.

5. Termination. The City reserves the right to terminate this Agreement at any time upon ten (10) days written notice to the Consultant. Any such notice shall be given to the address specified above. In the event that this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the notice to terminate. In the event that services of the Consultant are terminated by the City for fault on part of the Consultant, the amount to be paid shall be determined by the City with consideration given to the actual cost incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the City at the time of termination, the cost of the City of employing another firm to complete the work required, and the time which may be required to do so.

6. Non-Discrimination. The Consultant agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, color, creed, religion, national origin, marital status, sex, sexual orientation, age or handicap, except for a bona fide occupational qualification. The Consultant understands that if it violates this provision, this Agreement may be terminated by the City and that the Consultant may be barred from performing any services for the City now or in the future.

7. Indemnification.

A. The Consultant agrees to hold harmless, indemnify and defend the City, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the Consultant, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the Consultant, its officers, agents, subconsultants or employees, in connection with the services required by this Agreement; provided, however, that:

1. The Consultant's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the City, its officers, agents or employees; and

2. The Consultant's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the Consultant and the City, or of the Consultant and a third party other than an officer, agent, subconsultant or employee of the Consultant, shall apply only to the extent of the negligence or willful misconduct of the Consultant.

B. 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.

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

8. 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, subconsultants or subcontractors.

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 coverages 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 upon request.

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.

9. 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.

10. Ownership and Use of Work Product. Any and all documents, drawings, reports, and other work product produced by the Consultant under this Agreement shall become the property of the City upon payment of the Consultant's fees and charges therefore. The City shall have the complete right to use and re-use such work product in any manner deemed appropriate by the City, provided, that use on any project other than that for which the work product is prepared shall be at the City's risk unless such use is agreed to by the Consultant.

11. 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.

12. Records. The Consultant shall keep all records related to this Agreement for a period of three years following completion of the work for which the Consultant is retained. The Consultant shall permit any authorized representative of the City, and any person authorized by the City for audit purposes, to inspect such records at all reasonable times during regular business hours of the Consultant. Upon request, the Consultant will provide the City with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the Consultant, but the Consultant may charge the City for copies requested for any other purpose.

13. 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 subconsultants 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.

14. 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

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.

B. 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 Public Works Director 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 prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

16. **Written Notice.** All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth below. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

CONSULTANT:
ATTN: Lloyd Detterich, Branch Manager
Construction Testing Laboratories, Inc.
1202 East "D" Street, Suite 101
Tacoma, WA 98421
253-383-8778 FAX 253-383-2231

City of Gig Harbor
ATTN: Stephen Misiurak, P.E.,
City Engineer
3510 Grandview Street
Gig Harbor, WA 98335
(253) 851-6170 FAX 253-853-7597

17. **Subcontracting or Assignment.** The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. Any subconsultants, if any, approved by the City at the outset of this Agreement are named on **Exhibit C** attached hereto and incorporated herein by this reference as if set forth in full.

18. **Entire Agreement.** This Agreement represents the entire integrated agreement between the City and the Consultant, superseding all prior negotiations, representations or agreements, written or oral. This Agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto.

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

CONSULTANT

CITY OF GIG HARBOR

By:  _____

By: _____

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

CONSULTANT

CITY OF GIG HARBOR

By: _____

By: _____

Its: _____

Mayor Charles L. Hunter

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney



Exhibit A "Scope of Work"

1202 East "D" Street, Suite 101, Tacoma, WA 98421
 TEL # (253) 383-8778 / FAX # (253) 383-2231
 website: www.ctlwa.com

January 14, 2009

PARAMETRIX

2102 N Pearl Street, Suite 301
 Tacoma, WA 98406
 ATTN: John Burk, PE

REF: **GIG HARBOR WWTP IMPROVEMENTS PHASE I**
 Inspection & Testing Services

Dear Mr. Burk,

We are pleased to submit our proposal to provide special inspection and testing services for the above project.

CERTIFICATIONS:

Our firm is registered with WABO and accredited by AASTHO (R-18) and A2LA, in accordance with the requirements of ASTM E329, D3740 and D3666 (ISO 9001/9002 and ISO 17025-2005). We are routinely inspected by, and participate in proficiency testing with CCRL and AMRL. This includes the fields of soils, aggregate masonry, concrete and bituminous mixtures. We are also validated by the U.S. Army Corps of Engineers.

Our inspectors are certified by ACI, ICBO and WABO and have been with us for ten to twenty years.

All equipment is calibrated at regular intervals, as required by ASTM, AASHTO and A2LA. Copies of all calibrations are on file.

If selected, our fees would be as follows:

CONCRETE / REINFORCING STEEL / MASONRY:

- Inspection, sampling & cylinder pick-up..... \$ 49.00/hr
- Seismic Resistance Components..... \$ 55.00/hr

COMPRESSIVE STRENGTH TESTS:

- Concrete, Mortar & Grout..... \$ 18.00/ea
- Masonry Composite Prism..... \$ 75.00/ea
- Flexural Strength Concrete Beam (C-293)..... \$ 65.00/ea

SOILS:

- Soil Technician (Inspector)..... \$ 52.00/hr
- In-Place Density Tests..... **NO CHARGE**
- Maximum Density-Optimum Moisture Determination Analysis..... \$ 175.00/ea
- Sieve Analysis (Coarse & Fine Washed / C-117, C-136)..... \$ 150.00/ea
- Sand Equivalent (D-2419)..... \$ 85.00/ea

ASPHALTIC CONCRETE:

- Asphalt Technician (Inspector)..... \$ 52.00/hr
- In-Place Density Tests (Nuclear)..... **NO CHARGE**
- Extraction-Gradation Tests (C-117)..... \$ 225.00/ea
- Maximum Theoretical Density (Rice)..... \$ 110.00/ea
- Maximum Density Optimum Moisture-Density Curve [D-1557] \$ 175.00/ea

LATERAL FRAMING/NAILING

- Lateral Wood and Framing (Inspector)..... \$ 52.00/hr

CLIENT: CITY OF GIG HARBOR
 PROJECT: WWTP PHASE I
 PROPOSAL: 05 / 2008 FEE SCHEDULE
 DATE PROCESSED: 01-13-09



Exhibit A "Scope of Work"

1202 East "D" Street, Suite 101, Tacoma, WA 98421
 TEL # (253) 383-8778 / FAX # (253) 383-2231
 website: www.ctlwa.com

January 14, 2009

REF: **GIG HARBOR WWTP IMPROVEMENTS PHASE I**
 Inspection & Testing Services

STRUCTURAL STEEL & METALS:

- Visual Welding Inspection..... \$ 58.00/hr
- Epoxy Bolt Inspection \$ 49.00/hr

MILEAGE:

- Mileage..... \$ No Charge

BASIS OF CHARGES:

There is a three-hour minimum for special inspection, sampling and field-testing and a one-hour minimum for cylinder pick-up. We require a four hour minimum for weekends and holidays, with time and one half (1.5) for work in excess of eight hours per day and Saturdays. All work performed outside normal working hours (07:00 hr. to 16:00 hr.), Monday thru Friday will be charged at 1.5 times the normal rate. Double time is charged for Sundays and Holidays. Hourly rates and mileage are portal to portal. Terms are thirty (30) days from date of invoice. A minimum of (24) twenty-four hours notice is required to schedule technician(s).

N13- NEW HEADWORKS Approximately 1900 Sq. Ft.			
CONCRETE	Approximate Hours	Price per hr.	TOTAL
Concrete Technician Approximate hours	52	\$49.00	\$2,548.00
Concrete Compression Samples	48	\$18.00	\$864.00
No Sample Pick Up Charge	0	\$49.00	\$0.00
No Charge (Mileage Round trip)	0	\$0.65	\$0.00
TOTAL CONCRETE			\$3,412.00
STRUCTURAL MASONRY			
Masonry Technician	38	\$49.00	\$1,862.00
Grout Compression Strength Test	21	\$18.00	\$378.00
Prisms Grouted, 8"x8"x16", Each	6	\$75.00	\$450.00
TOTAL MASONRY			\$2,690.00
LATERAL WOOD			
Special Inspector	12	\$55.00	\$660.00
Seismic Resistance Components	12	\$55.00	\$660.00
TOTAL LATERAL WOOD			\$1,320.00
TOTAL CONCRETE			\$3,412.00
TOTAL STRUCTURAL MASONRY			\$2,690.00
TOTAL FRAMING/NAILING			\$1,320.00
TOTAL ESTIMATE FOR N13 - NEW HEADWORKS			\$7,422.00
N12 DEWATERING BUILDING			
CONCRETE	Approximate Hours	Price per hr.	TOTAL
Concrete Technician Approximate hours	61	\$49.00	\$2,989.00
Concrete Compression Samples	56	\$18.00	\$1,008.00
No Sample Pick Up Charge		\$49.00	\$0.00
No Charge (Mileage Round trip)		\$0.65	\$0.00
TOTAL CONCRETE			\$3,997.00
STRUCTURAL MASONRY	Approximate Hours	Price per hr.	TOTAL
Masonry Technician	41	\$49.00	\$2,009.00
Grout Compression Strength Test, Each	27	\$18.00	\$486.00
Prisms Grouted/Ungouted, 8"x8"x16"	6	\$75.00	\$450.00
TOTAL MASONRY			\$2,945.00
STRUCTURAL STEEL SITE			
Special Inspector - Visual Welding	12	\$58.00	\$696.00
LATERAL WOOD			
Special Inspector	15	\$55.00	\$825.00
Seismic Resistance Components	15	\$55.00	\$825.00
TOTAL LATERAL WOOD			\$1,650.00

CLIENT: CITY OF GIG HARBOR
 PROJECT: WWTP PHASE I
 PROPOSAL: 05 / 2008 FEE SCHEDULE
 DATE PROCESSED: 01-13-09

Exhibit A "Scope of Work"

TOTAL CONCRETE	\$3,997.00
TOTAL STRUCTURAL MASONRY	\$2,045.00
TOTAL WELDING	\$ 696.00
TOTAL FRAMING/NAILING	\$1,650.00
TOTAL ESTIMATE FOR N12 DEWATERING BUILDING	\$9,288.00

New Business - 5

NEW CLARIFIER NO. 4			
CONCRETE	Approximate Hours	Price per hr.	TOTAL
Concrete Technician	90	\$49.00	\$4,410.00
Concrete Compression Samples	84	\$18.00	\$1,512.00
TOTAL CONCRETE			\$5,922.00
EPOXY DOWEL			
Special Inspector	12	\$49.00	\$588.00
WELDING / BOLTING			
Misc. Inspection	9	\$58.00	\$522.00
		TOTAL CONCRETE	\$5,922.00
		TOTAL EPOXY	\$588.00
		TOTAL WELDING	\$ 522.00
		TOTAL ESTIMATE FOR NEW CLARIFIER NO. 4	\$7,032.00

N14 NEW ANOXIC BASINS			
CONCRETE	Approximate Hours	Price per hr.	TOTAL
Concrete Technician	108	\$49.00	\$5,292.00
Concrete Compression Samples	80	\$18.00	\$1,440.00
No Sample Pick Up Charge	0	\$49.00	\$0.00
No Charge (Mileage Round trip)	0	\$0.69	\$0.00
TOTAL CONCRETE			\$6,732.00
STRUCTURAL STEEL SITE			
Visual Welding and Bolting	12	\$58.00	\$696.00
		TOTAL CONCRETE	\$6,732.00
		TOTAL WELDING	\$ 696.00
		TOTAL ESTIMATE FOR N14 NEW ANOXIC BASINS	\$7,428.00

N19 NEW THICKENING BUILDING			
CONCRETE	Approximate Hours	Price per hr.	TOTAL
Concrete Technician Approximate hours	15	\$49.00	\$735.00
Concrete Compression Samples	20	\$18.00	\$360.00
Concrete Composite Test Prisms	3	\$75.00	\$225.00
TOTAL CONCRETE			\$1,320.00
STRUCTURAL MASONRY			
Masonry Technician	15	\$49.00	\$735.00
Grout Compression Strength Test	15	\$18.00	\$270.00
Prisms Grouted / Un-grouted, 8"x8"x16"	3	\$75.00	\$225.00
TOTAL MASONRY			\$1,230.00
LATERAL WOOD			
Special Inspector	6	\$55.00	\$330.00
Epoxy Dowel Inspection	6	\$49.00	\$294.00
TOTAL LATERAL WOOD			\$624.00
TOTAL CONCRETE			\$1,320.00
TOTAL STRUCTURAL MASONRY			\$1,230.00
TOTAL FRAMING/NAILING			\$624.00
		TOTAL ESTIMATE FOR N19 NEW THICKENING BUILDING	\$3,174.00

CLIENT: CITY OF GIG HARBOR
 PROJECT: WWTP PHASE 1
 PROPOSAL: 05 / 2008 FEE SCHEDULE
 DATE PROCESSED: 01-13-09

Exhibit A "Scope of Work"

N20 - NEW ELECTRICAL/PUMP BUILDING

New Business - 5

CONCRETE	Approximate Hours	Price per hr.	TOTAL
Concrete Technician	21	\$49.00	\$1,029.00
Concrete Compression Samples	28	\$18.00	\$504.00
TOTAL CONCRETE			\$1,533.00
STRUCTURAL MASONRY	Approximate Hours	Price per hr.	TOTAL
Masonry Technician	21	\$48.00	\$1,008.00
Grout Compression Strength Test	18	\$18.00	\$324.00
Prisms Grouted/Ungouted, 8"x8"x16"	3	\$75.00	\$225.00
TOTAL STRUCTURAL MASONRY			\$1,557.00
LATERAL FRAMING/NAILING			
Special Inspector	12	\$55.00	\$660.00
TOTAL LATERAL WOOD			\$660.00
TOTAL CONCRETE			\$1,533.00
TOTAL STRUCTURAL MASONRY			\$1,557.00
TOTAL NAILING			\$660.00
TOTAL ESTIMATE N20			\$3750.00
SOILS AND HMA COMPACTION (INCLUDES OFF-SITE ROADWAY IMPROVEMENTS)			
Soils and Asphalt Engineering Technician	72	\$52.00	\$3,744.00
Maximum Density Curve	3	\$175.00	\$525.00
Rice Values	3	\$110.00	\$330.00
Extraction/Gradation	3	\$225.00	\$675.00
TOTAL SOILS AND HMA			\$5,274.00
EPOXY BOLTING ALL BUILDINGS			
Epoxy Inspection	56	\$49.00	\$2,744.00
No Mileage Charge			0
TOTAL EPOXY BOLTING			\$2,744.00

CONTINGENCY ESTIMATE:

Due to the project size and scope, Construction Testing Laboratories, Inc. recommends an additional \$7,500 be allocated for additional testing and inspection. The \$7,500 may not be used without written authorization from the City of Gig Harbor.

TOTAL ESTIMATED COSTS:

Therefore, the actual contract amount total for Gig Harbor WWTP Phase I Improvements is \$46,112.00 plus \$7,500 for a total of \$53,612.

EXHIBIT "A"

No cost included for inspection and testing at fabricator's plant. Construction Testing Laboratories, Inc. assumes all work to be performed at an approved fabricator.

Construction Testing Laboratories, Inc. assumes all work performed during normal working hours (07:00am to 5:00pm Monday thru Friday). Our estimated cost does not include overtime rates.

REPORTS:

All overhead, engineer review of reports, final inspection report and mail distribution costs are included in the hourly/unit rates. There are no hidden charges.

Our highly trained staff would be delighted to assist you in the successful completion of this project. If you have any questions regarding this proposal or if we may be of service, please call.

Sincerely,

Construction Testing Laboratories, Inc. (CTL)

Dennis M. Smith

Manager

e-mail: denniss@ctlwa.com

cell # 253-732-7575

DMS / caa

cc: FILE

CLIENT: CITY OF GIG HARBOR
PROJECT: WWTP PHASE I
PROPOSAL: 05 / 2008 FEE SCHEDULE
DATE PROCESSED: 01-13-09

City of Gig Harbor Housing Needs Assessment



January 2009

City of Gig Harbor Housing Needs Assessment

January 12, 2009

Technical Assistance by:

PMC[®]



CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

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CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

EXECUTIVE SUMMARY

INTRODUCTION

This Housing Needs Assessment is a supplement to the Housing Element of the Gig Harbor Comprehensive Plan.¹ The purpose of this analysis is to assist Gig Harbor in determining its current and future housing needs. The Housing Needs Assessment analyzes population, income, and housing characteristics. It pays specific attention to the need for affordable housing in Gig Harbor.

The data used to prepare this analysis was collected from the 2000 U.S. Census reports, Washington State Office of Financial Management (OFM) publications, Workforce Washington, the Puget Sound Regional Council (PSRC), Pierce County (County), the Washington State University Center for Real Estate Research (WSUCRER), City documents, and various other sources.

The Housing Needs Assessment comprises five sections. The first section is a brief look at national and regional trends affecting housing. The second section focuses on the planning context for Gig Harbor in relation to state, county, and local planning requirements and policies. The third section presents demographic information, including population, household, income, and employment characteristics. The demographic background is followed by an analysis of housing affordability in Gig Harbor. The final section presents a recommended scope of work for further study and analysis needed to implement Gig Harbor's housing policies and programs, particularly with respect to the provision of affordable housing.

KEY FINDINGS

There are many factors affecting the availability, location, quality, and demand for affordable housing. The report reviews the housing market in the context of national trends and current economic issues along with the specific demographics of Gig Harbor. The report concludes that there is a very significant and growing need for affordable housing both within the city limits of Gig Harbor and its immediate environs. Implementation of the City's affordable housing policies is timely and important to the health and vitality of the community now and into the future.

¹ The Gig Harbor Comprehensive Plan was adopted December 2004 and amended December 2007.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

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HOUSING AT THE START OF 2009

THE NATIONAL ECONOMY

The U.S. economy began contracting in December 2007 to begin a serious recession.² In part, this recession was triggered by a housing boom, fueled by a national spree of subprime and questionable mortgages. Easy access to credit allowed households nationwide to purchase more home than they could afford or sustain. Foreclosures began to increase, first and hardest in the boom areas and eventually spreading in varying degrees all over the country. The housing boom and bust triggered a national credit crisis prompting the federal government to expend billions of dollars in an attempt to stabilize the finance industry.

The current economic climate is unprecedented since the 1930s. The year 2008 saw the largest stock market value decreases since 1931 at the start of the Great Depression. Banks and financial institutions that survived the Great Depression have shuttered their doors while others are accepting huge taxpayer-sponsored subsidies to remain in business. Housing foreclosures are at record highs while unemployment is steadily increasing. One in 10 Americans with a mortgage was a month or more behind on their payments, or already in foreclosure, at the end of September 2008.³ The federal government is spending billions of dollars to directly purchase mortgage-backed securities to shore up the finance sector and to allow governments to purchase abandoned and foreclosed properties in areas hardest hit by the subprime mortgage debacle and huge numbers of foreclosures as residents walk away from homes they can no longer afford. The area of greatest foreclosures in Washington State is unincorporated Pierce County. The area of second greatest impact is Tacoma.

Another impact of the current economic climate is federal government control of both Fannie Mae and Freddie Mac, the country's two largest sources of mortgage purchasers from conventional banks. The federal government is now the entity with primary financial control of these two giants of mortgage finance. Beginning in 2009, the Bush administration's new lending standards will preclude all but those with the best credit or greatest means from obtaining home mortgages, though those with credit and financial resources will find the lowest interest rates for 30-year fixed mortgage loans since 1961.⁴

² Interest.com – a financial information clearinghouse

³ Source: Interest.com, a financial information clearinghouse

⁴ Source: Peter Coy, Businessweek, January 5, 2009

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

UNEMPLOYMENT

Unemployment is rising nationwide, though in some areas and regions the problem is worse than others. The nation's unemployment rate rose to 6.7 percent in November 2008, up from 4.7 percent just a year earlier. Economists generally believe the unemployment rate will reach 7.5 to 8 percent by the end of 2009, but 10 percent is not out of the question if one of the American auto companies files for bankruptcy this year. As of September 2008, the nation had lost 1.9 million jobs as a result of the recession. Many Americans who aren't being laid off are being relegated to part-time status. The number of people who are working part time, including those who would like full-time jobs, rose by 2.8 million, to 7.3 million nationwide, over the past year.⁵

According to the Bureau of Labor Statistics, Pierce County's unemployment rate at the end of 2008 was 5.98 percent, up from 4.74 percent a year earlier. At the time of the 2000 Census, Gig Harbor's labor participation rate was 56.99 percent, with an unemployment rate of 3.77 percent. Gig Harbor has a large retired population that does not participate in the workforce. These individuals are not reflected in the unemployment figures and therefore bring Gig Harbor's per capita unemployment rate down compared with Pierce County overall. The county has a labor participation rate of 66.39 percent. If Gig Harbor's labor participation rates and proportional share of countywide unemployment remained roughly the same as in 2000, Gig Harbor's unemployment rate at the end of 2008 was 4.51 percent, up from 3.57 percent the previous year. Though both Gig Harbor and Pierce County are in a relatively better employment position than the nation as a whole, the unemployment rate still increased by 21 percent from 2007 to 2008.

HOUSING PRICES AND SALES TRENDS

In October 2008, Standard & Poor's/Case-Shiller 20-city housing price index dropped by 18 percent, the sharpest annual rate since the index's inception in 2000. Their 10-city index tumbled 19.1 percent, the biggest decline in its 21-year history. Both indices have recorded year-over-year housing price declines for 22 straight months. Nationwide, prices are at levels not seen since March 2004. Prices have dropped up to 25 percent since their peak in the summer of 2006. The Phoenix, Las Vegas, and San Francisco metro areas saw price declines of 33, 32, and 31 percent, respectively, from the previous year. Atlanta, Seattle, and Portland, Oregon, all recorded their first double-digit annual declines in October 2008. Sales of new homes fell in November 2008 to their slowest pace in almost 18 years. At the same time,

⁵ Source: Ibid.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

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prices for new homes fell 11.5 percent nationwide. Sales of existing homes also posted price declines of 13.2 percent, according to the National Association of Realtors.⁶

The median sales price for an existing home in Gig Harbor was \$405,500 in the first three quarters of 2008.⁷ By the end of 2008, the median sales price had fallen to \$299,900 on the Gig Harbor Peninsula, an 11 percent decrease in sales price over fourth quarter of 2007. This decrease is partly due to the size of homes and location of homes available in the last quarter of 2008. The highest percentage of sales was occurring in the \$200,000 to \$300,000 price range; however, the median listing price at the end of December 2008 was still \$610,001.⁸

Gig Harbor has a large discrepancy in the types of homes available on the market from rural mobile homes to waterfront mansions. A good indicator of price in this context is price per square foot. In December of 2008, the median price per square foot of home on the market was \$192. This price represents a 14.3 percent decrease in the per square foot cost in December 2007 when the price was \$224 per square foot. The peak price for homes per square foot within the previous 5 years was in September of 2008 when the price rose to \$268 per square foot. Two other good indicators of stress in the market are the number of foreclosures and the number of sales. In the first week of 2009, there were 633 homes for sale in the City of Gig Harbor and its immediate environs; of those, 276, or 43 percent, were in active foreclosure. The number of sales at the end of December 2008 was down 38 percent over the same month in 2007.⁹

Households are classified into income ranges. A moderate-income household makes 81 to 115 percent of the area median annual income. Low-income households earn 51 to 81 percent of the area median annual income. Homes earning 50 percent or less of the area median income are classified as very low-income. The maximum affordable sales price for a low-income household in Pierce County is \$141,366, while the maximum affordable sales price for a moderate-income household is \$203,214. The median sales price for a three-bedroom existing home was \$402,000 in Gig Harbor in the first three quarters of 2008, well above the maximum sales price affordable for very low-, low-, and moderate-income groups. A household would have to earn over 225 percent of the median county income to afford the median-priced three-bedroom home in Gig Harbor. Even at the current median sales price of \$299,900, most homes are not affordable to moderate- or lower-income groups.

The average monthly rent for apartments of all types in Gig Harbor ranged from \$657 for a studio to \$1,095 for a three-bedroom (October 2008). Households with very low, low, and moderate incomes could afford maximum rents of \$736, \$1,178, and \$1,693, respectively.

⁶ Source: Associated Press, December 30, 2008

⁷ As reported by Trulia (www.trulia.com) based on information from the Multiple Listing Service

⁸ Source: Trulia.com

⁹ Source: Ibid.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

Without accounting for vacancy rates or household size, an average family with a low or moderate income is able to find rental housing in the City of Gig Harbor.

This is a strange time for housing. Costs are down, but access to owner-occupied housing is becoming more difficult at a time when unemployment and underemployment are rising and wages are stagnant. Rental housing is still affordable in Gig Harbor, but the high number of foreclosures will likely bring new households into the rental market. As rental demand increases, rents may follow. The need for affordable housing can only increase.

PLANNING CONTEXT

STATE REQUIREMENTS

The Growth Management Act (GMA) requires jurisdictions to identify the projected housing needs for each city and to make adequate provisions for existing and projected needs of all economic segments of the community. Jurisdictions must demonstrate, in specific terms, how they plan to meet GMA goals for affordable housing. The overall planning goals for housing in the GMA are as follows:

- Ensure housing for all economic segments of the population of this state.
- Participate in making available a fair share of affordable housing, including affordable housing for people with special needs.
- Promote zoning classifications which allow a variety of residential densities and housing types.
- Encourage preservation of existing housing stock.
- Assure that housing complies with local, state, and federal fair housing laws.

The GMA also encourages the use of innovative land use techniques to promote a variety of housing opportunities, including “density bonuses, cluster housing, planned unit developments, and the transfer of development rights.”

REGIONAL REQUIREMENTS

The Puget Sound Regional Council (PSRC) is an association of cities, towns, counties, ports, and state agencies that serves as a forum for developing policies and making decisions about

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

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regional growth management and environmental, economic, and transportation issues in the four-county central Puget Sound region. The PSRC is the four-county region's Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Organization (RTPO) for Pierce, King, and Snohomish counties. The PSRC General Assembly passed a new regional plan, VISION 2040, in April 2008. VISION 2040 contains several regional housing policies, as described below.

Overarching Goal: The region will preserve, improve, and expand its housing stock to provide a range of affordable, healthy, and safe housing choices to every resident. The region will continue to promote fair and equal access to housing for all people.

POLICIES

Housing Diversity and Affordability

MPP-H-1 Provide a range of housing types and choices to meet the housing needs of all income levels and demographic groups within the region.

MPP-H-2 Achieve and sustain – through preservation, rehabilitation, and new development – a sufficient supply of housing to meet the needs of low-income, moderate-income, middle-income, and special needs individuals and households that is equitably and rationally distributed throughout the region.

MPP-H-3 Promote homeownership opportunities for low-income, moderate-income, and middle-income families and individuals.

Jobs-Housing Balance

MPP-H-4 Develop and provide a range of housing choices for workers at all income levels throughout the region in a manner that promotes accessibility to jobs and provides opportunities to live in proximity to work.

Centers Housing

MPP-H-5 Expand the supply and range of housing, including affordable units, in centers throughout the region.

MPP-H-6 Recognize and give regional funding priority to transportation facilities, infrastructure, and services that explicitly advance the development of housing in designated regional growth centers. Give additional priority to projects and services that advance affordable housing.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

Best Housing Practices

MPP-H-7 Encourage jurisdictions to review and streamline development standards and regulations to advance their public benefit, provide flexibility, and minimize additional costs to housing.

MPP-H-8 Encourage the use of innovative techniques to provide a broader range of housing types for all income levels and housing needs.

MPP-H-9 Encourage interjurisdictional cooperative efforts and public-private partnerships to advance the provision of affordable and special needs housing.

County Requirements

The Countywide Planning Policies (CPP), in addition to reaffirming the GMA housing goals, require all cities to share the responsibility for achieving a rational and equitable distribution of affordable housing in Pierce County. In accordance with the requirements of the GMA, the Countywide Planning Policies require that Pierce County establish 2022 growth targets and that these targets should be consistent with zoning and infrastructure plans developed by the City. The CPP also establish targets for the provision of affordable housing for all local governments in Pierce County.

The current Pierce County CPP on housing, adopted September 2005, include:

1. The County, and each municipality in the County, shall determine the extent of the need (i.e., the demand) for housing for all economic segments of the population that are projected for the community over the planning period.
 - 1.1 the projection shall be made in dwelling units, by type, provided that the projection may be a range and that the types of dwelling units may be in broad categories, such as single-family detached, single-family attached, duplex, triplex, fourplex, apartments and special housing types;
 - 1.2 the projection shall be reflective of census or other reliable data indicating the economic segments of the population for whom housing needs to be provided, and shall incorporate the jurisdiction's fair share of the County's housing needs;
 - 1.3 the projections shall be reflective of the Countywide fair share housing allocation as shall be established pursuant to federal or state law and supplemented by provisions established in intergovernmental agreements between County jurisdictions.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

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2. The County and each municipality in the County shall meet their projected demand for housing by one or more or all of the following:
 - 2.1 preservation of the existing housing stock through repair and maintenance, rehabilitation and redevelopment;
 - 2.2 identification of vacant, infill parcels appropriately zoned for residential development with assurances that neighborhood compatibility and fit will be maintained through appropriate and flexible zoning and related techniques, such as:
 - 2.2.1 sliding-scale buffering and screening requirements based on adjacent use considerations;
 - 2.2.2 performance standards;
 - 2.2.3 height and bulk limitations;
 - 2.2.4 provision of open space;
 - 2.2.5 front, side and rear yard requirements;
 - 2.2.6 protection of natural resources and environmentally-sensitive lands;
 - 2.2.7 architectural controls and design standards.
 - 2.3 identification of other vacant lands suitable for residential development and permitting sufficient land through zoning to meet one or more or all of the following types and densities, of housing:
 - 2.3.1 multi-family housing
 - 2.3.2 mixed use development
 - 2.3.3 cluster development
 - 2.3.4 planned unit development
 - 2.3.5 non-traditional housing

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

- 2.4 In determining the suitability of the location and identification of sites for affordable housing, the jurisdictions shall consider the availability and proximity of transit facilities, governmental facilities and services and other commercial services necessary to complement the housing.
3. The County, and each municipality in the County, shall assess their success in meeting the housing demands and shall monitor the achievement of the housing policies not less than once every five years.
4. The County, and each municipality in the County, shall maximize available local, state and federal funding opportunities and private resources in the development of affordable housing.
5. The County, and each municipality in the County, shall explore and identify opportunities for non-profit developers to build affordable housing.
6. The County, and each municipality in the County, should explore and identify opportunities to reutilize and redevelop existing parcels where rehabilitation of the buildings is not cost-effective, provided the same is consistent with the Countywide policy on historic, archaeological and cultural preservation.
7. New fully-contained communities shall comply with the requirements set forth in the Growth Management Act and shall contain a mix in the range of dwelling units to provide their “fair share” of the Countywide housing need for all segments of the population that are projected for the County over the planning period.

Buildable Lands

Pierce County and its 23 cities and towns began developing a Buildable Lands Program in 1997 in response to amendments to the Washington State Growth Management Act enacted that same year. The program seeks to establish a coordinated system for collecting and monitoring data regarding growth and development occurring in Pierce County and its cities and towns. The program primarily focuses on evaluating two aspects of growth management – accommodation of projected population growth during the 20-year planning period and the availability of commercial and industrial land for employment purposes. The program is aimed at ensuring greater consistency between local planning efforts under GMA and the growth and development patterns actually occurring in the urban areas of the county and its cities and towns. The timeline for the 2007 Buildable Lands analysis ends in the year 2022 and reflects adjusted population and employment estimates from the Washington State Office of Financial Management.

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Pierce County Draft Countywide Planning Policies (CPP) on Affordable Housing

Communities in Pierce County, through participation in the Pierce County Growth Management Committee (GMCC), agreed that new housing should provide a mix of price ranges and types that meets the affordable housing needs of future residents. These needs are reflected in the proposed new Pierce County Countywide Planning Policies (CPP) on Affordable Housing and the Fair Share Affordable Housing table.¹⁰ The draft CPP methodology suggests Gig Harbor should build 769 affordable housing units by 2022 to meet its Fair Share Affordable Housing target.

GIG HARBOR COMPREHENSIVE PLAN

Gig Harbor is subject to the comprehensive planning requirements of the Growth Management Act. Gig Harbor plans in concert with the Pierce County Countywide Planning Policies and the broader level housing goals in the Puget Sound Regional Council's VISION 2040. Several elements of the Gig Harbor Comprehensive Plan have bearing on the policies and programs related to affordable housing. Areas with very specific influence include the Housing Element, the Land Use Element, and the Economic Development Element. The Housing Element defines the existing housing stock and characteristics. The Land Use Element, in part, defines population, household, and demographic characteristics, both existing and projected. The Economic Development Element defines the current employment conditions and provides policies toward future job growth in the city and its urban growth area. Other elements that affect housing include Capital Facilities, Utilities, and Transportation.

Land Use Element

The Gig Harbor Land Use Element affects housing through the following policies:

2.1.5 Growth Management Priorities

- a) Determine the developable acreage within the urban area and determine population or land use holding capacities and service requirements of the proposed urban growth area.
- b) Provide sufficient land area to accommodate a projected population of 20,750 within the defined urban growth area over the next twenty years at an average net residential density of four to four and one-half dwelling units per acre.

¹⁰ The Pierce County Regional Council (PCRC) began discussing the proposed affordable housing CPP on September 18, 2008.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

c) Ensure sufficient residential capacity to accommodate 10,800 residents by 2022 within the existing city limits.¹¹

2.3.3 Housing Choice

a) Expand residential districts and code definitions to allow a broad range choice of housing types, locations and tenures.

b) Provide housing opportunities for varied types and ages of households to include single-parent and two-parent families, individuals and the elderly.

c) To the extent appropriate, recognize social area specializations by household and age group and provide public services which reflect the area's needs.

Housing Element

Several policies within the Housing Element of the Gig Harbor Comprehensive Plan may have impacts on the City's ability to provide a range of housing types at a mix of costs to ensure an adequate future supply of affordable housing. Global-level goals with direct impacts include:

- GOAL 5.4 Maintain a "no net loss" policy toward affordable housing units.
- GOAL 5.5 Preserve Gig Harbor as a place to live for people of all occupations, incomes and abilities.
- GOAL 5.6 Support Countywide Fair Share Housing Allocations.
- GOAL 5.7 Minimize direct costs of new housing construction.
- GOAL 5.8 Eliminate incentives to build larger homes than are needed for typical sized households in Gig Harbor.
- GOAL 5.9 Minimize infrastructure costs associated with housing development.
- GOAL 5.10 Minimize costs associated with permit processing and approvals by streamlining turnaround time for new applications for affordable housing.
- GOAL 5.11 Provide assistance in minimizing indirect housing costs.

¹¹ The population figures represent the 2007 Pierce County Buildable Lands estimates without adjustment for annexations between 2001 and 2007.

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Economic Development Element

The Gig Harbor Economic Development Element affects housing through the following policy:

6.1.1 Job Creation

- a) Help create employment opportunities within the local economy, particularly for residents who now commute across the Tacoma Narrows Bridge to work. Participate with other public agencies and private interests in marketing projects, labor force training programs, and other efforts to attract new businesses to Pierce County and Gig Harbor Peninsula area.
- b) Determine reasonable jobs to housing balance by coordinating land use and development policies to help achieve the designated balance of adequate affordable housing near employment centers.
- c) Encourage the redevelopment of declining commercial areas through a variety of incentives such as reduced fees for permits or utility connections and the consideration of waivers from land use performance standards, as appropriate.
- d) Establish a “target” population-to-jobs ratio of 2.5:1 as an appropriate, reasonable and attainable balance for the projected population to the year 2014.

DEMOGRAPHIC CHARACTERISTICS

POPULATION TRENDS

The City of Gig Harbor is expected to grow significantly over the next 20 years. As a city planning under the GMA, Gig Harbor must attempt to meet its housing and population allocations as set forth in the 2007 Pierce County Buildable Lands Report. In its July 24, 2008, population estimate, the Office of Financial Management estimated the 2008 population of Gig Harbor at 6,910 residents. Between 2008 and 2022, the city is expected to experience a population increase of 69 percent within the present city limits and 213 percent when the annexation of Gig Harbor’s Urban Growth Area (UGA) is included. Population within the current city limits is expected to increase to 11,675 by 2022. Population within Gig Harbor’s UGA is expected to increase to 9,950 by 2022. With the annexation of the UGA, Gig Harbor is expected to grow from 6,910 in 2008 to 21,625 residents by 2022.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

HOUSEHOLD CHARACTERISTICS

Household Tenure

According to the 2000 Census, the percentage of rental households in Gig Harbor (40 percent) is lower than that of owner-occupied households (60 percent). At 58 percent, single-family homes comprise the largest housing type category. Multi-family housing units in complexes of 3 to 19 units account for approximately 18 percent of the housing stock. Approximately 40 percent of Gig Harbor's housing stock is over 35 years old. Almost 35 percent of the housing stock was constructed since 1990.

Growth Projections

The Washington State Office of Financial Management estimates in 2008 there were 3,301 housing units in Gig Harbor. To meet the population allocation targets of the 2007 Pierce County Buildable Lands Report, Gig Harbor will have to add approximately 2,503 more housing units by 2022. To meet its Fair Share Affordable Housing Allocation, 769 of these must be permanent, dedicated affordable housing units for low- and moderate-income households.

INCOME CHARACTERISTICS

Household Income

Household income is one of the most significant factors affecting housing choice and opportunity. Income largely determines a household's ability to purchase or rent housing while balancing housing costs with the costs of other necessities. Income levels vary considerably among households, affecting preferences for tenure, location, and housing type. While higher-income households have more discretionary income to spend on housing, lower- and moderate-income households are limited in the range of housing they can afford. Typically, as the income of a household decreases, the incidence of housing cost burdening and overcrowding increases.

Table 1 shows the distribution of income in Gig Harbor. The year 2000 data is from the 2000 Census. The years 2008 and 2022 are straight-line projections of household income based on percentages from the 2000 Census. At the time of the 2000 Census, the median income for a household in the city was \$43,456, and the median income for a family was

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\$57,587.¹² The median household income in Gig Harbor in the year 2000 was 4 percent lower than the median for Pierce County as a whole at \$45,204. The median household income in Pierce County today is \$58,903. If the relationship between Gig Harbor and Pierce County is assumed to be the same in 2008 as it was in 2000, the median household income in Gig Harbor is approximately \$56,547.

**TABLE 1
HOUSEHOLD INCOME**

Household Income ³	Households				2000 Percentage
	2000	2008 ¹	2022 w/o UGA ²	2022 w/UGA	
	2,993	3,301	11,675	20,750	100%
<\$10,000	155	171	604	1,073	5.17%
\$10,000–\$19,999	426	469	1,660	2,951	14.22%
\$20,000–\$34,999	646	712	2,519	4,478	21.58%
\$35,000–\$49,999	421	465	1,644	2,922	14.08%
\$50,000–\$74,999	553	610	2,158	3,835	18.48%
\$75,000–\$149,999	587	647	2,288	4,067	19.60%
>\$150,000	205	226	801	1,423	6.86%

¹2008 Population Projection and 2008 Households from Washington State Office of Financial Management

²2022 Population Allocation from the 2007 Pierce County Buildable Lands Report

³2008 and 2022 Household Median Income based on straight-line projections of the 2000 U.S. Census, as compiled by City Data (www.city-data.com)

¹²According to the U.S. Census Bureau, a household includes all the people who occupy a housing unit as their usual place of residence, while a family consists of a group of two or more people who reside together and who are related by birth, marriage, or adoption.

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Table 2 provides the percentage of Gig Harbor residents that are within the very low-, low-, moderate-, and above moderate-income ranges.

**TABLE 2
GIG HARBOR LOW- AND MODERATE-INCOME
HOUSEHOLDS**

2008 Household Income ¹	Households		% of Households
	% of Median Income	Income Range	
Very Low	0–50%	\$0–29,452	30.18%
Low	51–80%	\$29,453–\$47,122	24.87%
Moderate	81–115%	\$47,123–\$67,738	9.24%
Above Moderate	115+%	\$67,738+	35.7%

¹2008 Household Median Income based on straight-line projections of the 2000 U.S. Census, as compiled by City Data (www.city-data.com)

Poverty

The poverty threshold is set nationally and is based on a federally defined level of income for minimum subsistence. The dollar threshold for poverty is adjusted for household size and composition. According to the 2000 Census, 5.9 percent of the population and 3.5 percent of families were below the poverty line. Of the total number of people living in poverty, 7.8 percent were under the age of 18 and 4.1 percent were 65 or older. If this trend holds true, in 2008 there are 408 residents of Gig Harbor with incomes below the poverty line. By 2022, 689 Gig Harbor residents will report incomes below the poverty level.

EMPLOYMENT CHARACTERISTICS

Area Employment Trends

The workforce in the Tacoma metropolitan area encompasses professional, technical, production, transportation, and service occupations. The major employers in Gig Harbor and the surrounding vicinity represent a wide range of employment sectors and generally employ from 75 to over 250 employees. **Table 3** identifies major employers throughout the City of Gig Harbor, as reported by the Gig Harbor Chamber of Commerce.

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**TABLE 3
MAJOR EMPLOYERS IN GIG HARBOR**

Over 250 Employees		
Institutional		
Correctional Department, Women's		
100 to 250 Employees		
Service		
Canterwood Golf & Country Club	Century Tel	YMCA Camp Seymour
Education		
Gig Harbor High School	Peninsula High School	
Retail		
Fred Meyer	QFC	Safeway
Medical		
Cottesmore of Life Care	Gig Harbor Medical Clinic	Manor Care Health Services
Medalia Healthcare	Metagenics	Multicare Urgent Care Center
50 to 99 Employees		
Institutional		
City of Gig Harbor	Peninsula Light Company	Pierce County Fire Dept.
Service		
Heritage Restaurant	Inn at Gig Harbor	Keller Williams Realty
Point of Sale Data Products	Windermere Real Estate	YMCA
Education		
Artondale Elementary School	Goodman Middle School	Harbor Heights Elementary School
Harbor Ridge Middle School	Kopachuck Middle School	Purdy Elementary School
Tacoma Community College		
Retail		
McDonalds	Thriftway	
Medical		
Olympic Pharmacy and Health Services		
Manufacturing and Trades		
Active Construction	Minterbrook Oyster Co.	Transpro
Wade Perrow Construction Inc.		
Pipeline Projects		
New Hospital		

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Senior Housing

Gig Harbor has six major skilled nursing facilities and a handful of smaller licensed residential care homes, which provide care and assistance to disabled and/or elderly residents who are partially self-sufficient. Assisted living is provided mainly in larger facilities with more than 20 units.

The assisted living costs listed below (**Table 4**) are the monthly prices for a private room, where available. The actual cost of care at many homes varies widely and is based on the amount of care that an individual resident requires.

**TABLE 4
SENIOR AND ASSISTED LIVING FACILITIES**

Facility Name	Address	Capacity (persons)	Type of Facility	Price Range (per month)
Clare Bridge at Shoreline View	9324 North Harborview Dr.	38	Alzheimer's Care	\$3,906–\$4,810
Merrill Gardens at Gig Harbor	3213 45 th Street Court NW	78 (units-1 and 2 beds)	Senior and Assisted Living	\$2,045–\$3,895
Olympic Alzheimer's Residence	3025 14 th Avenue NW	60	Alzheimer's Care	\$4,462–\$7,500
Sound Vista Village	6633 McDonald Avenue	40	Senior and Assisted Living	\$2,075–\$2,575
Harbor Place at Cottesmore*	1016 29 th Street NW	100	Senior and Assisted Living	\$2,400–\$4,800
Family First Adult Homes	4700 Point Fosdick Drive NW	24	Senior and Assisted Living	\$5,000
Harborview Senior Center	3315 Lewis Street	5	Senior and Assisted Living	\$3,800
Country Care Manor	10610 Crescent Valley Drive NW	6	Senior and Assisted Living	\$1,500

**As of December 2008, this development will be closing.*

HOUSING NEEDS AND OPPORTUNITIES

WHAT IS THE PROBLEM?

A 2007 Pierce County study conducted by PMC found that housing prices continue to rise while overall household incomes are not keeping up with the cost of housing. Low- and moderate-income groups are experiencing a gap between what they can afford to spend on housing and how much the market is demanding from them. Low-income households are those that earn less than 80 percent of the median income. Moderate-income or “workforce” households are those earning between 81 and 120 percent of the median income. Housing is considered affordable if no more than 30 percent of a household’s income is spent on housing costs.

The median household income for Pierce County is \$58,903 in 2008. The maximum affordable home prices for low-income and moderate-income households are \$141,366 and \$203,214, respectively. The median home price in the first quarter of 2008 in Pierce County was \$265,000,¹³ which requires an annual income of \$88,333. Low-income households could afford a monthly rent maximum of \$1,178, and moderate-income households could afford no more than \$1,693 per month (this would be a household making around 115 percent of median income or \$67,738). There is an affordability gap for both renters and homeowners in Pierce County, including in the City of Gig Harbor.

The affordability gap in Gig Harbor is even more pronounced than it is in Pierce County as a whole. In the nine-month period from January 1 through September 30, 2008, a total of 68 homes sold within the Gig Harbor city limits. The median sales price for these homes was \$405,500. A household would have to make \$135,167 per year to afford the median home sold in Gig Harbor in the first three quarters of 2008. This income amount represents more than 229 percent of the county’s median household income in 2008.

By the end of 2008, the median home price in Gig Harbor and the surrounding peninsula, which tends to have a lower median housing cost, was still \$299,900. Even encompassing more rural areas outside the city and accounting for the recent housing price drop of 11 percent, a median- or lower-income household cannot afford to buy in or around Gig Harbor. The supply of housing units affordable to low- and moderate-income households in Gig Harbor is very limited. **Table 5** represents Pierce County income groups for the first quarter of 2008.

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TABLE 5
2008 PIERCE COUNTY INCOME LEVELS

Pierce County Income Groups	
2008 First Quarter Median Income	\$58,903
Very Low Income (less than 50%)	\$0–\$29,452
Low Income (51-80%)	\$29,453–\$47,122
Moderate Income (81–115%)	\$47,122–\$67,738
Above Moderate Income (115%+)	\$67,738+

Source: WA Office of Financial Management, October 2006

The affordability gap is especially pronounced for very low-income (less than 50 percent of median), low-income (51 to 80 percent of median), and moderate-income (81 to 115 percent of median) households. The people in the low- and moderate-income categories are vital members of the workforce. They include office clerks, security guards, bank tellers, teachers, legal secretaries, pharmacy technicians, and firefighters. Few homes are available at the prices that are affordable to low- and moderate-income families. Consequently, these families experience financial hardships because they are often forced to pay more than 30 percent of their monthly income on housing costs.

WHAT CAN PEOPLE AFFORD?

An affordable housing price is typically estimated to be no more than three times a household's annual income. **Table 6** indicates the most a household can afford to pay for rent and the highest home purchase prices affordable to each income group.

TABLE 6
2008 PIERCE COUNTY INCOMES AND MAXIMUM
HOUSING COSTS

Income Group ¹	Income Ranges	Max. Rent per month ²	Max. Housing Purchase Price ³
Very Low (0–50%)	\$0–\$29,452	\$736	\$88,356
Low (51-80%)	\$29,453–\$47,122	\$1,178	\$141,366
Moderate (81–115%)	\$47,122–\$67,738	\$1,693	\$203,214
Above Moderate (115%)	\$67,738+	\$1,693+	\$203,214+

¹ First Quarter 2008 Median Housing Income

² Thirty percent of monthly income

³ Annual income multiplied by three

¹³ The Washington State University Center for Real Estate Research. WSUCRER data indicates the median home prices in Pierce County in 2006 and 2007 were \$270,000 and \$281,400, respectively. The first quarter of 2008 represented a 6.0 percent fall in median house prices over the 2007 average.

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The information in **Table 7** illustrates affordability from a different perspective. It shows the actual sales prices of homes in Gig Harbor, along with the potential monthly mortgage payment and required income that a household would have to make to qualify for one of these homes. The table assumes a 10 percent down payment, 30-year mortgage, annual taxes and insurance equaling 1.5 percent of the sale price, private mortgage insurance (PMI) of 0.5 percent, and a loan interest rate of 6.03 percent.¹⁴ The total principal, interest, taxes, and insurance (PITI) should be no more than 30 percent of income. As Table 7 illustrates, the current median home price in Gig Harbor requires a yearly income higher than the county median income.

**TABLE 7
COST OF OWNERSHIP IN GIG HARBOR**

Percentile	Price ¹	PITI (10% Down)	Required Income	Income as % of Median HH Income ²
90th	\$586,250	\$4,126	\$195,417	332%
75th	\$500,200	\$3,521	\$166,733	283%
Median	\$405,500	\$2,854	\$135,167	229%
25th	\$300,000	\$2,112	\$100,000	170%
10th	\$204,900	\$1,442	\$68,300	116%

¹ Sales prices for homes sold within the Gig Harbor city limits, January 1 through September 30, 2008. Sales prices and percentiles calculated with data collected from the Multiple Listing Service by Trulia (www.trulia.com).

² Washington State University Center for Real Estate Research, First Quarter 2008 Median Household Income

MARKET SUPPLY VS. DEMAND

Table 8 shows the listing prices of homes for sale in Gig Harbor in mid-October 2008 and the potential monthly mortgage payment and required income that someone would have to make to qualify for one of these homes. The table assumes a 10 percent down payment, 30-year mortgage, annual taxes and insurance equaling 1.5 percent of the sale price, private mortgage insurance (PMI) of 0.5 percent, and a loan interest rate of 6.03 percent.¹⁵

¹⁴ The interest rate reflects the average loan interest rate for Pierce County in the first quarter of 2008 as calculated by the Washington State University Center for Real Estate Research.

¹⁵ The interest rate reflects the average loan interest rate for Pierce County in the first quarter of 2008 as calculated by the Washington State University Center for Real Estate Research.

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TABLE 8
FOR SALE HOMES IN GIG HARBOR

Percentile	Price ¹	PITI (10% Down)	Required Income	Income as % of Median HH Income ²
90th	\$849,860	\$5,982	\$283,287	481%
75th	\$660,000	\$4,645	\$220,000	373%
Median	\$504,475	\$3,551	\$168,158	285%
25th	\$372,500	\$2,622	\$124,167	211%
10th	\$280,500	\$1,974	\$93,500	159%

¹ Sales prices for homes for sale within the Gig Harbor city limits, October 20, 2008. Sales prices and percentiles calculated with data collected from the Multiple Listing Service by Trulia (www.trulia.com). Data does not include an outlier home for sale in excess of \$28 million.

² Washington State University Center for Real Estate Research, First Quarter 2008 Median Household Income

More than 2,400 households, representing 73.5 percent of the Gig Harbor population, can afford a home price of no more than \$225,000, but in October 2008 only four of the 73 homes for sale were available at or below this price. Of those, two were mobile homes, one was a single-family home, and the last was part of a cooperative community. Conversely, there was a greater supply of more expensive homes but fewer households in the market for them. Many more homes (32 units) were available at up to \$450,000, but fewer households could afford this price (226). The median listing price in October 2008 was \$504,475.

HOUSING OVERPAYMENT

Housing overpayment is a problem for low- and moderate-income households because it leaves little income for other necessary expenses. Overpayment is measured by the percentage of monthly income paid out for housing costs. A household is considered “cost-burdened” with respect to housing cost when it spends more than 30 percent of its income on housing expenses. When a household spends more than 35 percent of its income on housing, it is considered “severely cost-burdened.”

Across Pierce County, the 2000 Census found 70 percent of very low-income households paid more than 35 percent on housing and only 2 percent of these households paid between 30 and 34 percent of their income in 2000. One-third of low-income households paid more than 35 percent and 13 percent paid between 30 and 34 percent on housing. The gap narrowed significantly for moderate-income households, 16 percent of which were severely cost-burdened while 10 percent were cost-burdened. Above moderate-income households had fewer incidences of overpayment, with 6 percent spending between 30 and 34 percent on housing and 5 percent spending more than 35 percent of their income on housing costs.

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In the year 2000, approximately 6.3 percent of homeowners in Gig Harbor were cost-burdened and 16.7 percent of homeowners were severely cost-burdened. In that same year, about 12.5 percent of renters were cost-burdened and 28 percent were severely cost-burdened. The following table gives estimates of the number of cost-burdened and severely cost-burdened households in Gig Harbor in 2008 and 2022, based on the 2000 percentages.

**TABLE 9
INCIDENCE OF COST BURDEN**

Cost-Burdened (30–34%)			
Number of Households			
	2000	2008	2022
Owner Occupied	77	208	736
Renter Occupied	159	413	1,459
Total	236	621	2,195
Severely Cost-Burdened (35+%)			
Number of Households			
	2000	2008	2022
Owner Occupied	205	551	3,269
Renter Occupied	356	924	3,269
Total	561	1,476	6,538

OCCUPATIONS AND HOUSING AFFORDABILITY

Many low-income residents work full-time jobs and still cannot afford adequate housing. In fact, many households in the low- and moderate-income categories are employed to perform services a community relies upon, such as teaching, garbage collection, and firefighting. The consequences of a lack of affordable housing can be detrimental to the quality of life of families and the environment. If unable to afford homes near their jobs, families are forced to live farther from their places of employment. They must spend more time commuting and thus spend less time with their families. In addition, they are spending a larger portion of their income on work-related travel expenses. The increase in long commutes also creates more air pollution.

Who are the people in Gig Harbor that are affected by the housing affordability problem? They are a large part of the city’s workforce. Those affected are retired senior citizens, single people, and large and small families. Below are some examples of individuals and families that experience housing affordability gaps using actual Gig Harbor salaries.

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VERY LOW-INCOME HOUSEHOLDS (<\$29,452)

Senior on Social Security

Total Annual Income	\$13,138
Maximum Home Mortgage	\$39,414
Maximum Monthly Rent	\$328



Single woman working full time as an office clerk

Total Annual Income	\$28,562
Maximum Home Mortgage	\$85,686
Maximum Monthly Rent	\$714



LOW-INCOME HOUSEHOLDS: \$29,453–\$47,122

Father, full-time security guard	\$24,981
Mother, full-time physical therapist aide	\$21,741
Three children	
Total Annual Income	\$46,722
Maximum Home Mortgage	\$140,166
Maximum Monthly Rent	\$1,168



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Staff Report 1

Single Mother works full time as a real estate agent

Two children

Total Annual Income **\$38,543**

Maximum Home Mortgage **\$115,629**

Maximum Monthly Rent **\$964**



MODERATE INCOME HOUSEHOLD: \$47,123–\$67,738

Father – medical records technician **\$35,155**

Mother – administrative secretary **\$31,377**

Two children

Total Annual Income: **\$66,532**

Maximum Home Mortgage **\$199,596**

Maximum Monthly Rent **\$1,663**



Father – full-time firefighter **\$60,278**

Mother – stays at home with children

Two children

Total Annual Income **\$60,278**

Maximum Home Mortgage **\$180,834**

Maximum Monthly Rent **\$1,507**



CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

The previous examples of the affordability gap experienced by many members of the Gig Harbor workforce support the idea that the housing affordability problem is not just one of the extremely poor. Families and individuals that work full-time jobs to earn a living are increasingly unable to afford homes. These members of the workforce also happen to be vital to the city’s economic well-being and are essential to the community’s daily functions. Ensuring affordable housing choices for the workforce, which includes low- and moderate-income households, is essential for the long-term vitality of the city and its residents.

NATIONAL TRENDS THAT AFFECT GIG HARBOR’S HOUSING MARKET

This year we are witnessing the dramatic implosion of the national housing market. Many factors contributed to this crisis. A few national studies shed light on aspects of this issue.

In January of 2008, the Center for Housing Policy, the research affiliate of the National Housing Conference, released a study entitled *Paycheck to Paycheck: Wages and the Cost of Housing in America*. The study compared housing costs in 210 U.S. metropolitan areas with the wages earned by workers in 60 occupations. They specifically looked at the five highest growth occupations (registered nurses, retail salespersons, customer service representatives, food preparation workers, and office clerks), in order of growth. Based on median annual income for each high-growth occupation, the study found that homeownership without cost burden (paying in excess of 30 percent of wages for housing) was impossible for all five occupations in the majority of the 210 metro areas studied, including the Seattle area.

**TABLE 10
UNAFFORDABLE HOUSING MARKETS BY OCCUPATION**

Housing Type	Number of Unaffordable Markets for Each Occupation, 2007
Homeownership (201 markets)	<p>#1: Registered Nurses – 108 metro markets #2: Retail Salespersons – all 201 metro markets #3: Customer Service Reps. – 185 metro markets #4: Food Prep. Workers – all 201 metro markets #5: Office Clerks – 196 metro markets</p>
Renting a Two-Bedroom Apartment (210 markets)	<p>#1: Registered Nurses – 0 metro markets #2: Retail Salespersons – all 210 metro markets #3: Customer Service Reps. – 41 metro markets #4: Food Prep. Workers – all 210 metro markets #5: Office Clerks – 94 metro markets</p>

Source: Center for Housing Policy, *Paycheck to Paycheck: Wages and the Cost of Housing in America*, January 2008

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Continuing in that trend, a 2007 eFinanceDirectory report entitled *The Dangerous Disconnect Between Home Prices and Fundamentals* found that national median home prices have increased by more than 45 percent in the last decade (when adjusted for inflation). Median wages per worker have only increased by 10 percent in the same period. This trend means individuals who are making the median household income cannot afford to buy a median-priced home in most markets nationwide. The study also found home prices have far outpaced rent increases, rising 45 percent in the last 10 years. In the same time period, rents, like wages, increased by only 10 percent. Nationally, it now costs 60 percent less to rent than it does to buy. Even as homeownership costs increased, rental rates declined as many new homeowners entered the inflated real estate market.

Finally, an October 2008 report by the Center for Housing Policy entitled *Stretched Thin, the Impact of Rising Housing Expenditures on America's Owners and Renters* examined the cost factors that led to a disproportionate increase in housing costs over other categories of household expenditures. The report analyzed the period from 1996 to 2006. The analysis revealed over that period, a growing share of household income was devoted to housing. By 2006, homeowners nationally devoted 26.2 percent of their income on housing. The same year, renters paid 29.4 percent of their income toward housing costs. The report stated nearly one in six of all households spent more than 50 percent of their income on housing in 2006, well above even the definition for severely cost-burdened at 35 percent.

The *Stretched Thin* report notes the increase in housing expenses between 1996 and 2006 far exceeded increases in other essentials. From 1996 to 2006, all major categories of homeowner expenses increased faster than incomes. For example, while incomes for owner-occupied households rose 36.3 percent, housing expenses increased by an average of \$5,314 (65 percent) during this period, substantially more than food (\$1,413, or 30 percent) and transportation (\$2,126, or 33 percent) and even outpacing healthcare (\$996, or 56 percent). Mortgage payments increased 46 percent, utilities 43 percent, property taxes 66 percent, and property insurance 83 percent. The study found rental costs also increased faster than incomes. Rents increased by 51 percent between 1996 and 2006, while renter incomes increased only 31 percent over the same period.

To some extent, every real estate market is local. However, no area can expect to be unaffected by the issues and trends of the current national housing market and its attendant credit crisis. Gig Harbor mirrors national trends in that the median home for sale far exceeds the buying capacity of the median household. It is also similar to the national trends with respect to rental rates. It is still possible for a household with a median income to find adequate housing in Gig Harbor.

THE NEXT PHASE

The Housing Needs Analysis identified population, income, and housing characteristics and defined the affordability gap in Gig Harbor. PMC recommends a second phase of this project to identify the City's constraints and opportunities for the provision of affordable housing. The outcome of the second phase of this analysis may suggest new policies, amend existing policies or development regulations, and provide recommendations for the implementation of these affordable housing policies and programs. Tasks will include the identification of factors contributing to the future housing needs in Gig Harbor, a review of special needs housing, and an analysis of the governmental and non-governmental constraints to housing development in Gig Harbor.

IMPLEMENTATION OF AFFORDABLE HOUSING GOALS, POLICIES, AND PROGRAMS

The second phase of the work will evaluate possible options to meeting the City's affordable housing goals and policies and the GMA affordable housing requirement. It will identify possible resources and incentives to promote the production and retention of affordable housing. The second phase of work will result in recommendations for new policies and goals. It will suggest means of crafting a program that provides opportunities for developing affordable housing in the community without acting as a constraint to the development of housing. The goal of this type of program is to develop a mix of housing types targeted to different income groups.

Ideally, affordable housing initiatives and programs should be flexible and financially feasible. Possible incentives that may be recommended for inclusion are:

- Financial assistance (based on availability of federal, state, local foundations, and private housing funds);
- Expedited development review;
- Streamlined development application processing;
- Modification of development requirements, such as reduced parking standards for seniors, assisted care, and special needs housing on a case-by-case basis; and
- Other incentives that meet the intent of the City's mixed-income housing provision identified via the City-sponsored stakeholder meetings.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

Staff Report 1

The program may also recommend potential affordability terms, possible restrictions on “for sale” units, rental units, and overall enforcement of this program.

SCOPE OF WORK

The City must consider several factors in its determination of the appropriate policies, code revisions, and programs to support its affordable housing goals. The second phase of the project must delve more deeply into the future development potential of affordable housing in Gig Harbor. To accomplish this, the next phase of this process should include an analysis of the following factors.

Factors Contributing to the Future Housing Needs of Gig Harbor

This second phase of the process should provide a more thorough analysis of the existing housing characteristics, types, affordability, and tenure. Specific areas of research and analysis should include an analysis of where low- and moderate-income households reside in Gig Harbor. Factors to consider are the present distribution of population into mobile home parks, multi-family housing, for-rent single-family homes, group homes, special needs homes for the disabled and elderly, and existing dedicated affordable housing projects. The second phase must look at the availability of each of these housing options in terms of quantity of units, size of units, and housing affordability. This evaluation must also include an analysis of proposed projects and potential locations for new or rehabilitated affordable housing.

Aging in Place

Gig Harbor’s senior population comprises approximately 20 percent of its residents. The U.S. Census shows an average tenure for all households in Gig Harbor at 7 years. Turnover among Gig Harbor’s homeowners is relatively infrequent. Given this fact, there is evidence to suggest Gig Harbor may have a significant percentage of homeowners who bought homes prior to the housing price run-up earlier in the decade. Many of these homes may be worth much more today, even with falling house prices, than these homeowners could afford to pay at today’s market prices. The next phase of this work should attempt to identify cases in which a home may not be affordable at today’s rates, but is affordable by virtue of having been purchased when housing prices were lower. The study should also provide recommendations for preserving this housing as affordable for those residents who choose to age in place.

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Gentrification

Gentrification is a demographic shift in an area as higher-income residents move to previously affordable neighborhoods. As incomes in an area rise, home prices tend to increase. Eventually, gentrification can lead to the displacement of existing residents as increased property values drive up property taxes and other housing-related services and costs. The high median home price coupled with a lower median household income suggest gentrification may be a serious concern in Gig Harbor, particularly as the children of long-time residents seek to establish their own homes. The next generation of Gig Harbor natives may not be able to afford to live in their hometown.

Special Housing Needs

Household groups with special needs include seniors, mentally and physically disabled persons, large families, female-headed households, agricultural workers, and homeless persons. Households with special housing needs often have greater difficulty finding decent and affordable housing. As a result, these households may more frequently experience cost burdening, overcrowding, and various other significant housing problems. The second phase of this project should include a more in-depth analysis of the number of residents with special housing needs, their level of need, the type of housing available today at affordable and market rates, and the unmet need for special needs households today and in the future.

Disabled Persons

Disabilities include, but are not limited to, physical and mental disabilities. Some physical, mental, or developmental disabilities may prevent a person from working, restrict a person's mobility, or make caring for oneself difficult. Therefore, disabled persons often have special housing needs related to their potentially limited earning capacity, their need for accessible and affordable housing, and the higher health costs associated with their disabilities. Additionally, people with disabilities require a wide range of housing choices, based on the type and severity of their disability. Housing needs can range from institutional care facilities to facilities that support partial or full independence (e.g., group care homes). Supportive services such as living skills training and employment assistance may need to be integrated into the housing situation. Housing may need to be physically accessible as well, to accommodate people with physical disabilities. Examples of accessible features in housing include widened doorways and hallways, ramps, bathroom modifications (e.g., lowered countertops, grab bars, adjustable showerheads), and special sensory devices including smoke alarms and flashing lights. The next phase of the analysis should review whether there is housing available to accommodate a range of disabilities and assistance needs as well as incomes.

Senior Households

Senior households have special housing needs primarily as a result of physical disabilities or limitations, reduced incomes, and increased health care costs. Senior households may also need in-home support services, assistance with personal care and financial affairs, and networks of care to provide a wide variety of services and daily assistance. About 20 percent of Gig Harbor residents are aged 65 or over. As the state and national population continues to age, the distribution of seniors in Gig Harbor may also increase. The next phase of this analysis should analyze the need for future senior housing, both affordable and market-rate.

Single-Parent and Female-Headed Households

Single-parent households are male- or female-headed households with children under the age of 18 living at home. Single-parent households generally have lower disposable incomes than two-parent households, meaning that their necessary expenses are a larger portion of their total incomes. Therefore, finding affordable, decent, and safe housing is often more difficult for single-parent and especially female-headed households. Single-parent and female-headed households may also have special needs involving the availability of daycare or childcare, health care, and other supportive services.

Large Family Households

Large family households are defined as households containing five or more persons. They are considered a special needs group because there is a limited supply of adequately sized housing to accommodate their needs. Generally, as the number of household members increases, the number of bedrooms needed to accommodate the household also increases. For example, a five-person household would require three or four bedrooms, and a six-person household would usually require four bedrooms. According to the 2000 Census, 5 percent of all households in Gig Harbor included five or more persons. In 2008, approximately 168 households were large family households.

Governmental and Non-Governmental Housing Constraints

Various interrelated factors may constrain the ability of the private and public sectors to provide adequate housing that meets the housing needs for all economic sectors of the community. These constraints can be divided into two categories: governmental and non-governmental. Governmental constraints consist of land use controls, development standards, processing fees, development impact fees, code enforcement, site improvement costs, development permit and approval processing, and provision for a variety of housing. Non-governmental constraints include land availability, environment issues, vacancy rates, land cost, construction costs, and availability of financing.

CITY OF GIG HARBOR HOUSING NEEDS ASSESSMENT

National Housing Trends

No analysis of housing needs performed today or in the next several years can ignore the effects of national housing trends. Nationwide, and in Pierce County specifically, foreclosure rates are historically high. This trend will undoubtedly change the housing landscape and reorder priorities for the provision and preservation of both affordable and workforce housing.

IN SUMMARY

Gig Harbor has many challenges ahead to be successful in providing workforce and affordable housing in today's climate. Though housing prices will exceed the ability of the median household to afford, there is still affordable housing to be found in the Gig Harbor rental market. Housing prices are adjusting downward in response to the end of the housing bubble. However, Gig Harbor is unlikely to see price drops that are significant enough to bring the cost of homeownership within reach of most households.

This Housing Needs Assessment provides a basis for identifying the affordable housing gap in Gig Harbor. The next step will be to delve more deeply into the various components of the affordable housing challenge. The second phase will provide a comprehensive review of the types of households that need affordable or special needs housing and the factors contributing to the future housing needs in Gig Harbor, including national trends, and identify the governmental and non-governmental constraints affecting the provision and preservation of affordable housing in the city. The second phase will review current affordable housing developments and Gig Harbor's goals, plans, and policies to provide a mix of housing types and price points. It will identify possible resources and incentives to promote the production and retention of affordable housing. It will also result in recommendations for new policies and goals and suggest a means of crafting a program that provides opportunities for developing affordable housing in the community.