

Gig Harbor City Council Meeting

**March 8, 2010
5:30 p.m.**



REVISED AGENDA FOR
GIG HARBOR CITY COUNCIL MEETING
Monday, March 8, 2010 – 5:30 p.m.

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of February 22, 2010.
2. Receive and File: a) GHPD Year-end Report.
3. Liquor License Actions: a) Renewals: Water to Wine; Costco; Eagles; Gig Harbor 76; Il Lucano; Tokyo Teriyaki; Judson Street Café; Gateway to India; Hot Iron 750; Gourmet Essentials; and Tides Tavern. b) Special Occasion – St. Nicholas Catholic School. c) Change: The Green Turtle.
4. Correspondence/Proclamations: none
5. Resolution – Surplus Equipment.
6. Thurston Lane.
7. 2010 Traffic Model Update, 2010 Capacity Availability Report – Consultant Services Contract - PTV America, Inc.
8. Pierce County Storm Water Mapping Inventory Annual Service Agreement.
9. Street Names – Hunt Highlands Residential Development.
10. Wastewater Treatment Plant Phase 1 – Change Order No. 2.
11. Amendment to Contract for Specialized Attorney Services/Environmental - Salter Joyce Ziker, PLLC.
12. Eddon Boat Dock Reconstruction Project – Engineering Contract.
13. Approval of Payment of Bills for March 8, 2010: Checks #63040 through #63192 in the amount of \$1,232,427.05.
14. Approval of Payroll for the month of February: Checks #5649 through #5661 and direct deposit transactions in the total amount of \$337,894.56.

OLD BUSINESS:

1. Second Reading of Ordinance – Providing for the Issuance and Sale of Water and Sewer Revenue Bonds.
2. Nomination to Pierce Transit Board of Commissioners.

NEW BUSINESS:

1. First Reading of Ordinance – Revising Grease Interceptor Ordinance 1107 to Reflect Uniform Plumbing Code Update.
2. First Reading of Ordinance – Establishing a Process for Street Latecomer Agreements.

STAFF REPORT:

1. Wastewater Treatment Plant Clarifier No. 4.
2. Path Forward for Skansie/Jerisich Parks and the PROS Plan.

PUBLIC COMMENT:

MAYOR'S REPORT / COUNCIL COMMENTS:

1. Pierce Conservation District 2009 Municipal Partner Award.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Finance / Safety Committee: Mon. Mar 15th at 4:00 p.m.
2. Operations Committee: Thu. Mar 18th at 3:00 p.m.
3. Gig Harbor's Traffic Demand Model Presentation: Thu. Apr 8 from 8:30 a.m. to noon.

EXECUTIVE SESSION: For the purpose of discussing pending and potential litigation per RCW 42.30.110(1)(i); for the purpose of discussing a personnel issue and Guild Negotiations per RCW 42.30.140(4)(a).

ADJOURN:

MINUTES OF GIG HARBOR CITY COUNCIL MEETING - FEBRUARY 22, 2010

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

CALL TO ORDER: 5:33 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of February 8, 2010.
2. Receive and File: a) 2009 Fourth Quarter Finance Report.
3. Dept. of Licensing - Renewal of Interlocal Agreement for Business Licensing.
4. Appointment to the Parks Commission.
5. Pierce County Dept. of Emergency Management Communications Agreement.
6. Paladin Interlocking Web Portal and Dashboard Interface Contract.
7. Pierce County GIS Orthophotography Services Agreement Renewal.
8. Washington State Historical Society Agreement for the Reconstruction of the Eddon Boat Dock.
9. 56th & Pt. Fosdick Frontage Road Improvement Project – Cultural Resources Assessment.
10. Harborview Dr. & Stinson Ave. Water Main Replacement Project / Consultant Services Contract.
11. Approval of Payment of Bills for February 22, 2010: Checks #62945 through #63039 in the amount of \$691,424.71.

Councilmember Ekberg requested that Consent Agenda item #6 be pulled for discussion at the next Finance Committee meeting. Councilmember Franich requested that Consent Agenda item #10 be moved to New Business for discussion.

MOTION: Move to adopt the amended Consent Agenda with Consent Agenda item #6 pulled for discussion at the next Finance Committee meeting and Consent Agenda item #10 moved to New Business.
Young / Ekberg – unanimously approved.

PRESENTATIONS:

1. Pierce Transit Update on the System Redesign. Pierce Transit Community Relations Representative Lind Simonsen presented information on the significant impacts to Pierce Transit's budget created by the downturn of the economy. Mr. Simonsen stated that Pierce Transit has been working hard to get the word out to the different communities in Pierce County. The impacts will be realized in 2012 with a 50% reduction in service hours, span of service, frequency and coverage. 28 routes are proposed to be eliminated, specifically Route 100 that serves the Key Peninsula area. A public meeting has been scheduled at Gig Harbor Civic Center on March 29th from 6:00-7:30 pm and Pierce Transit will be sending out post cards to notify the residents in

the greater Gig Harbor area. A special planners meeting is scheduled for March 5 at the Pierce Transit facility. .

OLD BUSINESS: None scheduled.

NEW BUSINESS:

1. Public Hearing and Resolution – Development Agreement for the RITA Plat. Senior Planner Peter Katich presented background information for a resolution to approve a development agreement that would allow for a two-year extension to the March 2, 2010 expiration date for the Final Plat Approval. The 25-lot subdivision was annexed into the city with the recent Burnham Sehmel Annexation. The Preliminary Plat was approved by Pierce County in 1999. The Development Agreement would allow the completion of the city's Final Plat Approval process for the subdivision.

Mayor Hunter opened the public hearing at 6:12 p.m.

Walt Smith – PO Box 1272, Gig Harbor. Mr. Smith, property owner spoke in favor of the Development Agreement. Mr. Smith stated that he purchased this property through a variety of difficult circumstances five days ago, whereby the developer skipped out on his son for a \$980,000 debt who was hired to develop the site. The infrastructure was ninety percent complete in October 2008. The site has been regraded and the infrastructure will be completely installed by mid April 2010. The roads and ponds are private and will have no impact to the city. He gave kudos to city staff in cooperation for helping this go forward.

The Council discussed the setbacks, density and specific concerns about zero lot lines in a R1 zone. Councilmember Young asked if additional language could be added to the Development Agreement. City Attorney Belbeck she could put something in the Development Agreement to that effect, but also stated that it is a given that we abide by the latest minor amendment that was approved by Pierce County in September 2004. She further clarified that this is part of their current approval that we are relying on right now. She added that she could add additional language to the Development Agreement to highlight this.

MOTION: Move to authorize the Mayor to execute the Development Agreement on behalf of the city.
Payne / Malich -

AMENDMENT: Move to authorize the Mayor to execute the Development Agreement on behalf of the city with language added to the Agreement to ensure that the latest 2004 minor amendment of this plat be used to ensure that zero lot line development is not permitted.
Young / Ekberg – six voted in favor. Councilmember Franich voted no.

Councilmember Franich stated that this development does not meet the criteria for R1 development. He further stated that the rear yard setback and critical area is considerably less than Gig Harbor's code. The vegetated buffer along the whole parcel is inadequate to city standards.

RESTATED

AMENDMENT: Move to approve Resolution No. 825 authorizing the Mayor to execute the Development Agreement on behalf of the city with language added to the Agreement to ensure that the latest 2004 minor amendment of this plat be used to ensure that zero lot line development is not permitted.

Payne / Young – six voted in favor. Councilmember Franich voted no.

Mayor Hunter closed the public hearing at 7:03 p.m.

2. First Reading of Ordinance – Water/Sewer Revenue Bonds. Finance Director Dave Rodenbach presented background of the draft ordinance that provides for the issuance and sale of revenue bonds. He explained that the proceeds of these bonds will be used to fund the completion of the wastewater treatment plant Phase 1 and pump station as well as water system improvements. Mr. Rodenbach introduced the city's bond counsel Dave Traegeser and Cynthia Weed to provide additional information and background and address any questions. Mr. Rodenbach said that this will return for a second reading at the next meeting on March 8th.

3. WWTP Clarifier No. 2 – Plans, Specifications and Engineering Contract. City Engineer Steve Misiurak presented for approval a contract amendment with Cosmopolitan Engineering Group for the final design and preparation of plans, specifications, and related construction management services during construction for the additional fourth clarifier. There was a lengthy question and answer discussion period with Council and staff.

MOTION: Move to authorize the Mayor to execute the contract amendment with Cosmopolitan Engineering Group in an amount not-to-exceed \$153,019.00.

Ekberg / Young – unanimously approved.

4. Harborview Dr. & Stinson Ave. Water Main Replacement Project / Consultant Services Contract. City Engineer Steve Misiurak presented background for the replacement of the problematic water main on Harborview and Stinson. He explained that the consultant services contract would provide for permitting assistance and final design and preparation of bidding documents. Construction management and inspection will be performed by city staff.

Councilmember Franich had originally requested that this item be pulled from the Consent Agenda and stated that he recognized that this is a time sensitive project but

felt that city staff is well acquainted with the water main and the Public Works crew have a real understanding of the depths and locations of the lines due to the numerous waterline breaks. He further added that this design contract is a large sum of money to pay out and he does not see the need for it. He added that city staff should be making the time to do the design work.

Councilmember Young asked if city staff had the time to do the design work. Mr. Misiurak stated that 2010 is largest capital program undertaking that the city has had. He further stated that staff would like to do the design in house but because of the timeliness and resources to undertake this, it is not possible due to the complexity of the project.

City Administrator Rob Karlinsey said that because this is such a big project dollar wise, construction cannot be done in house and has to bid it out. He further explained that anytime that we bid something out, the amount of work and detail that has to go into the plans and specifications goes up quite a bit. He further added that in order to provide this high level of detail would be a large amount of work and time on staff's part.

Councilmember Payne commented that as a direct result of a 'run to failure' asset that never should have been allowed to be in such condition by the past administration, delaying the design of the project until the fall when staff might have the time to do this work is a poor idea. He further stressed that we owe it to the citizens of the community to do fix this situation now. More discussion with Council and staff ensued.

MOTION: Authorize the Mayor to execute a consultant services contract with Murray, Smith and Associates, Inc. for an amount not-to-exceed \$149,528.00.

Ekberg / Payne – six voted in favor. Councilmember Franich voted no.

STAFF REPORT:

1. Title 15 Building Code Update. Dick Bower, Building/Fire Safety Director thanked Council for approving the design contract for the water main stating that it will be a big benefit for public safety. Mr. Bower gave an overview of the most significant changes to the State Building Code and said that there will be no new fees as a result of this update. He reported that he will present the Building Code Update at the next Planning and Building Committee meeting and present a first reading of the ordinance on March 22nd.

2. Street Latecomer's Ordinance. Rob Karlinsey reported that the information for this staff report had not been ready in time to be included in the Council packet and copies were distributed on the Council dais prior to the meeting. He said that there is no discussion needed at this time and an ordinance would be presented as a first reading on March 22nd. This ordinance will put the responsibility on the developer to initiate as well as propose a model for the City to consider.

Councilmember Franich said that he remembered that this item was presented to the Operations and Public Projects Committee last year in relation to Franciscan Health Systems (FHS) for the St. Anthony's Hospital site. He stated that he believes that the city has met its obligation and asked that the language from both the FHS and Huber Development Agreements be distributed to the rest of the Council. He also requested a copy of the minutes from the Operations & Public Projects Committee Meeting.

3. Public Outreach for Outfall and Harborview Water Main Replacement from Pioneer Way to Tides at Soundview Drive. Rob Karlinsey gave kudos to staff for a good job in getting the word out for these upcoming projects. He reported that the Harborview Water Main project will begin on March 1st, with construction taking place at night and early morning. The work will be completed by the Public Works crew and is scheduled to be completed in three weeks, weather permitting.

PUBLIC COMMENT: none

MAYOR'S REPORT / COUNCIL COMMENTS:

Reprogramming of Stimulus Dollars. Councilmember Young reported that Puget Sound Regional Council through Pierce County Regional Council is reallocating stimulus funds. The City was on the list and missed receiving funding by one however the city will be kept in mind for the next opportunity.

Rob Karlinsey reported that the city is in line for another funding opportunity for \$750,000 and has a good chance of getting it. These funds are to be utilized for overlays. He further reported that there is a new round of a jobs bill in the Senate. This jobs bill is much more programmed at preservation and pedestrian improvements. The PCRC should receive \$30M, so we may have another shot within the next couple of months. Mr. Karlinsey thought that the sidewalk gap between the library and Briarwood at Point Fosdick would be eligible and a good use of these funds.

Washington, DC Trip. Councilmember Payne stated that he and Councilmember Young are flying back to Washington DC on February 23rd for a visit with our Congressional team, Senators Murray, Cantwell and Dicks. They will be presenting the Cushman Trail project, which is the .9-mile remaining portion of the trail that has not yet been constructed. The project is already designed and permitted by Pierce County who is unable to construct it due to budgetary constraints. Mayor Hunter asked Councilmembers Payne and Young to extend a big heartfelt thank you to the Senators for the Donkey Creek funding.

Pioneer and Harborview Crosswalk. Councilmember Ekberg thanked Staff for their creative cost savings solution at the Pioneer and Harborview intersection.

Eddon Boat Dock Project. Councilmember Franich thanked staff for their fiscally responsible numbers for this project and added that it was refreshing.

Board of Commissioners for Pierce Transit - Nomination. Mayor Hunter asked if any councilmembers were interested in being nominated for a position on this board. Two councilmembers expressed interest; however, the Pierce Transit board meets on the same dates as the City Council meetings. The meetings begin at 4:00 p.m. in Lakewood. Councilmember Young wanted to know the typical duration of these meetings. Staff would get back to him on this matter. Mayor Hunter stated that he would move the nomination to the next meeting.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Joint Council / Parks / Skansie/Jerisich Ad Hoc Workstudy Session – Mon. March 1st at 5:30 p.m.

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

MOTION: Move to adjourn to Executive Session at 8:00 p.m. for the purpose of discussing potential litigation per RCW 42.30.110(1)(i) for approximately 15 minutes:

Franich / Conan – unanimously approved.

MOTION: Move to return to regular session at 8:15 p.m.

Franich / Conan – unanimously approved.

ADJOURN:

MOTION: Move to adjourn at 8:15 p.m.

Katich / Malich – unanimously approved.

CD recorder utilized: Tracks 1003 – 1015

Charles L. Hunter, Mayor

Molly Towslee, City Clerk



POLICE

TO: MAYOR CHUCK HUNTER AND CITY COUNCIL
FROM: CHIEF OF POLICE MIKE DAVIS *(Signature)*
SUBJECT: 2009 4th QUARTER/YEAREND COUNCIL REPORT
DATE: MARCH 8TH, 2010

This last year was a very challenging year as we worked our way through staffing issues and severe budget restraints. For a couple months we had four officers off work; which made covering our shifts a real challenge. Thanks to all of our staff who remained committed to our mission to provide exceptional law enforcement services during these difficult times. I am proud of our commitment to community safety and I am confident we will continue to work together in the coming year so that our city remains safe and while at the same time maintaining the high quality of life that our community has come to expect.

Some of our most notable accomplishments in 2009 included:

- Received a COPS CHRP in the amount of \$283,000 to recover one of our two commissioned officer positions set to be laid off in 2010
- Received a DOJ JAG grant in the amount of \$11,322.00 which was used to purchase four new desktop computers and seven remaining in car printers and scanners for our SECTOR program
- Implemented our Evidence on Q program which allows the use of a scanner and software platform to track evidence and property
- Implemented a Narcotic K-9 program funded by drug seizure funds and community donations. K-9 Officer Chet Dennis and K-9 Maher completed their training in February
- Applied for and was awarded a Safer Boating Grant from the Washington State Parks and Recreation for \$13,802
- Received a \$10,000 grant from the Washington Traffic Safety Commission to conduct a series of Party Intervention Patrols
- Completed the implementation of our wireless in-car video transfer system utilizing drug seizure funds
- Installed a audio and video recording system in one of our interview rooms utilizing drug seizure funds
- Completed our 5th Annual "Shop with a COP" program where we provided 16 needy children in our community with a Christmas shopping spree. Each child was teamed up with a police officer and provided \$360.00 in spending money. This program was funded by donations from the community and our Jaycox Gig Harbor Police Benevolent Fund.
- Our foundation, The Jaycox Gig Harbor Police Benevolent Fund received a \$4,500.00 donation from a Canadian law enforcement agency that took

possession of one of our foster police dogs. The foster dog program was created and administered by K-9 Officer Chet Dennis. The program involved taking a litter of German Shepard pups belonging to Chet and assigning them to members of our community that wanted to learn about training Police K-9s. Chet spent several weeks working with these families and dogs. One of the dogs proved to be highly suitable to receive additional training to become a Police K-9. He was sent through the narcotics K-9 training with Chet's dog Maher last February. Chet eventually learned an agency in Canada was looking for a Narcotic K-9. The dog eventually worked out and the payment/donation was received last month. This money will be used to help support our current Narcotics K-9 program.

- We entered into a partnership with the Gig Harbor Soroptimist's Club in providing a safe house for victims of Domestic Violence. The program is called "Project Safe Harbor" and is funded by our police foundation, the Jaycox Gig Harbor Police Benevolent Fund and the Soroptimist's Club. Victims are provided a backpack with toiletries and other items necessary to hold them over until they can get stabilized with their living arrangements. Up to two nights lodging is provided at a local hotel. We used the program two times in 2009.

DEPARTMENTAL ACTIVITIES SUMMARY

- 2009 year end **calls for service** when compared to 2008 year end **calls for service** show a decrease in calls for service of 47. This decrease isn't surprising because much of this past year we have been working with reduced staffing. With fewer officers working-- discretionary police actions (i.e. on-view arrests and traffic enforcement) are normally reduced.
- In 2009 we have had 26 more **reports written** by our officers than in 2008.
- **DUI arrests** in 2009 were down by 32 compared to 2008. Our **traffic infractions** in 2009 were down by 25; and our **criminal traffic citations** increased by 78 in 2009.
- Our **traffic accidents** in 2009 decreased by 62 accidents when compared to 2008. I have talked with other jurisdictions and they have also noticed the same decrease in traffic accidents. I believe some of this decrease can be attributed to people driving less due to the economy.
- 2009 statistics show our **misdemeanor** arrests increased by 12 and our **felony arrests** are down by 57 when compared to 2008.

Category	2009 YTD					
	December 2008	December 2009	Change	YTD 2008	YTD 2009	Change
Calls for Service	683	677	-6	8080	8033	-47
General Reports	130	136	6	2008	2034	26
Criminal Traffic	16	21	5	286	364	78
Infractions	92	56	-36	1409	1384	-25
Criminal Citations	8	28	20	216	211	-5
Warrant Arrests	1	4	3	68	40	-28
Traffic Reports	16	10	-6	199	137	-62
DUI Arrests	1	7	6	88	56	-32
Misdemeanor Arrests	29	41	12	492	504	12
Felony Arrests	8	0	-8	111	54	-57

MARINE UNIT: 2009 was the first year utilizing our new 21" Safe boat. All MSU officers were trained in its operation. We are pleased to announce there were no accidents involving the patrol boat in 2009. With our new patrol boat being moored in the harbor permanently we are now available to respond to emergencies 24/7.

In 2009, the Marine Services Unit accounted for the following hours and activity:

- Patrol Hours: 370
- Written Inspections: 81
- Boating Complaints (responded to): 4
- Search & Rescue calls: 14 (one body recovery)
- Boater Assists (tows etc...): 23
- Verbal Warnings: 155
 - 111 for speed or wake violations
 - 44 for equipment or license violations
- Dispatched Calls: 21
- Boating accidents investigated 1

Annual Gig Harbor events that MSU participated in included:

- Provided on-water security and assistance with the annual "Blessing of the Fleet" event
- National Night Out Against Crime
- Gig Harbor Lighted Boat Parade

RESERVE UNIT: Reserves Lori Myers and Ed Santana continued to support our regular officers in 2009 serving as the second officer in two person cars. They have also been very helpful and supportive during a host of summer activities and special details this past year. Our newest reserve officer, Adam Blodgett, who is a former Explorer with our department, graduated from the Reserve Academy in December. All total, our reserves donated 489 hours assisting our department in 2009. These hours equate to a total wage and benefits cost of over \$25,000.

Events during 2009 the Reserve Unit participated in were:

- Maritime Festival- June
- Sex Offender Monitoring Program- ongoing throughout the year
- Residential Burglary Search warrant- assisted with processing evidence on a major case
- Assisted with our Party Intervention Patrols (PIP)
- Assisted with our Bridge to Bridge DUI Emphasis patrol in August
- National Night Out
- Shop with a Cop program

EXPLORERS UNIT: During 2009, the Explorers volunteered approximately 400 hours of community service. They provided overnight security for the Art Festival as well as Tide Fest. During the Maritime Festival Explorers helped with traffic control for the parade, then manned their dunk tank for the "Dunk a Cop Fundraiser ". This event raised \$1010 for the Post! In August Jennifer Moots was selected to attend the 2009 National Law Enforcement Explorers Leadership Academy in Washington DC sponsored by the US Marshal's Office. She was one of 30 Explorers selected out of the whole country. At the end of 2009 we were up to 11 Explorers, and we are now at maximum capacity with 15 Explorers and 3 on the wait list.

COPS (Citizens Offering Police Support): Currently, our (C)itizens (O)ffering (P)olice (S)upport Volunteers staffing is at four active personnel.

In 2009, the GHPD C.O.P.S. Volunteers put in a combined 735.5 hours. During this year, they took on additional duties that included disabled parking enforcement (actually writing parking tickets for this violation) and partnering with the planning department to assist with sign code enforcement to alleviate some of their manpower shortages. One of our volunteers offered the use of his powerboat to assist our Marine Services Unit with some on-the-water training.

In the near future, they will be involved with household security surveys, residential vacation checks and increased administrative support.

Our long-term goal is to host a Volunteer Summit that will be available to law enforcement volunteers from around the state. The idea here is to provide some training and exchange ideas with other volunteers as we learn how they help their communities.

NARCOTIC K-9 PROGRAM: The major funding source for our Police K-9 program is drug seizure funds. Our police foundation, the Jaycox Gig Harbor Police Benevolent Fund is being used to assist with additional financial support. In November Officer Dennis and K-9 Maher joined the Pierce County Metro K9 Team. This has provided enhanced training opportunities.

In 2009, Officer Dennis and K-9 Maher had 24 deployments with alerts seizing the following contraband:

- 735.5 grams of marijuana with a street value of \$8,400.00
- Trace amounts of Meth along with several scales and pipes
- 15 prescription pills of Hydrocodone
- A quarter pound of marijuana
- One stolen .38 caliber pistol
- One vehicle was seized
- \$3,453.00 in cash

Chet and K-9 Maher provided four community presentations. Our drug unit, which consists of 2 officers, identified 82 drug dealers and confiscated \$8,500.00 in cash in 2009. They also made 26 felony drug arrests.

2009 Year end Crime Mapping Report (see table below)

As you can see the crime of theft is up-- most notably our non-residential burglaries (commercial burglaries) are up by 55%. The sale and manufacture of drugs is also up. This can be attributed to an increased enforcement effort on behalf of our drug unit. This is not as bad as it could be considering that the economy is taking longer than we would like to recover. Another factor that tends to increase crimes, especially property crimes is the unemployment rate. Our local unemployment rate continues to be close to 10%.

Crime Category	Year 2008	Year 2009	% Change
ASSAULT AGG	5	4	-20%
ASSAULT NON	79	66	-16%
BURGLARY NR	20	31	55%
BURGLARY R	22	30	36%
DRUG-METH POSS	8	3	-63%
DRUG-METH S/M	1	1	0%
DRUGS POSS	90	57	-37%
DRUGS S/M	13	20	54%
FRAUD/FORG	86	91	6%
INTIMIDATION	22	16	-27%
KIDNAP	1		-100%
LIQUOR	52	42	-19%
ROBBERY	5	4	-20%
SEX OFF	10	6	-40%
THEFT	169	194	15%
THEFT MAIL	2	5	150%
THEFT NR	22	27	23%
THEFT R	5	9	80%
TRAFFIC	610	598	-2%
VANDALISM NR	10	6	-40%
VANDALISM R	169	137	-19%
VEH PROWL	122	118	-3%
VEH RECOVERY	12	5	-58%
VEH THEFT	25	17	-32%

GHPD Response Times
2009

	P1	P2	P3
January	4.6	6.6	11.6
February	4.4	6.5	10.2
March	2.99	6.33	8.86
April	7.84	7.06	8.04
May	3.81	7.51	9.58
June	5.39	7.35	8.38
July	3.68	6.78	8.69
August	1.56	6.52	8.86
September	5.95	6.5	10.94
October	1.69	6.55	8.71
November	2.63	7.82	10.19
December	3.97	8.03	10.21
Totals	48.51	83.55	114.26
Minutes	4.04	6.96	9.52

To the left are our officer response times for our Priority 1, 2 and 3 calls for 2009. Priority 1 calls are the most serious calls and usually involve an in-progress crime. Our 2009 end of year average response time to all calls was 6.84 minutes. Our goal is to respond to Priority 1 calls within 4 minutes 90% of the time. We are very close to this standard with our 2009 YTD police response time to Priority 1 calls standing at 4.47 minutes.

Below are our 2009 performance measures and workload indicators. As indicated earlier, our 2009 workload measures saw an overall slight decrease. One area that saw a slight increase was the requests for service at our front desk. We also saw a slight increase in our overall response times.

2009 Performance Measures

	2008 4 rd Qtr	2009 4 rd Qtr	2008 Actual	2009 Actual
% of citizens who feel safe in general according to survey	n/a	n/a	n/a	80%
UCR Violent crimes per 1000 population	n/a	n/a	1.9	*
UCR Property crimes per 1000 population	n/a	n/a	50.09	*
Average police emergency response time in minutes	6.9	6.64	6.67	6.84

2009 Workload Measures

	2008 4 rd Qtr	2009 4 rd Qtr	2008 Actual	2009 Actual
Number of dispatched calls for service	1371	1289	8206	8033
Number of office walk in requests for service	656	666	2311	2529
Number of cases assigned for follow-up	64	43	242	232
Number of police reports written	315	360	2088	2034

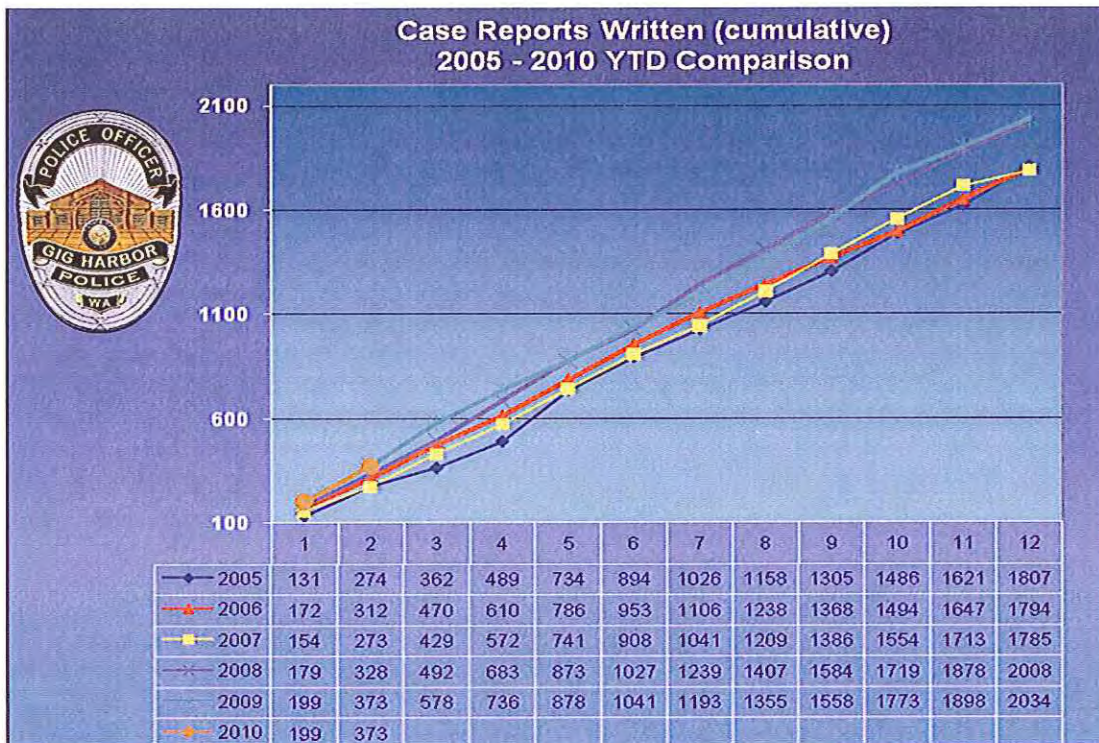
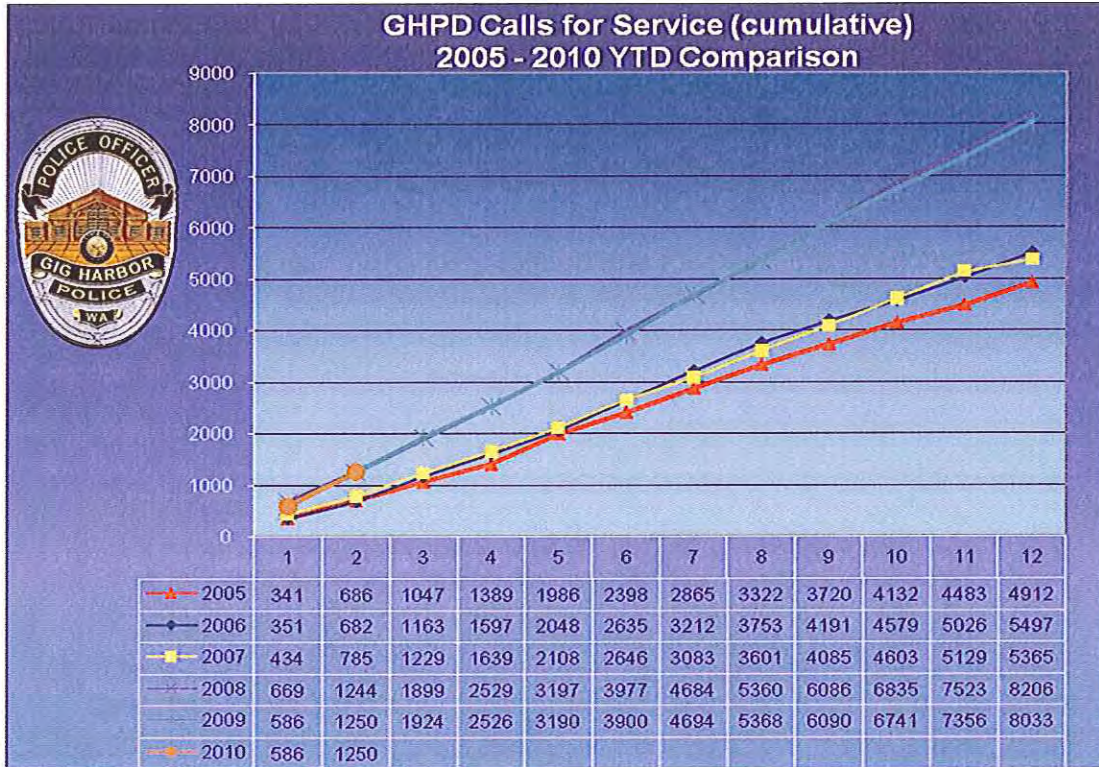
Note: UCR stats are published yearly. We will not have the final UCR statistics until June of 2010

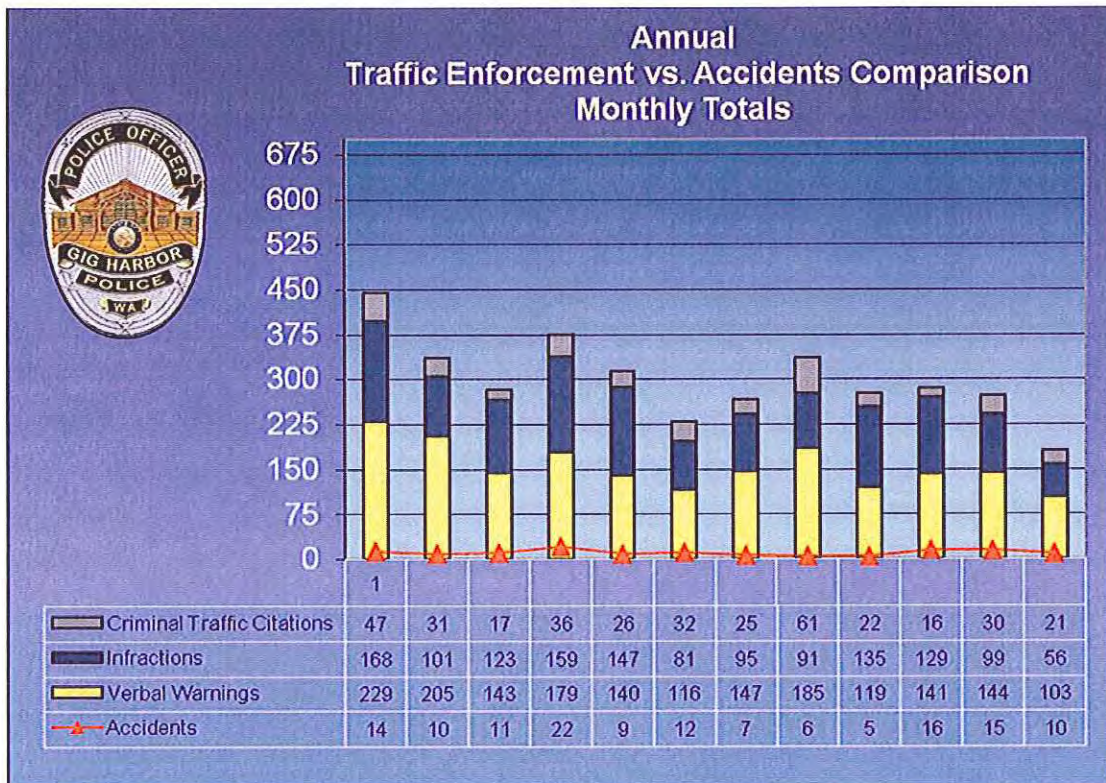
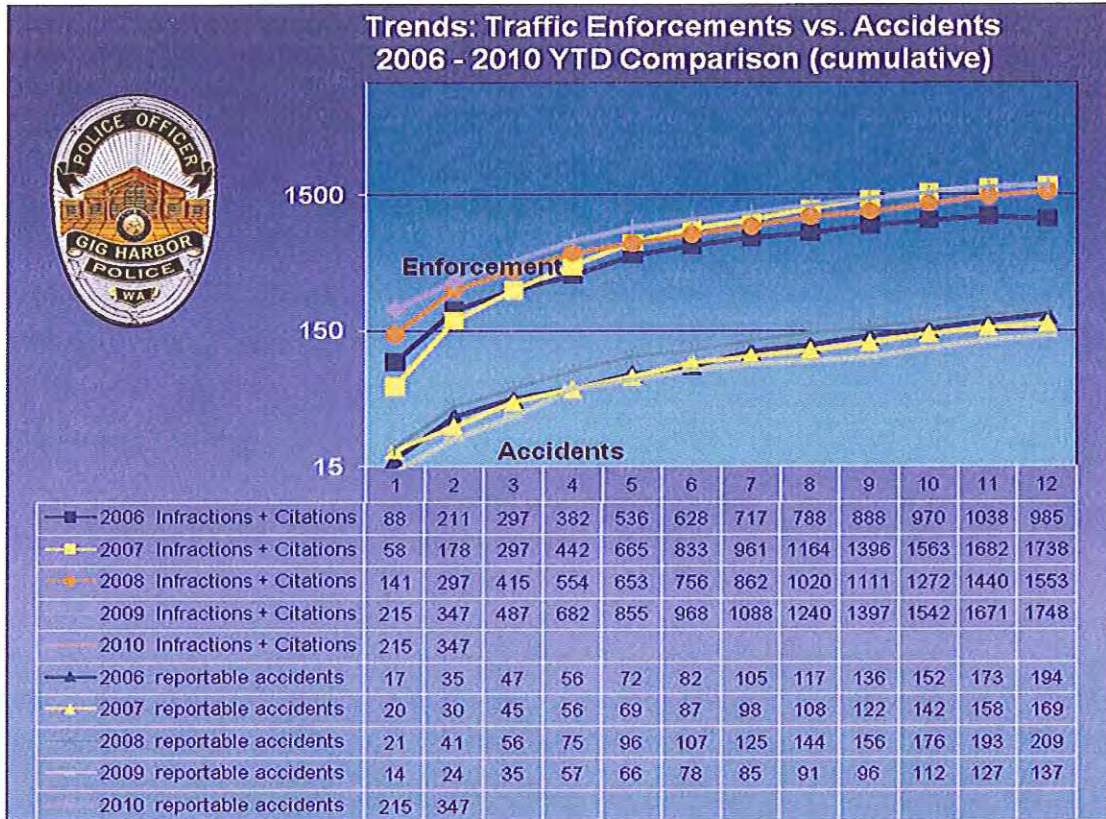
Below you will find the reported traffic accidents for the 4th quarter of 2009-- out of the 61 accidents during the 4th Quarter, only three (3) involved injuries. As I mentioned earlier in the report we had 62 fewer traffic accidents in 2009 when compared to 2008. This might be attributed to fewer people driving cars due to the down economy.

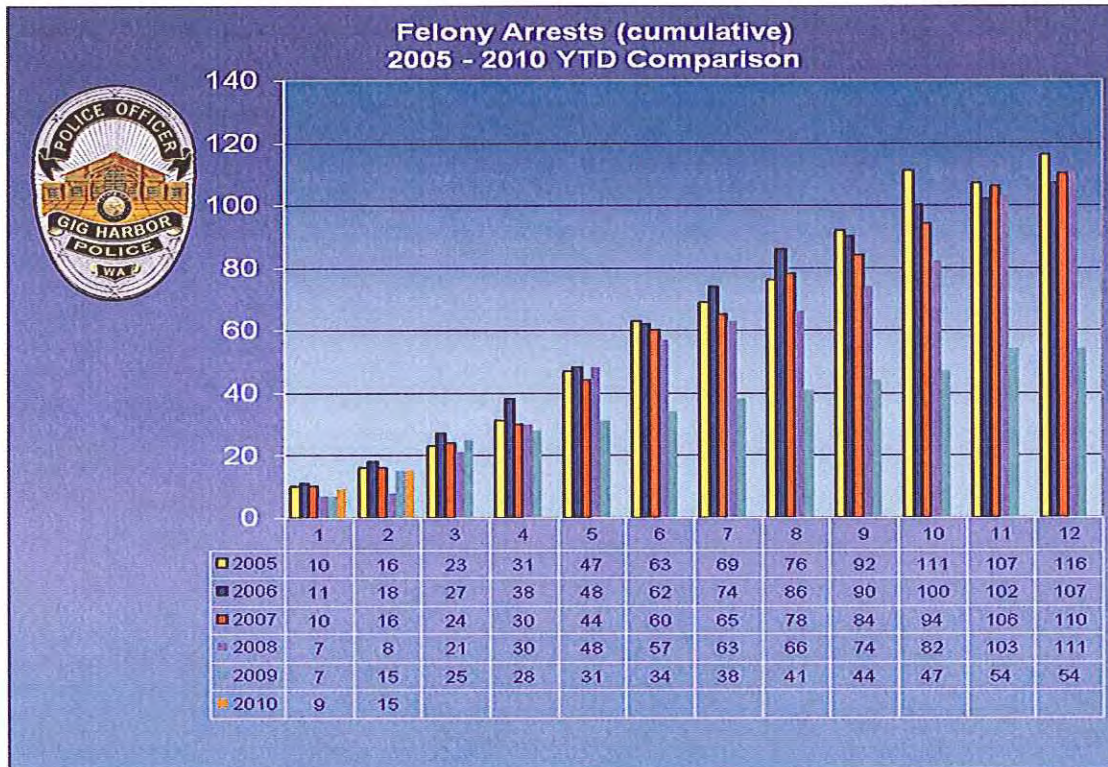
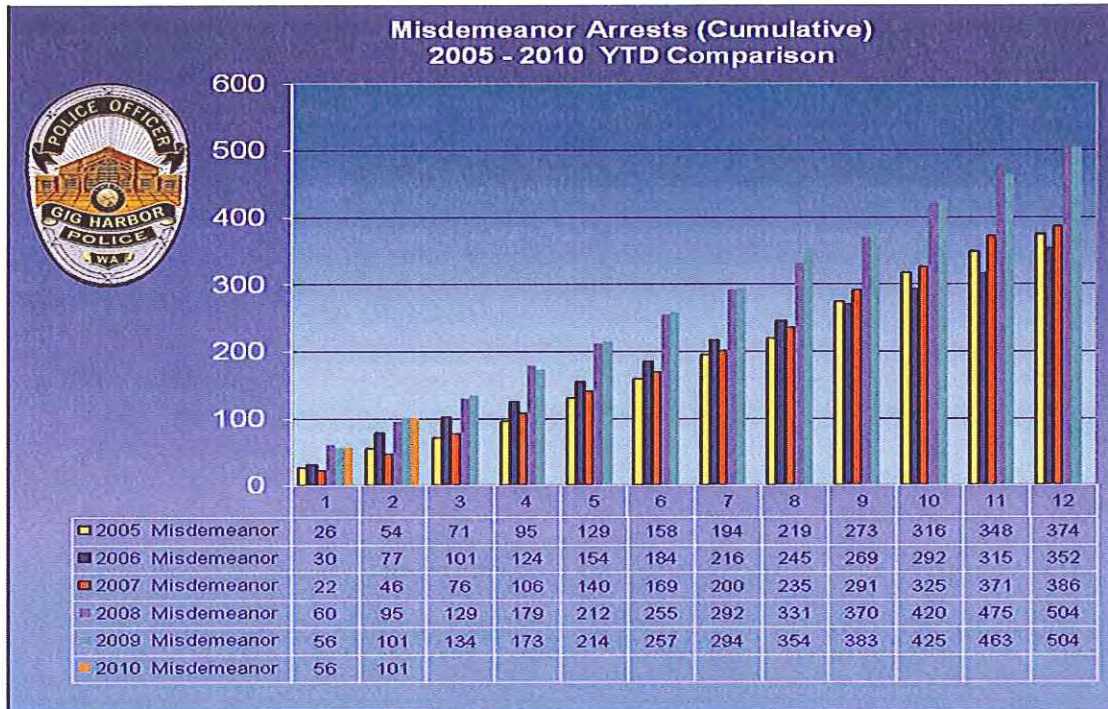
TRAFFIC ACCIDENTS FOR 4th QUARTER 2009					
DATE	TIME	LOCATION	CROSS STREET	TYPE	INJURY
10/1/2009	17:05	Point Fosdick Drive	56th St.		N
10/2/2009	10:20	Burnham Dr.	Borgen Blvd.	H&R,R/A, street sign	N
10/4/2009	15:05	Kimball Dr.	Pioneer Way		N
10/8/2009	14:59	Pt. Fosdick Dr.	4900 blk	left turn	N
10/9/2009	15:20	Pt. Fodick Dr.	4900 blk		N
10/14/2009	15:16	41st Ave.	Hunt St.		N
10/17/2009	17:57	Olympic Dr.	5000 blk		N
10/19/2009	11:07	Harborview Dr.	4100 BLK	left turn	N
10/19/2009	15:06	Olympic Dr.	4900 blk	Rear End	N
10/18/2009	1100	Rosedale ST	3510	H&R	N
10/21/2009	1607	Point Fosdick Drive	4800 blk		N
10/22/2009	1610	38th Avenue	5515	Possible H&R	N
10/22/2009	1856	36th Street NW	Point Fosdick DR	Roundabout	N
10/23/2009	2200	Burnham Dr	4309	H&R	N
10/23/2009	2300	Harbor Hill Drive	10500 blk	H&R street light	N
10/24/2009	1130	Judson Street	3118	3 vehicle	N
10/25/2009	1900	Vernhardson	3700 blk		N
10/26/2009	1121	Olympic Dr	5600 blk	3 vehicle	N
10/28/2009	1814	Peacock Hill Avenue	10400 blk	rear end	N
10/30/2009	2000	Briarwood Ln	Point Fosdick Dr	H&R, stop Sign	N
10/30/2009	2000	Point Fosdick Drive	36th ST NW	H&R, Yield Sign	N
10/30/2009	1500	Pioneer Way	7700	H&R	N
10/30/2009	1717	Olympic Dr	5000		N
10/30/2009	2300	Peacock Hill Avenue	Borgen Blvd	one vehicle. Off road	N
10/30/2009	2344	N. Harborview Dr.	Burnham Dr.	Officer Involved,PCSO inv	Y
10/31/2009	1440	Borgen Blvd.	5100 blk		Y
11/1/2009	2248	Point Fosdick Drive	4411	H&R, Unoccupied	N
10/29/2009	1730	Point Fosdick Drive	4831	H&R	N
11/3/2009	1420	Hunt St NW	46th Ave NW		N
11/3/2009	1815	Canterwood Blvd.	Burnham Dr.	Roundabout	N
11/4/2009	1240	Point Fosdick Drive	45th St. Ct. NW	left turn	N
11/6/2009	733	Peacock Hill Avenue	Burnham Dr.	Roundabout,one veh	Y
11/7/2009	1048	Burnham Dr	9600 blk	rear end	N
11/10/2009	1624	Point Fosdick Drive	47th ST NW	left turn	N
11/10/2009	1725	Olympic Dr	5000 blk	overpass	N
11/10/2009	1820	Point Fosdick Drive	4816	parking lot	N

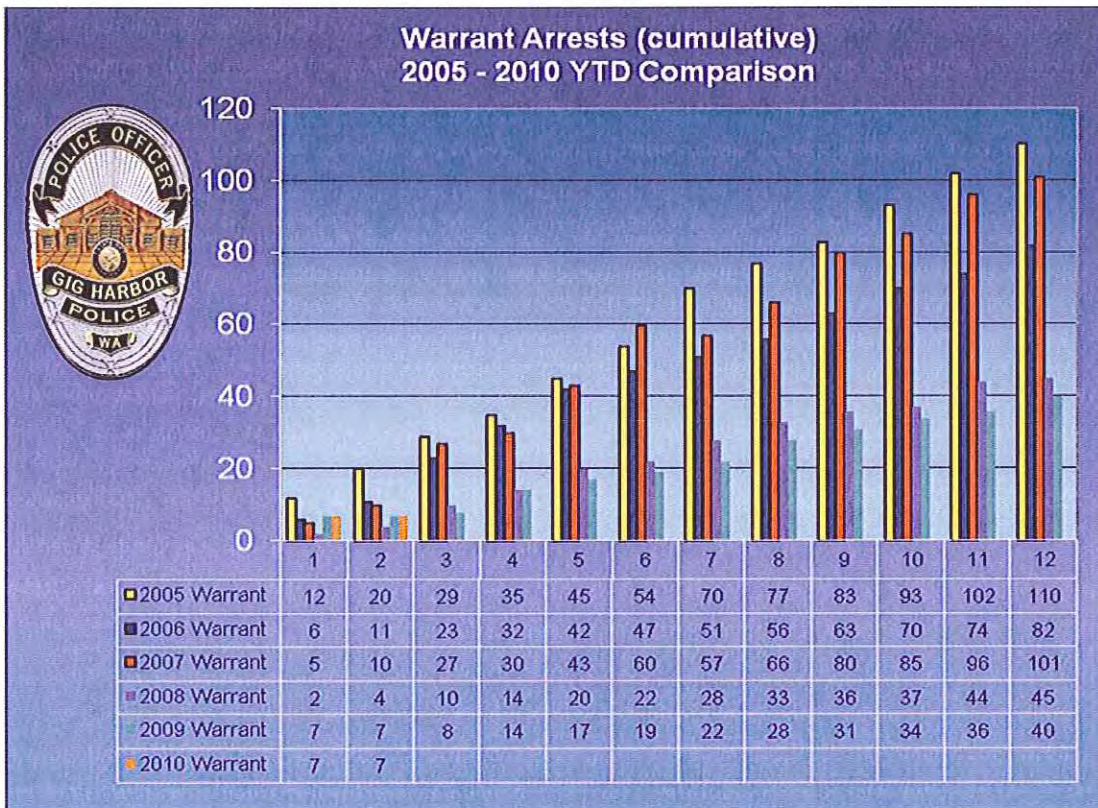
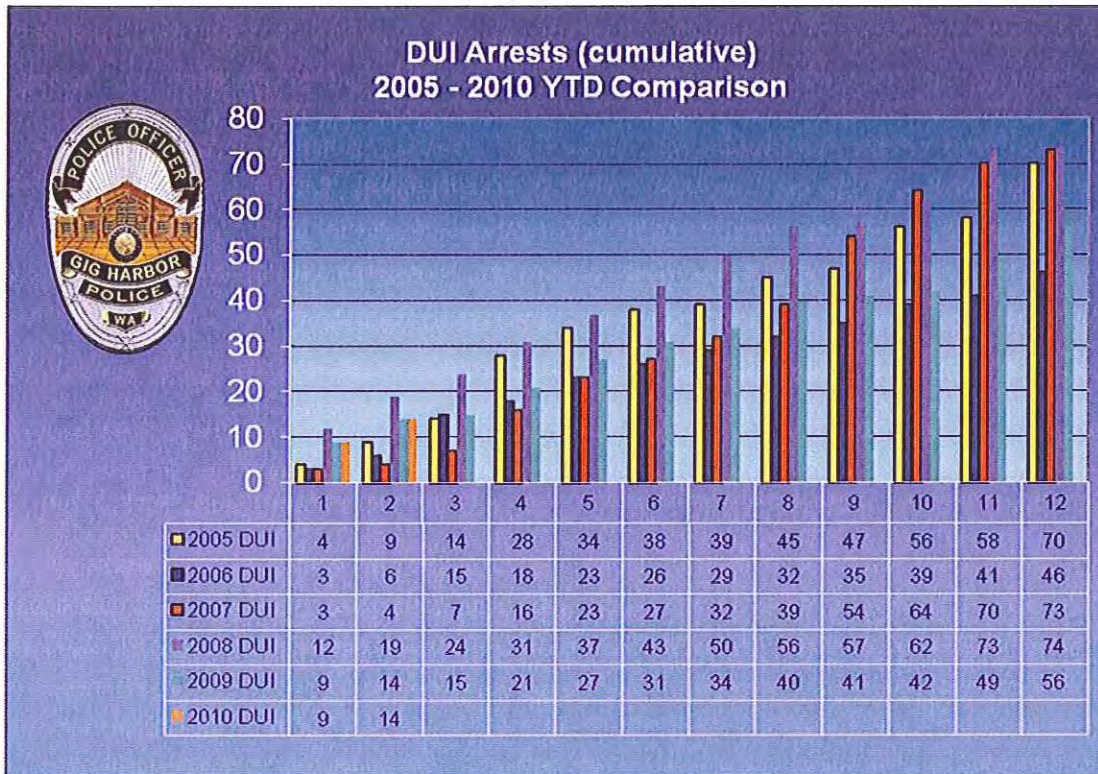
TRAFFIC ACCIDENTS FOR 4th QUARTER 2009 (CONT)					
DATE	TIME	LOCATION	CROSS STREET	TYPE	INJURY
11/12/2009	1719	Olympic Dr	5000 blk	overpass,rear end	N
11/14/2009	2205	Olympic Dr	5000	DUI,rear end	Y
11/18/2009	1140	Borgan Blvd	51st Ave.	roundabout	N
11/20/2009	654	Borgen Blvd.	Harbor Hill Dr.	roundabout	N
11/20/2009	1520	Pioneer Way	Stinson Ave.	rear end	N
11/21/2009	2220	Olympic Dr	5500	parking lot, H&R	N
11/23/2009	0:00	Olympic Dr	5500	parking lot, H&R	N
11/24/2009	1240	Soundview Dr	3200 blk	rearend	N
11/25/2009	1451	Soundview Dr	6200 Blk	one vehicle. Off road	N
11/26/2009	1420	Burnham Dr	4900 blk	rearend	N
11/25/2009	2030	Soundview Dr	56th St.	H&R, parked vehicle	N
11/30/2009	1510	Olympic Dr	56th St.		Y
12/1/2009	1810	Canterwood Blvd.	11500 blk	left turn	N
12/2/2009	1110	Soundview Dr	6200	Vehicle backing,parkinglot	Y
12/2/2009	1800	Peacock Hill Avenue	11400 blk	PCSO jursidiction	N
12/9/2009	1120	Canterwood Blvd.	11500 blk	merging	N
12/11/2009	141	Point Fosdick Drive	5114	Parking lot,DUI	N
12/11/2009	1400	Borgen Blvd.	5500 blk	Rear end	N
12/14/2009	820	Olympic Dr	5000 Blk	left turn	N
12/16/2009	1130	Wagner Way	6900 blk	Rear end	N
12/17/2009	720	Hunt St	46th Ave NW	left turn	Y
12/17/2009	2040	Hunt St	Wollochet Dr	left turn	N
12/7/2009	1416	56th ST	3211	H&R	N
12/28/2009	1617	38th Avenue	5900 blk	one vehicle. Off road	N
12/30/2009	1900	Sutherland St	4198	H&R	N

Last of all I would like to provide a graphical rendition of our major workload indicators. Disregard the numbers for 2010 in these graphs. We are reformatting our statistic spreadsheet and will have correct and updated numbers on our 2010 1st Quarter report.









C091080-2

WASHINGTON STATE LIQUOR CONTROL BOARD

LICENSED ESTABLISHMENTS IN INCORPORATED AREAS CITY OF GIG HARBOR
(BY ZIP CODE) FOR EXPIRATION DATE OF 20100531

LICENSEE	BUSINESS NAME AND ADDRESS	LICENSE NUMBER	PRIVILEGES
1 . WATER TO WINE L.L.C.	WATER TO WINE 9014 PEACOCK HILL AVE STE 103A GIG HARBOR WA 98332 0000	088772	BEER/WINE SPECIALTY SHOP
2 . COSTCO WHOLESALE CORPORATION	COSTCO WHOLESALE #624 10990 HARBOR HILL DR GIG HARBOR WA 98335 0000	402117	GROCERY STORE - BEER/WINE GROCERY STORE - BEER/WINE
3 . FRATERNAL ORDER OF EAGLES GIG HARBOR AERIE NO. 2809	FRATERNAL ORDER OF EAGLES GIG HARBOR 2809 BURNHAM DR NW GIG HARBOR WA 98335 0000	360395	PRIVATE CLUB - SPIRITS/BEER/WINE
4 . GIG HARBOR GAS & FOOD MART, IN	GIG HARBOR 76 5501 38TH AVE NW GIG HARBOR WA 98335 0000	081604	GROCERY STORE - BEER/WINE
5 . OPPIDO LUCANO, LLC	IL LUCANO 3119 JUDSON ST GIG HARBOR WA 98335 1221	085087	SPIRITS/BR/WN REST SERVICE BAR
6 . STOUT, PYONG SUK	TOKYO TERIYAKI 3111 JUDSON ST GIG HARBOR WA 98335 1221	085327	BEER/WINE REST - BEER/WINE
7 . GIG HARBOR PHARMACY, INC.	JUDSON STREET CAFE 3114 JUDSON ST GIG HARBOR WA 98335 1222	085495	BEER/WINE REST - BEER/WINE OFF PREMISES
8 . SINGH, SURINDER PAL	GATEWAY TO INDIA 6565 KIMBALL DR STE 102 GIG HARBOR WA 98335 1269	081255	SPIRITS/BR/WN REST SERVICE BAR

C091080-2

WASHINGTON STATE LIQUOR CONTROL BOARD

LICENSED ESTABLISHMENTS IN INCORPORATED AREAS CITY OF GIG HARBOR
(BY ZIP CODE) FOR EXPIRATION DATE OF 20100531

LICENSEE	BUSINESS NAME AND ADDRESS	LICENSE NUMBER	PRIVILEGES
9 . J & S IRON CORP	HOT IRON 750 5500 OLYMPIC DR NW STE A-109 GIG HARBOR WA 98335 1489	400916	BEER/WINE REST - BEER/WINE
10 . VANILLA BEAN, LLC	GOURMET ESSENTIALS 5500 OLYMPIC DR #I 102 GIG HARBOR WA 98335 1491	078110	BEER/WINE SPECIALTY SHOP
11 . DYLAN ENTERPRISES INC.	TIDES TAVERN 2925 HARBORVIEW DR GIG HARBOR WA 98335 1910	356387	SPIRITS/BR/WN REST LOUNGE - CATERING

WASHINGTON STATE LIQUOR CONTROL BOARD-License Services
3000 Pacific Ave SE - P O Box 43075
Olympia WA 98504-3075

TO: MAYOR OF GIG HARBOR

February 16, 2010

SPECIAL OCCASION # 093696

ST NICHOLAS CATHOLIC SCHOOL
3555 EDWARDS DR
GIG HARBOR WA 98335

DATE: MARCH 27, 2010

TIME: 4:30 PM TO 1 AM

PLACE: BOYS & GIRLS CLUB, 8502 SKANSIE AVE, GIG HARBOR

CONTACT: TUNDE BECK

253-208-2663

SPECIAL OCCASION LICENSES

- * License to sell beer on a specified date for consumption at specific place.
- * License to sell wine on a specific date for consumption at a specific place.
- * Beer/Wine in unopened bottle or package in limited quantity for off premises consumption.
- * Spirituous liquor by the individual glass for consumption at a specific place.

If return of this notice is not received in this office within 20 days from the above date, we will assume you have no objection to the issuance of the license. If additional time is required please advise.

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 want a hearing before final action is taken? YES NO

<u>OPTIONAL CHECK LIST</u>	<u>EXPLANATION</u>	YES <input type="checkbox"/>	NO <input type="checkbox"/>
LAW ENFORCEMENT	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>
HEALTH & SANITATION	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>
FIRE, BUILDING, ZONING	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>
OTHER:	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>

If you have indicated disapproval of the applicant, location or both, please submit a statement of all facts upon which such objections are based.

DATE SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE

HTB



NOTICE OF LIQUOR LICENSE APPLICATION

RETURN TO: WASHINGTON STATE LIQUOR CONTROL BOARD
License Division - 3000 Pacific, P.O. Box 43075
Olympia, WA 98504-3075
Customer Service: (360) 664-1600
Fax: (360) 753-2710
Website: www.liq.wa.gov
DATE: 2/22/10

TO: MOLLY TOWSLEE, CITY CLERK
RE: CHANGE OF LLC MEMBER

UBI: 602-129-878-001-0001

License: 078190 - 1U County: 27
Tradename: THE GREEN TURTLE
Loc Addr: 2905 HARBORVIEW DR WA 98335
GIG HARBOR
Mail Addr: 2905 HARBORVIEW DR WA 98335-1910
GIG HARBOR
Phone No: 253-851-3167 KYONG SUK GLENN

APPLICANTS:
THE GREEN TURTLE LLC
GLENN, KYONG SUE
1962-11-03

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

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

- | | YES | NO |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1. Do you approve of applicant ? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Do you approve of location ? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. If you disapprove and the Board contemplates issuing a license, do you wish to request an adjudicative hearing before final action is taken? | <input type="checkbox"/> | <input type="checkbox"/> |
| (See WAC 314-09-010 for information about this process) | | |
| 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: Resolution – Surplus Equipment

Dept. Origin: Public Works-Operations

Proposed Council Action:

Adopt Resolution No. 826 declaring the specified equipment surplus and eligible for sale.

Prepared by: Marco Malich
Public Works Supervisor

For Agenda of: March 8, 2010

Exhibits: Resolution No. 826

Initial & Date

Concurred by Mayor:

CLH 3/2/10

Approved by City Administrator:

PK

Approved as to form by City Atty:

per email 3/3/10

Approved by Finance Director:

QR 3/1/10

Approved by Department Head:

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

Staff requests authorization to surplus the following equipment: One Jet Electric Chain Hoist, one David White Transit, and one Lietz Transit.

This equipment is obsolete.

FISCAL CONSIDERATION

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

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Adopt Resolution No. 826 declaring the specified equipment surplus and eligible for sale.

RESOLUTION NO. 826

**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	Quantity	SERIAL / ID NUMBER	MODEL INFO.
1.	Jet Electric Chain Hoist	1	369267108-3	1SH1
2.	David White Transit	1	234773	8300
3.	Lietz Transit	1	14347	BT 20

PASSED ON THIS 8th day of March, 2010.

APPROVED:

MAYOR CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

MOLLY M. TOWSLEE, CITY CLERK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO. 826



Subject: Thurston Lane

Proposed Council Action: Affirm the Status of Thurston Lane as a Public Street

Dept. Origin: Executive
Prepared by: Angela Belbeck
For Agenda of: March 8, 2010
Exhibits: n/a

Concurred by Mayor: CLH 3/4/10 Initial & Date
Approved by City Administrator: RJK 3/4
Approved as to form by City Atty: PREPARED BY C.A.
Approved by Finance Director: [Signature] 3/4/10
Approved by Department Head: _____

Expenditure	Amount	Appropriation
Required n/a	Budgeted n/a	Required n/a

INFORMATION / BACKGROUND

The City took ownership of the former City Hall property located at 3105 Judson Street in the mid-1940's. Thurston Lane lies on the western portion of the property. Over the several decades of City ownership of the former City Hall property, the City held Thurston Lane open for public travel and maintained the same with public funds. In 1979, by way of Ordinance No. 306, the City confirmed that Thurston Lane was a public street by designating it as a one-way street used as the sole connection to one-way Adams Street. Because it is the only connection to Adams Street it is integral to roadway circulation. Additionally, Thurston Lane provides fire access to several properties and a City fire hydrant.

In 2003 the City sold the former City Hall property. The Statutory Warranty Deed conveying the property, recorded at Auditor File No. 200307301783, specifically excepted all roads from the conveyance. As such, Thurston Lane remains a public street. The City Council desires to affirm this fact.

FISCAL CONSIDERATION

None.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Affirm the status of Thurston Lane as a public street.



PUBLIC WORKS DEPARTMENT

December 2, 2009

GAZABAT JEAN L
PO BOX 464
GIG HARBOR, WA 98335-0464

Re: Potential closure of Thurston Lane

Dear Property/Business Owner;

You are being sent this letter because your property or business in downtown Gig Harbor may be affected by the status of Thurston Lane between Adams St. and Judson St. Thurston Lane is actually private property; it is not a public road. Emergency vehicle access via Thurston Lane is required to be maintained as long as the drive-through automated teller machine (ATM) for Timberland Bank remains active, but Thurston Lane could be closed if the ATM was removed.

Many of your buildings are serviced by the Fire Department and other emergency services via Thurston Lane. The potential closure of Thurston Lane may prevent access by emergency service vehicles, and possibly prevent future deliveries to the backs of certain properties by delivery trucks.

The city considers this a private land issue, but is willing to help facilitate a meeting between neighboring property owners in order to look for possible solutions to address this issue.

If you would like to meet with your neighboring property and business owners to discuss this issue, the city has reserved a meeting room at the City Civic Center located at 3510 Grandview St., Gig Harbor on December 16 from 8 am to 9:30 am.

Sincerely,

David Stubchaer
Public Works Director

Encls: Thurston Lane Area Vicinity Map

ORDINANCE NO. 306

ORDINANCE DECLARING THURSTON LANE AND
ADAMS STREET AS ONE-WAY STREETS

WHEREAS, the Town of Gig Harbor Engineer has studied vehicle traffic patterns on Thurston Lane and Adams Street; and

WHEREAS, said study revealed it to be in the best interests of health, safety, welfare and general morals of the citizens of the Town of Gig Harbor to declare Thurston Lane and Adams Street to be one-way streets; and

WHEREAS, the Town Engineer recommended to the Town Council of the Town of Gig Harbor that Thurston Lane and Adams Street be declared one-way streets; and

WHEREAS, the Town Council of the Town of Gig Harbor concurs in said recommendations of the Town Engineer;

NOW, THEREFORE, be it ordained as follows:

Thurston Lane shall be a one-way street between Judson Street and Adams Street and vehicles shall only transit Thurston Lane in the direction of Adams Street from Judson Street.

Adams Street shall be a one-way street between Thurston Lane and Gilich Street and vehicles shall only transit Adams Street in the direction of Gilich Street from Thurston Lane.

Any person violating any provision of this ordinance shall be guilty of a misdemeanor.

PASSED at a regular meeting of the Town Council held on the 12 day of September, 1979.

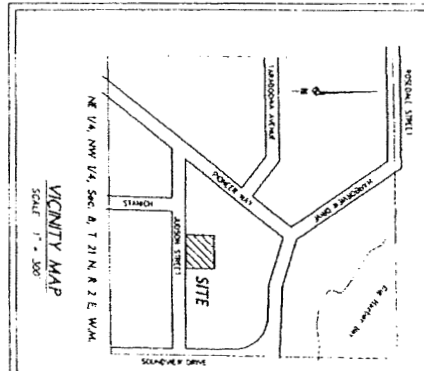
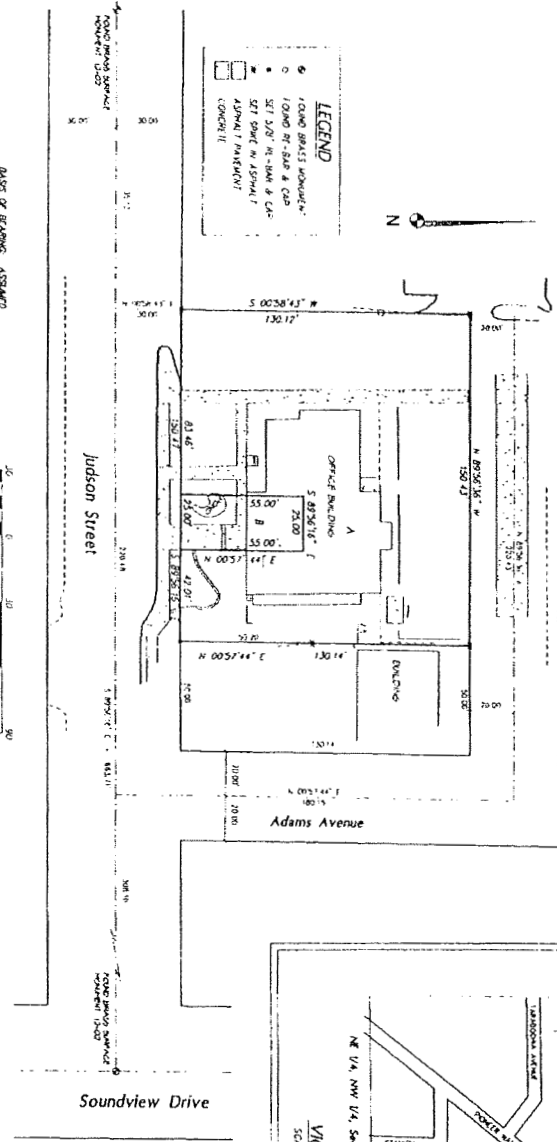
Ruth Bogue
Ruth Bogue, Mayor

ATTEST:

Donald J. Avery
Donald J. Avery, Town Clerk

RECORD OF SURVEY
PIERCE COUNTY, WASHINGTON

Existing



LEGAL DESCRIPTIONS

Parcel A
 Parcel A is the Northeast Quarter of the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section 8, Township 21 North, Range 2 East, of the Willamette Meridian, Shasta Base 155 feet, Bait 10027 feet, Tierce S 60° 15' 00" E, 100 feet; Linece West 150.07 feet; Linece N 60° 15' 00" E to the True Point of Beginning.

Parcel B
 Parcel B is the Southwest Quarter of the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section 8, Township 21 North, Range 2 East, of the Willamette Meridian, Shasta Base 155 feet, Bait 10027 feet, Tierce S 60° 15' 00" E, 100 feet; Linece West 150.07 feet; Linece N 60° 15' 00" E to the True Point of Beginning.

Parcel C
 Parcel C is the Northeast Quarter of the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section 8, Township 21 North, Range 2 East, of the Willamette Meridian, Shasta Base 155 feet, Bait 10027 feet, Tierce S 60° 15' 00" E, 100 feet; Linece West 150.07 feet; Linece N 60° 15' 00" E to the True Point of Beginning.

Parcel D
 Parcel D is the Southwest Quarter of the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section 8, Township 21 North, Range 2 East, of the Willamette Meridian, Shasta Base 155 feet, Bait 10027 feet, Tierce S 60° 15' 00" E, 100 feet; Linece West 150.07 feet; Linece N 60° 15' 00" E to the True Point of Beginning.

Parcel E
 Parcel E is the Northeast Quarter of the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section 8, Township 21 North, Range 2 East, of the Willamette Meridian, Shasta Base 155 feet, Bait 10027 feet, Tierce S 60° 15' 00" E, 100 feet; Linece West 150.07 feet; Linece N 60° 15' 00" E to the True Point of Beginning.

Parcel F
 Parcel F is the Southwest Quarter of the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section 8, Township 21 North, Range 2 East, of the Willamette Meridian, Shasta Base 155 feet, Bait 10027 feet, Tierce S 60° 15' 00" E, 100 feet; Linece West 150.07 feet; Linece N 60° 15' 00" E to the True Point of Beginning.



AUDITOR'S CERTIFICATE

FILED IN RECORD BOOK 2004 OF JUDICIAL RECORDS AT WASH. STATE ARCHIVES FILE NO. 200301285004

SURVEYOR'S CERTIFICATE

THIS SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND I AM A LICENSED SURVEYOR IN THE STATE OF WASHINGTON. I AM THE SURVEYOR OF RECORD FOR THIS SURVEY.

CITY OF OREGON HARBOR

D. J. B. L. L.

1/17/09

APPROVED SET
 DATE: 6/23/2003
[Signature]

- NOTES**
1. THIS SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND I AM A LICENSED SURVEYOR IN THE STATE OF WASHINGTON.
 2. THIS SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND I AM A LICENSED SURVEYOR IN THE STATE OF WASHINGTON.
 3. THIS SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND I AM A LICENSED SURVEYOR IN THE STATE OF WASHINGTON.

RECORDED
 CITY OF OREGON HARBOR
JUN 24 2003
 COMPLAINT
 REPLEVINMENT

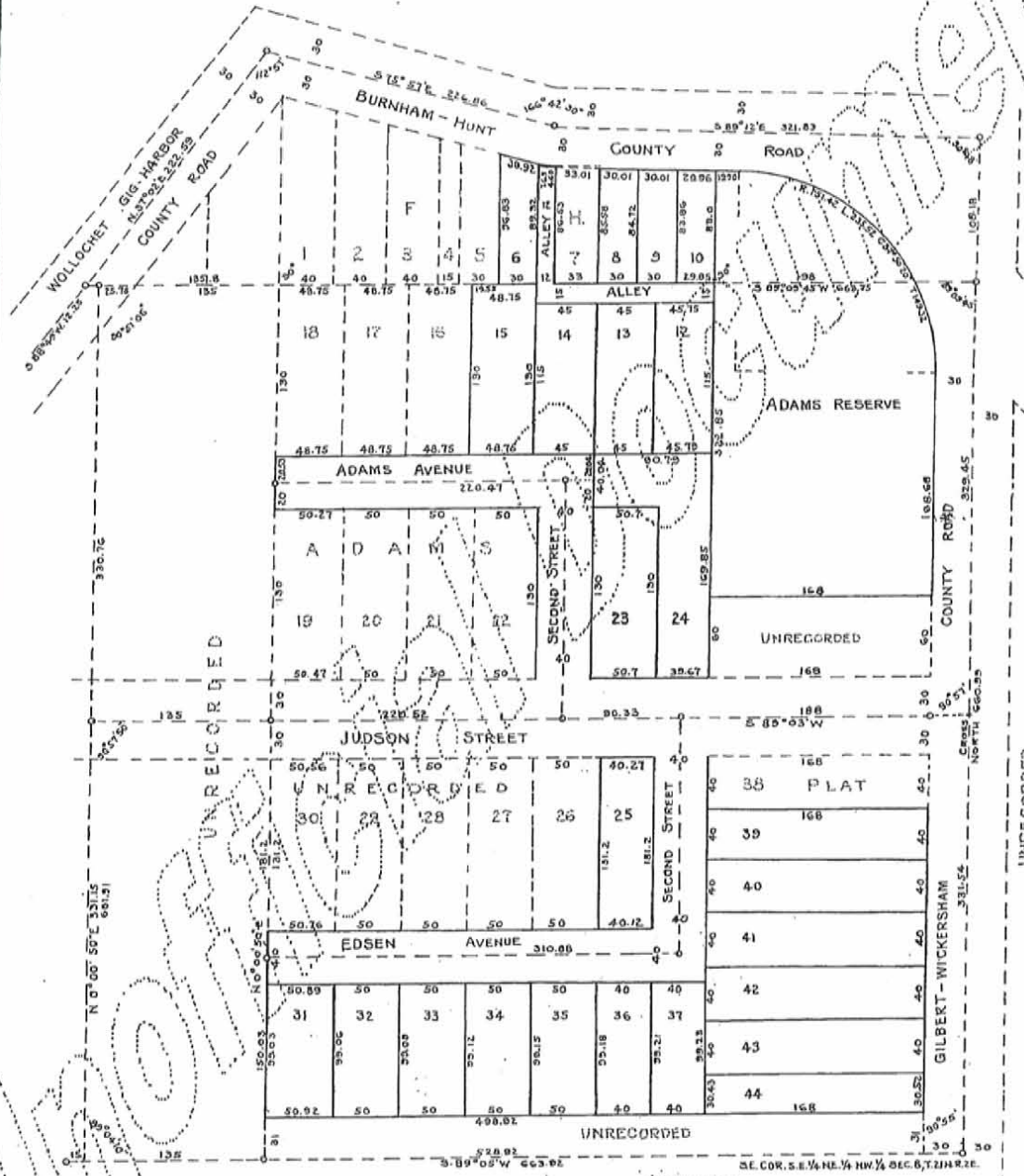
FIGS 6-3-03 TO 6-3-05 TO SHOW EXACT RESULTS. X, Y, AND Z, COORDINATE NO. 2004. (SCALE 87' 00" = 1" = 171.0)

Aspen
 Land Surveying
 12801-A Purity Drive NW
 Ute Harbor, WA 98282

F.H.ADAMS ADDITION

SHEET 1 OF 2 SHEETS

SCALE 1" = 50'



I hereby certify that I have surveyed the within described land, that this map is correct and that monuments have been placed at points indicated by small circles (o) D.H. WHITE

NO 219 RENEWAL E 653 REGISTERED CIVIL ENGINEER AND LAND SURVEYOR

For reference only, not for re sale.

COMPALED BY *S.D. S.C.*
INDEXED BY *S.D.*

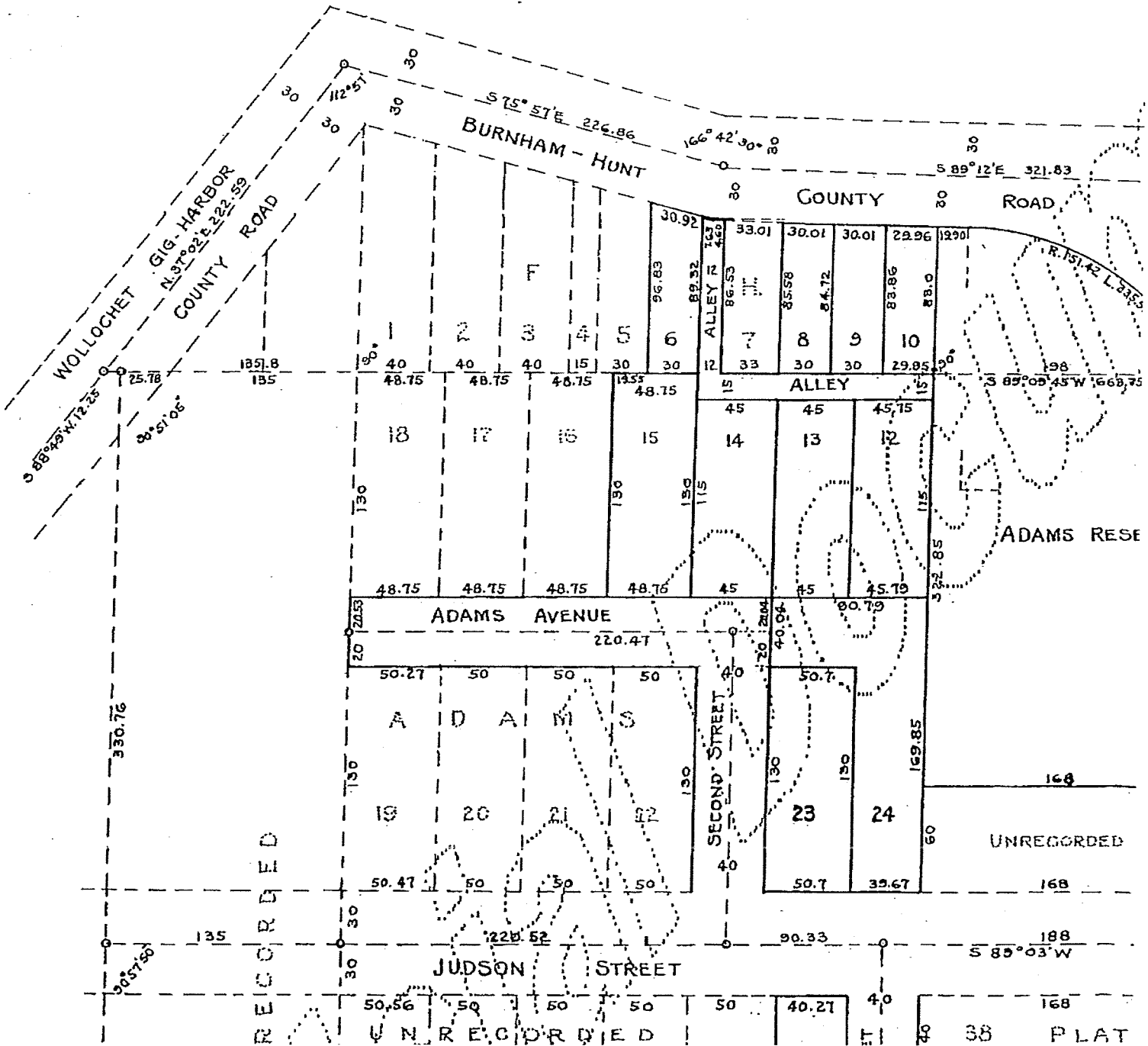
JANUARY 11, 1946

S.E. COR. S. 1/4 NE. 1/4 NW 1/4 SEC. 6, T. 21 N. R. 2 E.

F.H.ADAMS ADDITION

SHEET 1 OF 2 SHEETS

SCALE 1"=50'





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

Subject: 2010 Traffic Model Update, 2010 Capacity Availability Report
-- Consultant Services Contract with PTV America, Inc.

Proposed Council Action:

Move to: Approve and authorize the Mayor to execute the contract with PTV America for the 2010 Traffic Model Update, 2010 Capacity Availability Report for the not to exceed amount of \$25,000.00.

Dept. Origin: Public Works/Engineering

Prepared by: Emily Appleton *EA*
Senior Engineer

For Agenda of: March 8, 2010

Exhibits: Consultant Services Contract with Exhibits A and B

Initial & Date

Concurred by Mayor: *CLH 3/3/10*
Approved by City Administrator: *RJK*
Approved as to form by City Atty: *approv via email 3/1/10*
Approved by Finance Director: *OP 3/2/10*
Approved by Department Head: *JM 3/2/10*

Expenditure Required	\$25,000	Amount Budgeted	\$25,000	Appropriation Required	\$0
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INFORMATION / BACKGROUND

To meet the requirements of the Gig Harbor Municipal Code, Chapter 19.10, Concurrency Management, the City has developed a traffic model, commonly called the "Concurrency Model", to document and track available transportation capacity. The model is used to document the issuance of transportation capacity reservation certificates for proposed development within the City limits.

Periodically, it is necessary to update the model by removing the pipeline projects that have been completed or are no longer being contemplated, updating the planned transportation improvement projects using the current 6-year TIP and proposed private mitigation projects, and calibrating the network distribution with updated traffic counts.

This contract will provide updated (2010) intersection turning movement vehicle counts, update and calibrate the model so it is current and available for future transportation concurrency runs and provide the City with a 2010 Transportation Capacity Availability Report.

FISCAL CONSIDERATION

The 2010 Budget includes a line item "Transportation Capacity availability report and traffic model" in the Street Division – Operating Objectives with \$25,000 shown as the adopted amount (Account No. 101-017-542-30-41-56). This amount is sufficient to fund the work under this contract.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

Move to: Approve and authorize the Mayor to execute the contract with PTV America, Inc. for the 2010 Traffic Model Update, 2010 Capacity Availability Report for a not to exceed amount of \$25,000.00.

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
PTV AMERICA, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (the "City"), and PTV America, Inc., a corporation organized under the laws of the State of Washington and doing business at 1145 Broadway Plaza, Suite 605, Tacoma, WA 98402-3583 (the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in 2010 Traffic Model Update and 2010 Capacity Availability Report 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, dated March 2, 2010, 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 Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) 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 – Budget and Schedule**. 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 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 December 31, 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 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 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:
PTV America, Inc.
ATTN: Ed Hayes
1145 Broadway Plaza, Suite 605
Tacoma, WA 98402-3583
(253) 272-4440 FAX (253) 736-0640

City of Gig Harbor
ATTN: Stephen Misiurak, P.E.
City Engineer
3510 Grandview Street
Gig Harbor, WA 98335
(253) 851-6170

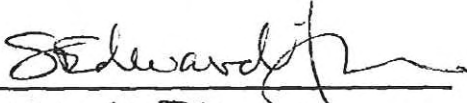
17. Subcontracting or Assignment. The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. Any subconsultants approved by the City at the outset of this Agreement are named on **Exhibit B** attached hereto 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: 
Its: PRINCIPAL

By: _____
Mayor Charles L. Hunter

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Exhibit A SCOPE OF WORK

City of Gig Harbor On-Call modeling services
City of Gig Harbor, Washington

March 2, 2010

The tasks proposed for this project are described in detail in approximate order of completion. The documentation task is described at the end of this section. However, this task is intended to be ongoing throughout the project. It is anticipated that we will work closely with City of Gig Harbor staff to maximize the technology transfer and to insure that staff provides input on and is aware of all model assumptions.

Project Parameters

The goals of this agreement are currently understood to apply the City's updated concurrency model to evaluate the transportation capacity impacts from proposed developments. The tasks are transportation capacity evaluation tests for these proposed developments.

The City of Gig Harbor may also request certain other tasks such as, but not limited to: performing scenario analysis for the TIP, evaluate multi-jurisdictional projects that impact or are within the City of Gig Harbor, and performing training and participate in the meetings and presentations as requested by the city.

Baseline Model Update & Concurrency Development Evaluation

Recalibrate and validate the baseline model (2009) with new vehicle count data and land use for 2010, for the evening and morning peak hours in the case of counts. This may require an update of trip generation rates and may be further revised during the actual calibration according to the results of the calibration runs. The external traffic counts, PSRC model, and previous Gig Harbor model will be used as the starting place for the evaluation and updating of external traffic, as requested. Validation will match the limits imposed by graphs on allowable screenline calibration errors and allowable link calibration errors in NCHRP 255 (pp 41, 49).

PTV will use the recently updated model for the network and starting point for estimation of parameters. Traffic counts will be collected by a subcontractor for the locations defined for the 2009 model (see attachment) and the cost of traffic count collection will be passed along to the City of Gig Harbor and all counts will be provided to the city at the end of the model recalibration and validation process.

The newly annexed area will be integrated into the TAZ structure and land uses updated to represent these zones.

A narrative of findings and the modeling process will be documented by PTV and all quantification of assumptions will be summarized for requested efforts. Documentation provided will allow a knowledgeable VISUM modeler to repeat all the processes undertaken and to run alternative scenarios based on the information it contains along with the set of computer files. A VISUM eLearning registration will be included in the agreement for city staff to use as necessary to refresh skills. Training contact hours will be recorded and professional

development hours awarded to staff.

Exhibit B
BUDGET and SCHEDULE

The proposed budget for this project is presented in the following tables. Work will be billed monthly based upon time and materials with a budget not to exceed \$25,000.

Concurrency projects will be billed based on the adopted concurrency fee ordinance of the City of Gig Harbor.

Table 1 – Budget Estimate for 2010 On-call Services

Gig Harbor Additional Task - Morning & Evening Peak Hour Model Update - March 2010					
	Principal	Project Manager	Associate	Total Hrs.	Estimated Cost
Rate	\$ 150	\$ 115	\$ 90		
Update Model Network					
Recalibrate and validate baseline model for AM & PM peaks	20	24	29	73	\$ 8,370
Documentation	4	8	0	12	\$ 1,520
Administration	2	0	0	2	\$ 300
Traffic count data collection (fixed fee plus 10% for taxes and administration)					\$ 14,300
Total Cost (Task 1)	26	32	29	87	\$ 24,740
Estimated Direct Expenses					\$ 250
Total PTV					\$ 24,990



Subject: Pierce County and City of Gig Harbor Storm Water Mapping Inventory Service Agreement.

Proposed Council Action:
Approve and authorize the Mayor to sign the Collection of Storm Drainage Infrastructure Agreement with Pierce County

Dept. Origin: Public Works

Prepared by: Wayne Matthews *WMM*
Engineering Technician

For Agenda of: March 8, 2010

Exhibits: Pierce County Agreement #77658

Initial & Date

Concurred by Mayor:	<i>CUH 3/2/10</i>
Approved by City Administrator:	<i>RJK</i>
Approved as to form by City Atty:	<i>by email</i>
Approved by Finance Director:	<i>N/A DR 3/2/10</i>
Approved by Department Head:	<i>Ann 2/26/10</i>

Expenditure	Amount	Appropriation
Required \$15,000	Budgeted \$50,000	Required 0

INFORMATION / BACKGROUND

This Interlocal agreement between the City and Pierce County provides for County assistance in the field data collection and GIS data assimilation associated with the updating of City's Storm drainage system. The City's NPDES permit requires the City to maintain a yearly updated storm water base map. This map will be updated to include the most recently constructed private and City capital constructed storm water infrastructures.

This agreement will utilize Pierce County GIS staff and equipment who will work with City staff to field map these additional drainage features. These drainage features will then be incorporated into a GIS database at the County resulting in an updated storm water GIS map.

Angela Belbeck, City Attorney has reviewed and approved the proposed agreement as to form.

Staff is requesting to adopt the current agreement presented by Pierce County.

FISCAL CONSIDERATION

Funding for this project will be from a \$50,000 Department of Ecology storm water assistance grant.

BOARD OR COMMITTEE RECOMMENDATION
N/A

RECOMMENDATION / MOTION

Approve and authorize the Mayor to sign the Collection of Storm Drainage Infrastructure Agreement with Pierce County.

AGREEMENT #77658
COLLECTION OF STORM DRAINAGE INFRASTRUCTURE
BETWEEN PIERCE COUNTY ITD/GIS
AND THE CITY OF GIG HARBOR

THIS AGREEMENT is made by and between Pierce County (hereinafter referred to as County), a political subdivision of the State of Washington and the City of Gig Harbor (hereinafter referred to as City), a Washington municipal corporation, on the date set forth below.

WHEREAS, in 2008, the City and County entered into an Agreement for "Drainage Collection of Storm Drainage Infrastructure," Agreement #59618, which involved the County's services to the City relating to the collection of information that would be added to the City's drainage feature inventory; and

WHEREAS, Agreement #59618 has expired; and

WHEREAS, the City desires to add information to the City's drainage feature inventory relating to new or modified storm drainage infrastructure within their UGA;

NOW, THEREFORE, the parties hereto agree as follows:

TERMS

Section 1. Description of Work. Pierce County agrees to perform the following work under this Agreement:

- A. An updated drainage feature inventory for the City for projects to be identified by the City within their UGA, which is set forth in Attachment A, attached hereto and incorporated herein by this reference. The data will be collected with GPS equipment which has a positional accuracy of +/- 2 1/2 feet. The GPS data will be corrected to correspond to the County's State Plane coordinate system.
- B. The drainage feature inventory will utilize the existing City data dictionary for drainage and the features that will be collected include structures (culverts, inlets, outlets, catch basins, dry wells, etc.) and open channels. Outlet points that cannot be found will be noted for future research by the City. For the projects identified by the City, drainage features will be collected on public land, for private systems (when accessible) and in commercial/parking lots.
- C. The drainage inventory will be loaded into the shapefile format. The shapefiles for the drainage features will be loaded into the County's GIS system. Data access will be entered via the GIS and can subsequently be viewed, analyzed and plotted.
- D. Before the data is loaded into the GIS system, the data will need to be "cleaned" as it moves from the GPS systems into the production environment. County staff will utilize the County's software to conduct the initial quality control for this project.
- E. The County staff dedicated to the project will be responsible for the data collection, adjusting the GPS data for the GIS and loading the information into the database and GIS themes. The procedures utilized in previous drainage inventory projects will be incorporated for this project to improve the quality and accuracy of data. Under the previous Agreement, the County provided the City with a copy of the *Standard Operating Procedures* utilized for the collection of drainage. The City will be provided an updated version for its reference and approval before work commences. Errors and omissions to the data found during these processes will be noted for correction by the crew when they return to the field.
- F. The County does not guarantee an error free dataset. The project dataset is created with information gathered by a team that may consist of County and City staff with final data acceptance by City staff.

Errors found in the dataset during the collection phase of the project will be corrected immediately. Errors, e.g. missing features, incorrect attribution, flow direction, etc., found after the initial dataset has been accepted will be corrected during the next update.

- G. The County will provide metadata documentation for the digital data set.
- H. Data collected for Gig Harbor from this project is the property of the City and all source materials and documentation will be returned to the City at the completion of the project.
- I. As part of the field collection process, the County will provide a technical transfer of knowledge to City staff on the drainage data dictionary, the collection methodology, utilization of the GPS equipment and downloading of the raw data. The objective is to have the City develop internal skill sets to collect their drainage in the future.
- J. For each drainage inventory update cycle approved under this Agreement, the City and the County will determine who will provide the vehicle and the City will be charged for fleet costs incurred if provided by the County at the County's current rate per day. A vehicle provided by the City must be capable of carrying the crew and the GPS equipment without having to disassemble the GPS equipment.

Section 2. City's Obligations. The City shall have the following responsibilities under this Agreement:

- A. The City shall identify a contact person/project manager who has in-depth knowledge of the City's drainage system for the length of this Agreement to answer drainage feature questions about the projects to be collected.
- B. At the City's discretion, the City shall have staff available to supplement the County's collection team.
- C. The City shall provide the tools to inspect the drainage features, e.g., tape measure, CB hook, yellow chalk, steel pry bar, flashlight, etc., which were utilized under the previous Agreement.
- D. If warranted, the City shall provide traffic control on appropriate streets.
- E. The City shall be responsible for the final quality control and acceptance of deliverables.
- F. City staff may be part of the field crew. The City staff should be knowledgeable of the City's drainage system. The City staff should have attended safety training and will wear protective footwear and reflective vests.
- G. All equipment purchased by the City for the project is the property of the City.

Section 3. Payment.

A. The City shall pay the County an amount based on time and materials at the current approved GIS rates of \$80 per hour per County staff member. If the City requests the County to utilize a County vehicle, the City will be responsible for the fleet costs involved for the collection. Payments made under this Agreement shall not exceed Fifteen Thousand Dollars (\$15,000) for the services described in Section 1 herein. This is the maximum amount to be paid under this agreement and shall not be exceeded without the prior written authorization of the City in the form of an executed amendment to the Agreement. The County shall not bill rates in excess of the hourly rates unless both parties agree to an amendment of the Agreement.

B. The County shall bill the City upon completion of all the services described in this Agreement. The City shall pay the full amount of an invoice within thirty days (30) days of receipt. If the

City objects to all or any portion of any invoice, it shall so notify the County 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.

Section 4. Duration of Work

The parties agree that the work shall be complete by June 30th, 2011. See Attachment A for the approved list of work for this contract.

Section 5. Termination

A. Termination of Agreement. This agreement shall commence upon execution by the duly authorized representatives of both parties. Either party may terminate this Agreement for any reason, with thirty days advance written notice to the other party at the address listed herein.

B. Rights Upon Termination. In the event of termination, the City shall pay for all services satisfactorily performed by the County to the effective date of termination, as described on a final invoice submitted to the City. Said amount shall not exceed the amount in Section 3 above. After termination, drainage inventory records and data that have been approved and paid for by the City may be used by the City without restriction.

Section 6. Defense & Indemnity Agreement

The City shall defend, indemnify and hold the County, its officers, officials and employees harmless from any claims, injuries, damages, losses or suits including attorneys' fees arising out of or in connection with the City's performance of the City's responsibilities under this Agreement, except for injuries and damages caused by the sole negligence of the County.

The County shall defend, indemnify and hold the City, its officers, officials and employees harmless from any claims, injuries, damages, losses or suits including attorney's fees arising out of or in connection with the County's performance of the County's responsibilities under this Agreement, except for injuries and damages caused by the sole negligence of the City.

In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the County and the City, their officers, officials and employees, then each party's liability hereunder shall be only to the extent of each party's respective negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the City's and the County's waivers of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. These waivers have been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

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

Section 7. Resolution of Disputes and Governing Law

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

If any dispute arises between the City and the County under any of the provisions of this Agreement which cannot be resolved or a determination made within a reasonable time, or if the parties do not agree on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County

Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The non-prevailing party in any action brought to enforce this Agreement shall pay the other parties' expenses and reasonable attorney's fees.

Section 8. Written Notice

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

Section 9. Modification

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

Section 10. Entire Agreement

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

Section 11. Severability. In the event that any phrase, sentence, section or other portion of this Agreement is determined to be invalid, such invalidity shall not affect the remainder of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on this ____ day of _____, 2010.

CITY OF GIG HARBOR:

Name Date

Signature

Title

Street Address:

Mailing
Address: 3510 Grandview Street

Gig Harbor, WA 98335

Contact Name: Stephen Misiurak, P.E.

Contact Phone: (253) 851-6170

Contact FAX: (253) 851-8563

Contact Email: misiuraks@cityofgigharbor.net

PIERCE COUNTY:

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

Recommended:

Budget and Finance Date

Risk Management Date

Approved:

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

or

Pierce County Executive (over \$250,000) Date

Mailing
Address: 615 S 9th ST #300

Tacoma, WA 98405

Contact Name: Kristina Waldron

Contact Phone: (253) 798-6788

Contact FAX: (253) 798-6622

Email: kwaldro@co.pierce.wa.us

Attachment A

Storm GPS Development List

Any variance from this list must first be approved by the City Engineer.

1. St. Anthony Hospital
2. Mallard's Landing
3. Boy's and Girl's Club
4. Northwood Buildings A & B
5. Gig Harbor Senior Estates (Wagner Way)
6. The office building on Burnham Drive Next to Keller Williams
7. Rita Plat
8. Haub Plat
9. Museum
10. WWTP
11. Hunt Highlands
12. Arco AM-PM
13. Bayridge Ave (CB & pipe required for new SFR)
14. Soundview Drive and Olympic drive – CB and pipe
15. Hollycroft Street – CBs relocated
16. Alley behind State Farm Insurance Office on Harborview Drive - Operations installed CB and pipe
17. QFC lot storm to Judsen St. storm near Soundview Drive – Operations installed pipe
18. Other Private Development and City Storm Drainage systems when completed.



Subject: Street Names - Hunt Highlands Residential Development

Proposed Council Action: Approve the naming of streets in the Hunt Highlands residential development as Hunt Highlands Loop and Highlands Place.

Dept. Origin: Building/Fire Safety

Prepared by: D. Bower

For Agenda of: March 22, 2010

Exhibits: Maps and developers letter.

Initial & Date

Concurred by Mayor: CLH 3/2/10
Approved by City Administrator: RJK
Approved as to form by City Atty: by email 3/2/10
Approved by Finance Director: DB 3/2
Approved by Department Head: DB

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

The Hunt Highlands residential development is located off of Hunt Street on the opposite side (North) of Harbor Sunset Ln. The project is located in the "historical name area". Roads in the development include a looped road around the circumference of the development and a connecting road bisecting the loop. The roads are private and access will be controlled by a gate.

Hunt is a historic name that was used in naming Hunt Street and is no longer available on the Historic Names List. However, the developer has proposed naming the roads "Hunt Highlands Loop" and "Hunt Highlands Place" rather than using a new name from the historic names list. Their proposal is based on two premises: 1) Naming the loop road "Hunt Highlands Loop" is consistent with the naming of loop roads which must carry the name of the street from which they originate (GHMC 12.12.030G) and the reference to the Hunt family name is consistent with the intent of the historic name area; and 2) the use of "Hunt Highlands Place" is consistent with the requirements for the use of the place designator outlined in GHMC 12.12.030E and using a new historic name for a short, private road in a gated community would not give the "historic families the recognition they deserve".

Staff has reviewed the applicable codes and finds that the naming of the roads is generally consistent with the street naming conventions included in GHMC Chapter 12.12. The name

"Hunt Highlands Loop" is reflective of the street from which the road originates. The addition of "Highlands" to the name is consistent with the name of the development and provides additional clarity to the location of the road.

Similarly, the name "Hunt Highlands Place" is consistent with the naming convention for "places" in GHMC 12.12. The use of the name Hunt is consistent with the existing historic name for the streets from which the developments roads originate but does not use a new historic family name from the historic names list. The name "Hunt Highlands Place" is also consistent with the development name and provides additional clarity to the location of the road within the City.

Gig Harbor Fire & Medic One has been consulted on the proposal and agrees that by incorporating "Hunt Highlands" into the names they will have a good reference for the location of calls when responding to properties in the development. Therefore, they support the proposed names.

FISCAL CONSIDERATION

There is no fiscal impact to the City.

BOARD OR COMMITTEE RECOMMENDATION

No boards or committees have been consulted.

RECOMMENDATION / MOTION

Move to: Approve the naming of the streets within the Hunt Highlands development as "Hunt Highlands Loop" and "Hunt Highlands Place" as proposed by the developer.

HALSAN FREY, L.L.C.
REAL ESTATE DEVELOPMENT & CONSULTING SERVICES

February 24, 2010

Ms. Patty McGallian
Permit Coordinator
Gig Harbor Building & Fire Safety
3510 Grandview Street
Gig Harbor, WA 98335

RE: HUNT HIGHLANDS STREET NAMES

Dear Ms. McGallian: *PATTY,*

We are in the midst of constructing the first phase of the project at the present time. One part of the process requires that we gain approval of the new street names so that we can obtain addresses, order street signs, etc. We believe the project lies within the "Historic Name Area" as defined by Chapter 12 of the Municipal Code. As such, GHMC 12.12.030K requires that the project utilize road names from the list approved by the City Council submitted by the Historical Society. We would like to use alternative names instead.

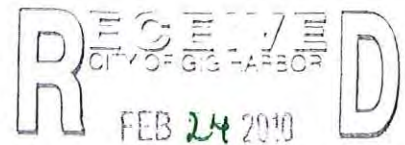
The project's roads are not public and will be gated. The general public will not have access to the small road network which will only be used by residents and authorized guests. It seems like it would be more appropriate to save the Historic Names for streets and roads that will be used by the general public, giving those historic family's the recognition they deserve. It would be a shame to waste them on a small network of private access ways behind a locked gate.

In the alternative, we would like to use the name *Hunt Highlands Loop* to designated the primary access way. This will be a true loop-type road than gains direct access to Hunt Street. This name will comply with the standard for "loops" as spelled out in 12.12.030G. In addition, the project has a short north-south access way we'd like to name *Highlands Place*. This would comply with the standards for "Place" as outlined in 12.12.030E. Moreover, the name Hunt is certainly a historic name in Gig Harbor so giving that family additional recognition would certainly be keeping with the spirit of the road name policy of the City.

Thank you in advance for your help and consideration. As always, please call me with any questions at (253) 307-1922 or email me carl@halsanfrey.com.

Sincerely,

Carl
Carl E. Halsan
Member



COMMUNITY
DEVELOPMENT

PO BOX 1447 * GIG HARBOR, WA * 98335
OFFICE: (253) 307-1922 FAX: (253) 858-9816
EMAIL: carl@halsanfrey.com

From: carl@halsanfrey.com
Sent: Friday, February 26, 2010 11:19 AM
To: Bower, Dick
Subject: Re: Hunt Highlands street names

That works for us. And I agree with you.

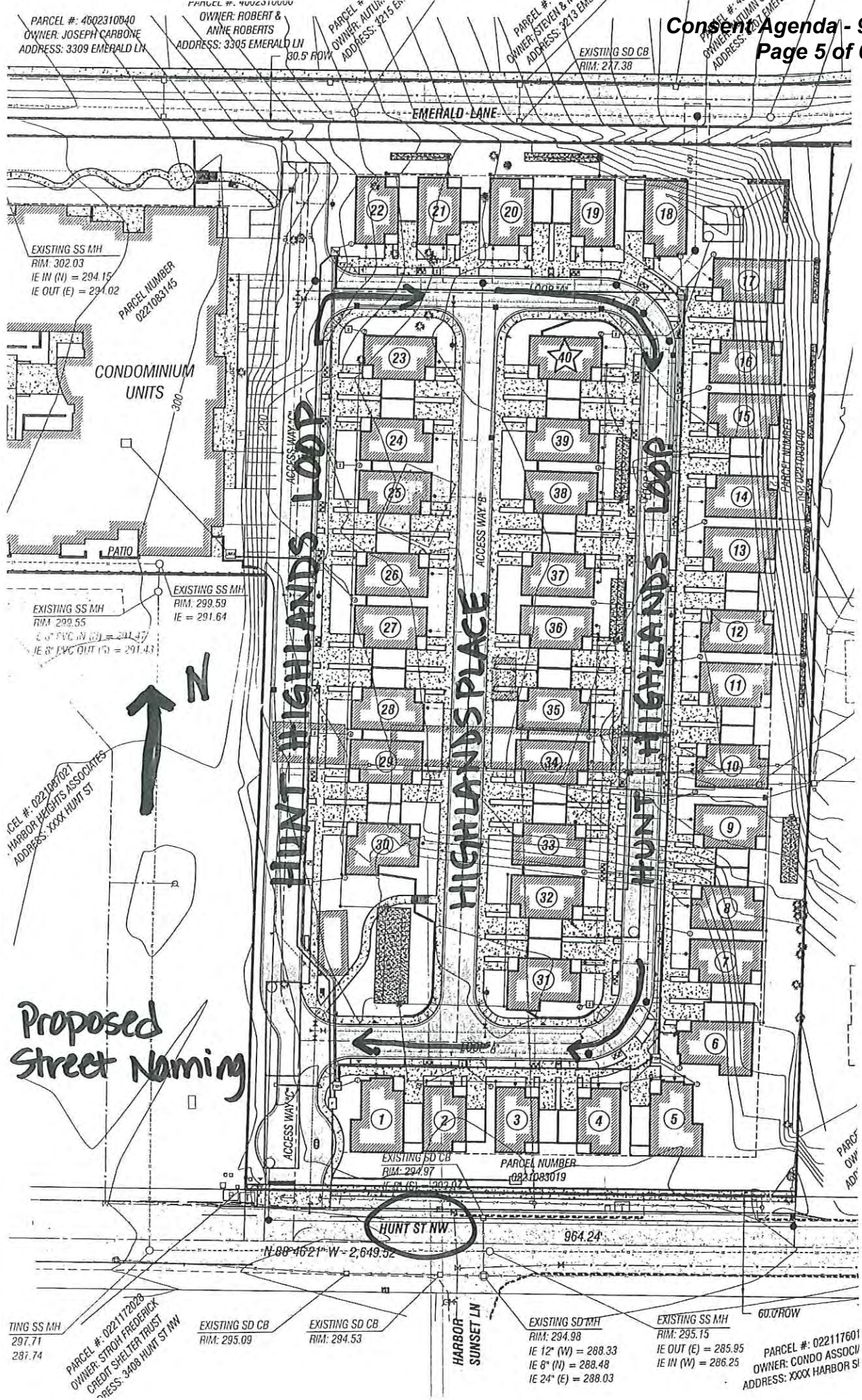
Sent from my Verizon Wireless BlackBerry

From: "Bower, Dick" <BowerD@cityofgigharbor.net>
Date: Fri, 26 Feb 2010 10:45:54 -0800
To: 'carl@halsanfrey.com' <carl@halsanfrey.com>
Subject: Hunt Highlands street names

Carl-

We've received your request for the naming of the streets in the Hunt Highlands development. I am in the process of drafting findings and a recommendation to the council. In general, I agree with and support your proposal however, I do see a problem with the Highlands Place name due to the historic names area requirements. You make a good point on wasting a historic family name on a short, gated private road however a strict interpretation of the historic names requirements would dictate that a historic name be used regardless. Naming the streets after the development "Hunt Highlands" is a very effective way of working the historic name and project name into the street naming conventions. It gives deference to the Hunt family while tying the names clearly to a particular development which is convenient for emergency responder reference. So, in that spirit what would your clients think of naming the access way "Hunt Highlands Place"? I think it would reduce concerns for variance to the historic names area conventions and make a cleaner proposal. If that doesn't appeal to your clients, I'll be happy to put the proposal forward as written. Please let me know your wishes and I'll take appropriate action. Thanks and have a good weekend.

Dick J. Bower, CBO
Building/ Fire Safety/Emerg. Mgmt. Director
City of Gig Harbor
3510 Grandview St.
Gig Harbor, WA 98335
253.851.6137
253.858.6408 (fax)



PARCEL #: 4602310040
OWNER: JOSEPH CARBONE
ADDRESS: 3309 EMERALD LN

PARCEL #: 4002310000
OWNER: ROBERT & ANNE ROBERTS
ADDRESS: 3305 EMERALD LN

PARCEL #: 4002310000
OWNER: AUTUMN
ADDRESS: 3215 E.

PARCEL #: 4002310000
OWNER: STEVEN & J
ADDRESS: 3213 E.

EXISTING SD CB
RIM: 217.38

EXISTING SS MH
RIM: 302.03
IE IN (N) = 294.15
IE OUT (E) = 294.02

PARCEL NUMBER
0221083145

CONDOMINIUM
UNITS

PATIO

EXISTING SS MH
RIM: 299.59
IE = 291.64
EXISTING SS MH
RIM: 299.55
IE 8" PVC IN (N) = 291.47
IE 8" PVC OUT (S) = 291.43



C.E.I. # 0221087021
HARBOR HEIGHTS ASSOCIATES
ADDRESS: XXXX HUNT ST

Proposed
Street Naming

HUNT HIGHLANDS LOOP

HIGHLANDS PLACE

HUNT HIGHLANDS LOOP

HUNT ST NW

EXISTING SS MH
RIM: 297.71
287.74

PARCEL #: 0221172028
OWNER: STROH FREDERICK
CREDIT SHELTER TRUST
ADDRESS: 3408 HUNT ST NW

EXISTING SD CB
RIM: 295.09

EXISTING SD CB
RIM: 294.53

HARBOR
SUNSET LN

EXISTING SD MH
RIM: 294.98
IE 12" (W) = 288.33
IE 8" (N) = 288.48
IE 24" (E) = 288.03

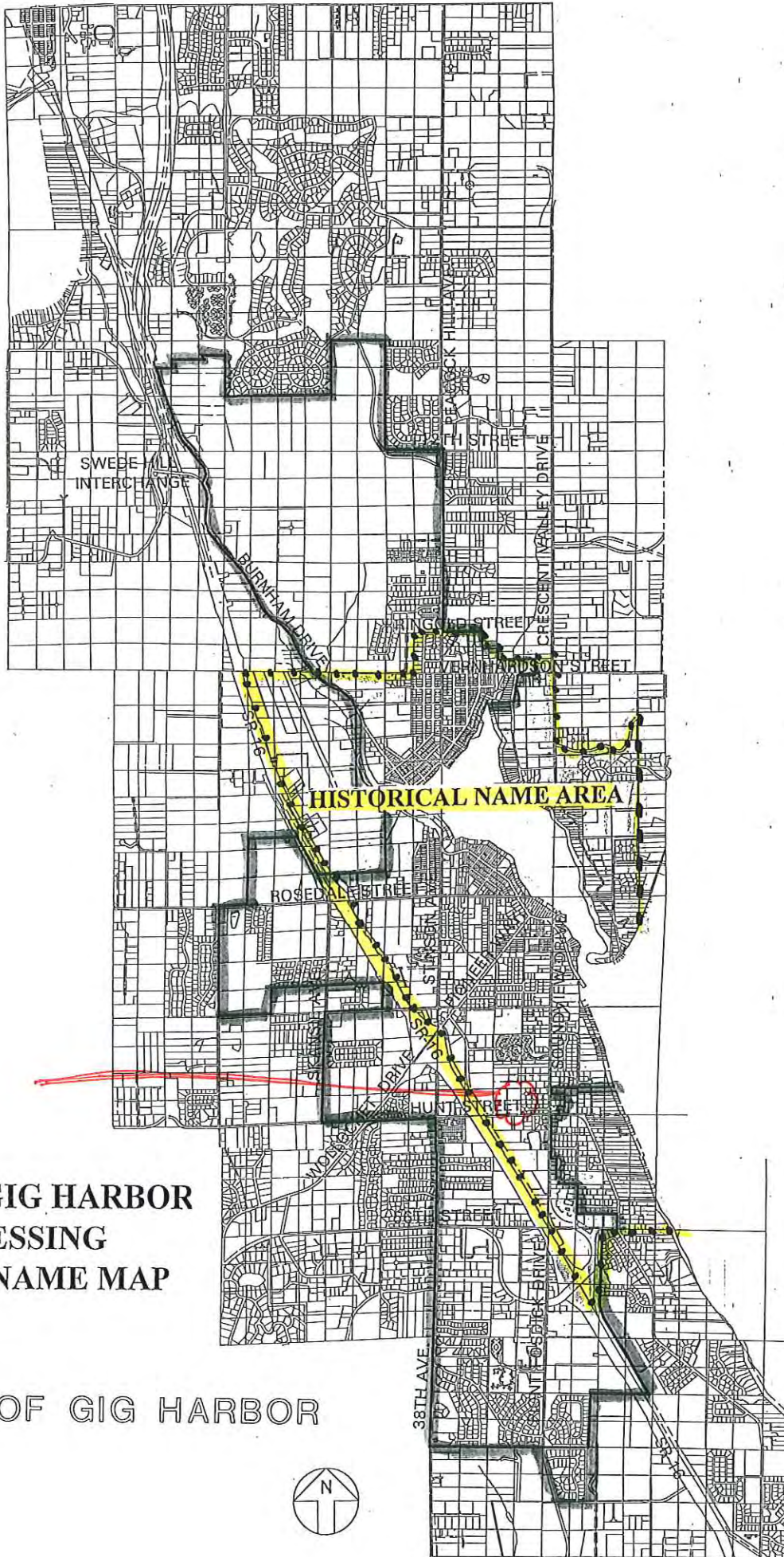
EXISTING SS MH
RIM: 295.15
IE OUT (E) = 285.95
IE IN (W) = 286.25

PARCEL #: 022117601
OWNER: CONDO ASSOC
ADDRESS: XXXX HARBOR ST

964.24'

N 88° 46' 21" W - 2,649.52'

60.0' ROW



*Subject
Property*

**CITY OF GIG HARBOR
ADDRESSING
STREET NAME MAP**

CITY OF GIG HARBOR





Business of the City Council
City of Gig Harbor, WA

Subject: Wastewater Treatment Plant (WWTP) Phase 1 Improvement Project – Change Order No. 2

Proposed Council Action: Authorize the Mayor to execute Change Order No. 2 with Prospect Construction, Inc. in the not to exceed amount of \$75,000, excluding retail sales tax, \$81,300 including tax for an amended contract total equal to \$10,966,258.20, including retail sales tax.

Dept. Origin: Public Works/Engineering

Prepared by: Stephen Misiurak, P.E. *[Signature]*
City Engineer

For Agenda of: March 8, 2010

Exhibits: Change Order No. 2
Exhibit "A"

Initial & Date

Concurred by Mayor: *CMH 3/4/10*
Approved by City Administrator: *RJK 3/4/10*
Approved as to form by City Atty: *per email 3/4*
Approved by Finance Director: *CPD 3/4/10*
Approved by Department Head: *Jim 3/4/10*

Expenditure Required	\$81,300	Amount Budgeted	\$ 5,800,000	Appropriation Required	\$0
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INFORMATION / BACKGROUND

On January 26, 2009, Council awarded the Wastewater Treatment Plant (WWTP) Phase 1 Improvement Project to Prospect Construction in the amount of \$10,883,949. On March 23, 2009, Council approved a change order in the amount of \$1,009.20 for a contract amended total of \$10,884,958.20. This change order no. 2 provides for the increase in the lump sum bid item no. 16 "Force Account" from \$200,000 to \$275,000, excluding sales tax, an additional allotment of \$75,000 to provide for the completion of necessary and ancillary work items that could not have not been anticipated during the preparation of the plans and specifications.

This force account bid item is a contract allowance or contingency that is used during the course of construction for minor City directed changes, differing site conditions for which the City determines that the Contractor is due additional compensation. All force account authorized changes are essential work items that are required to be completed as part of the prosecution of the work as well as maintaining project schedule. Without a force account allowance, all changes would have to be approved by City Council in advance of completion of the work, which would add overall contract delay to the overall contract schedule.

To date the City has approved \$161,990 in force account changes and a summary of these charges are summarized within the attached Exhibit "A". The resulting force account balance of \$38,010 may not be sufficient to fund any other unforeseen or City directed changes on the remainder of this construction project as there is still over eight months of construction time remaining. In order to maintain an interrupted project schedule as well as provide adequate

funding for unanticipated minor changes, Council is requested to increase this lump sum bid item for force account from \$200,000 to \$275,000, excluding sales tax.

FISCAL CONSIDERATION

Total Project Budget Incl. Design, Const Management \$16,369,860.00

Amount Awarded for Construction	\$10,883,949.00
CO #1	\$ 1,009.20
CO #2	\$ 81,300.00
Total Spent/Obligated	\$10,966,258.20

Budget Remaining \$ 5,403,601.80 *

* Contained within the "Budget remaining" is approximately \$1,000,000 reserved for the additional Clarifier No. 2.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to execute Change Order No. 2 for the WWTP with Prospect Construction, Inc. for a net contract change in the amount \$75,000 excluding sales tax, \$81,300 with sales tax. The contract amended total will be \$10,966,258.20, including sales tax.



Parametrix

ENGINEERING • PLANNING • ENVIRONMENTAL SCIENCES

CONTRACT CHANGE ORDER (CCO) NO. 002

Project Name: Wastewater Treatment Plant (WWTP) Phase 1 Improvement
Contractor: Prospect Construction Inc.

Date: 2010, 2-25

Project No.: CSSP-0702

DESCRIPTION OF WORK

You are hereby requested to comply with the following changes from the contract Plans and specifications:

Such work will be compensated by: check one or more of the following as applicable [X] Increase or [] Decrease in bid items; [] Force Account; [X] Negotiated Price: The described work affects the existing contract items and/or adds and/or deletes bid items as follows:

1 This Force Account bid item is a contract allowance or contingency that is used during the course of construction for minor City directed changes, differing site conditions for which the City determines that the Contractor is due additional compensation. All Force Account authorized changes are essential work items that required to be completed as part of the prosecution of the work as well as maintaining project schedule. Without a Force Account allowance, all changes would have to be approved by City Council in advance of completion of the work, which would add overall contract delay to the overall contract schedule.

Item No.	Description	WCD #	Qty.	Unit	\$ Cost Per Unit	\$ Cost	Net \$ Cost	Adj. Days
1	16 Force Account		0	LS	\$200,000.00	\$0.00		
			1	LS	\$75,000.00	\$75,000.00	\$75,000.00	0
2			0	FA	\$0.00	\$0.00		
			1	FA		\$0.00	\$0.00	0
3			0	LS	\$0.00	\$0.00		
			1	LS		\$0.00	\$0.00	0
4			0	LS	\$0.00	\$0.00		
			1	LS		\$0.00	\$0.00	0
5			0	LS	\$0.00	\$0.00		
			1	LS		\$0.00	\$0.00	0
6			0		\$0.00	\$0.00		
			1			\$0.00	\$0.00	0
7			0		\$0.00	\$0.00		
			0			\$0.00	\$0.00	0
Total						\$75,000.00		0

ORIGINAL CONTRACT	CURRENT CONTRACT	Est. Net Change	Total Change Orders,	Est. contract After This
		This Change Order	Including This One	Change Order
\$10,040,543.00	\$10,041,474.00	\$75,000.00	\$75,931.00	\$10,116,474.00
Sales tax \$10,883,949.00	\$10,884,958.20	\$81,300.00	\$82,309.20	\$10,966,258.20
DAYS: 510	DAYS: 510	DAYS: 0	DAYS: 0	DAYS: 510

Please Note that the Sales Tax was rounded up in the original contract by 0.39
All work, materials and measurements to be in accordance with the provisions of the original contract and/or the standard specifications and special provisions for the type of construction involved. The payments and/or additional time specified and agreed to in this order include every claim by the Contractor for any extra payment or extension of time with respect to the work described herein, including delays to the overall project.

APPROVED BY:	SIGNATURE:	DATE:
PROJECT ENGINEER		
OWNERS REPRESENTATIVE		3/3/10
CONTRACTOR		3/3/10
CITY ENGINEER		3/4/10
CITY MANAGER		
CITY COUNCIL APPROVAL DATE:		

Force Account Summary

EXHIBIT A

				Prospect Construction Inc,		
Bid Item	Item Description	Unit	Est. Qty.	U.P.	Extension	
Field Order	16	FORCE ACCOUNT	LS	1	\$200,000.00	\$ 200,000.00
RFC No.	COP 003	WCD 003 <i>Sloping New Tanks</i>	LS	1	\$8,898.00	\$ 8,898.00
NA	COP 006	WCD 030 <i>CDF for D Box over Excavation</i>	LS	1	\$3,990.00	\$ 3,990.00
FA	COP 010	WCD 004 <i>Removal of additional wall in Aeration Basin 01</i>	LS	1	\$16,772.00	\$ 16,772.00
RFC 40	COP 005	WCD 005 <i>Installation of Passive filters to Blowers</i>	LS	1	\$9,558.00	\$ 9,558.00
FO 05	COP 011	WCD 006 <i>Temporary Power to Blower Building</i>	LS	1	\$4,528.00	\$ 4,528.00
NA	COP 009	WCD 007 <i>Grit Pump P-222 sump Low Level float switch</i>	LS	1	\$996.00	\$ 996.00
FO 08	COP 008	WCD 008 <i>Provide breaker and variable frequency drive (VFD), associated with</i>	LS	1	\$842.00	\$ 842.00
FO 07	COP 002	WCD 009 <i>Rebar Spacing</i>	LS	1	\$33,166.00	\$ 33,166.00
RFC 02	COP 004	WCD 010 <i>In-Channel Fine Screen electrical</i>	LS	1	\$1,436.00	\$ 1,436.00
FO 03	COP 012	WCD 011 <i>CMU Block Insulation</i>	LS	1	\$12,686.00	\$ 12,686.00
FO18	COP 013	WCD 012 <i>Thickener and Poly Signal and Power Modifications</i>	LS	1	\$2,441.00	\$ 2,441.00
FO10	COP 014	WCD 013 <i>PCP-200 Pannel size upgrade</i>	LS	1	\$1,966.00	\$ 1,966.00
FO 11	COP 017	WCD 014 <i>Alterations and grade changes Around AB 04</i>	LS	1	\$1,668.00	\$ 1,668.00
FO 06	COP 020	WCD 015 <i>Order Control Drain and Sump</i>	LS	1	\$11,877.00	\$ 11,877.00
FO 13.1	COP 021	WCD 016 <i>AA Piping changed for Phase 2</i>	LS	1	\$3,054.00	\$ 3,054.00
NA	COP 022	WCD 017 <i>Sludge Conveyor Revisions</i>	LS	1	\$14,084.00	\$ 14,084.00
FO12/12.1	COP 023	WCD 018 <i>Patch Panel Modifications</i>	LS	1	\$3,435.00	\$ 3,435.00
FO 14	COP 016	WCD 019 <i>Window Chang to Double Hung</i>	LS	1	\$1,634.00	\$ 1,634.00
SUB 39b	COP 019	WCD 020 <i>MLR wall Penetrations</i>	LS	1	\$2,950.00	\$ 2,950.00
RFC 42r	COP 024	WCD 021 <i>Additional conduits for the de watering bld</i>	LS	1	\$1,841.00	\$ 1,841.00
FO 16	COP 025	WCD 022 <i>Added Breakers FO 017</i>	LS	1	\$658.00	\$ 658.00
FO 17	COP 018	WCD 023 <i>Rockery wall Drain</i>	LS	1	\$967.00	\$ 967.00
FO 09	COP 030	WCD 024 <i>Panel Size increase for future expansion (Phase 2)</i>	LS	1	\$3,658.00	\$ 3,658.00
FO 23	COP 031	WCD 025 <i>Gypsum Wall board Upgrade to Dura Rock</i>	LS	1	\$2,607.00	\$ 2,607.00
NA	COP 029	WCD 026 <i>HVAC Controls</i>	LS	1	\$3,582.00	\$ 3,582.00
RFC 43	COP 015	WCD 027 <i>Drain for Anoxic Basin Construction</i>	LS	1	\$1,754.00	\$ 1,754.00
NA	COP 027	WCD 028 <i>Comcast conduit Line</i>	LS	1	\$957.00	\$ 957.00
FO 21						

Force Account Summary

EXHIBIT A

				Prospect Construction Inc,	
Bid Item	Item Description	Unit	Est. Qty.	U.P.	Extension
NA	COP 028 WCD 029 Heater Unit Disconnect Credit	LS	1	-\$1,061.00	\$ (1,061.00)
NA	COP 032 WCD 031 Safty Roof Anchors	LS	1	\$3,460.00	\$ 3,460.00
FA	COP 033 WCD 032 Digestor Modifications	LS	1	\$1,853.00	\$ 1,853.00
FO 24	COP 034 WCD 033 Centrifuge Electrical Changes	LS	1	\$6,032.00	\$ 6,032.00
FO 25	COP 035 WCD 034 Conyeyor E-stop Deletion	LS	1	-\$299.00	\$ (299.00)

Force Account used	\$161,990.00
Force account Tax 8.4%	\$13,607.16
Total with tax	\$175,597.16

Remaining Force Account Balance **\$38,010.00**



Subject: Salter, Joyce & Ziker Attorney
Contract - Amendment No. 2.

Dept. Origin: Administration

Prepared by: Rob Karlinsey

Proposed Council Action:

For Agenda of: March 8, 2010

Authorize the Mayor to sign the
2nd Amendment to the Contract
For Attorney Services with
Salter Joyce Ziker, PLLC

Exhibits: Amendment No. 2 to Agreement
For Attorney Services

Initial & Date

Concurred by Mayor: CLH 3/4/10

Approved by City Administrator: RJK 3/4

Approved as to form by City Atty: _____

Approved by Finance Director: JP 3/4/10

Expenditure Required	Amount Budgeted	Appropriation Required
N/A	N/A	N/A

INFORMATION / BACKGROUND

On November 12, 2004, the City Council executed a contract with Salter Joyce Ziker for specialized attorney services associated with the Eddon Boat property. Currently, Bill Joyce works with the City to assist the City on the environmental review/clean-up of the property.

Salter Joyce Ziker is requesting additional authorized staff to work on this issue; Attorney Andrew Settle to be paid at the 03/17/2008 established rate of Two Hundred Eighty Dollars (\$280) per hour, and Attorney Ian Sutton to be paid at the rate of Two Hundred Fifty Dollars (\$250) per hour.

FISCAL CONSIDERATION

N/A

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to: Authorize the Mayor to sign the 2nd Amendment to the Contract for Attorney services with Salter Joyce Ziker, PLLC.

TRANSMITTAL MEMORANDUM

DATE: February 12, 2010

TO: Rob Karlinsey
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

FROM: Mary Anne Zobrist
Legal Assistant to William F. Joyce

RE: City of Gig Harbor
Amendment No. 2 to Salter Joyce Ziker Agreement for Attorney Services

Enclosed are duplicate originals of Amendment No. 2 to Agreement for Attorney Services ("Amendment") that have been signed by Bill Joyce. If the Amendment is acceptable to the City, please send me one of the fully executed originals.

Thank you very much for your assistance.

Enclosures

AMENDMENT NO. 2 TO AGREEMENT FOR ATTORNEY SERVICES

This AMENDMENT NO. 2 TO AGREEMENT FOR ATTORNEY SERVICES ("Amendment No. 2"), effective _____, 2010, is part of the Agreement for Attorney Services dated November 12, 2004 ("Agreement"), entered into by and between SALTER JOYCE ZIKER, PLLC ("SJZ") and the CITY OF GIG HARBOR, WASHINGTON ("City").

(1) IT IS HEREBY AGREED that Section (3) of the Agreement shall now read:

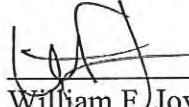
Compensation. The City hereby agrees to pay Attorneys William Joyce, Tod Gold, Andrew Salter, and Todd Wyatt for legal services at the rate of Two Hundred Eighty Dollars (\$280) per hour. The City hereby agrees to pay Attorney Ian Sutton for legal services at the rate of Two Hundred Fifty Dollars (\$250) per hour. Attorneys agree to use every appropriate method to contain their fees on this matter.

The attorneys authorized to work on the matter described above are William Joyce, Tod Gold, Andrew Salter, Todd Wyatt, and Ian Sutton. The charges for legal services provided will be based on actual time or based on increments which are no greater than 6 minutes.

(2) Except as expressly amended in this Amendment No. 2, all of the terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, SJZ and the City, by the signatures below, have duly executed this Amendment No. 2 as of the indicated dates.

Dated: 2/10/10

SALTER JOYCE ZIKER, PLLC
By: 
William F. Joyce

Dated: _____

THE CITY OF GIG HARBOR
By: _____
Mayor Charles Hunter

ATTEST
By: _____
Molly Towslee, City Clerk

APPROVED AS TO FORM:
By: _____,
City Attorney

Subject: Sitts & Hill Engineers, Inc.
Structural Engineers Services Contract for
the Eddon Boat Dock Reconstruction Project

Proposed Council Action: Approve and
authorize the Mayor to execute the agreement
with Sitts & Hill Engineers, Inc. for the Eddon
Boat Dock Reconstruction Project in the
amount of \$32,410.

Dept. Origin: Administration

Prepared by: Lita Dawn Stanton *RLS*
Special Projects

For Agenda of: March 8, 2010

Exhibits: Contract

Initial & Date

Concurred by Mayor: CLH 3/3/10

Approved by City Administrator: RLK

Approved as to form by City Atty: ok via email

Approved by Finance Director: DL 3/3/10

Approved by Department Head: _____

Expenditure	Amount	Appropriation
Required \$ 32,410	Budgeted \$ 32,410	Required \$ -0-

INFORMATION / BACKGROUND

Eddon Boat Park was acquired by the City through a 2005 voter approved 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. As part of the site soils remediation clean-up project completed in 2009, the dock, creosote piling and marine railways were removed. In order to preserve the integrity of the site, permitting agencies allowed the City to rebuild and reconstruct the dock in its original configuration when funding became available. In 2008, a Washington State Heritage Capital Projects grant in the amount of \$243,266 was approved to reconstruct the dock, and reposition the ramp, float and exterior railway.

In a response to a City Request for Qualifications, the City received three submittals. The top two most qualified respondents were interviewed. After checking references, the selection committee chose Sitts & Hill Engineers, Inc. as the most qualified engineering firm for this work.

FISCAL CONSIDERATION

The 2010 Park Capital project fund has allocated sufficient funds for this project.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

Move to approve and authorize the agreement with Sitts & Hill Engineers, Inc. for the Eddon Boat Dock Reconstruction Project in the amount not to exceed \$32,410.

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
Sitts & Hill Engineers, Inc.**

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

RECITALS

WHEREAS, the City is presently engaged in the Eddon Boat Dock Reconstruction 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 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 thirty-two thousand four hundred ten dollars and no cents (\$32,410) 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 December 31, 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,
{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:
Larry Lindell, PE
Sitts & Hill Engineers, Inc.
4815 Center Street
Tacoma, WA 98409

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: Vice President

By: _____
Mayor Charles L. Hunter

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

SITTS & HILL ENGINEERS, INC.

Professional Engineers and Planners
4815 Center Street, Tacoma, WA 98409
Telephone (253) 474-9449
Fax (253) 474-0153

ROBERT J. DAHMEN, P.E.
BRENT K. LESLIE, P.E.
ROBERT N. ERB, P.L.S.
RANDALL C. HAYDON, P.L.S.
KATHY A. HARGRAVE, P.E.
LARRY G. LINDELL, P.E.

February 18th, 2010
Revised February 25th, 2010

CITY OF GIG HARBOR
3510 Grandview Street
Gig Harbor, Washington 98335

TO: Ms. Lita Dawn Stanton

SUBJECT: ***PROPOSAL FOR STRUCTURAL ENGINEERING SERVICES FOR EDDON BOAT DOCK RECONSTRUCTION PROJECT LOCATED IN THE CITY OF GIG HARBOR, WASHINGTON***

Dear Ms. Stanton:

Sitts & Hill Engineers is pleased to present this proposal for Structural Engineering Services for the Eddon Boat Works pier and float reconstruction. Sitts & Hill Engineers has experience with similar analysis and design projects for renovation and new projects in Gig Harbor and throughout the Pacific Northwest. We are committed to providing a high level of responsiveness and service necessary to make this a cost effective and successful project.

This proposal includes our Project Description, Project Personnel, Scope of Structural Engineering Services, Exclusions and a summary of the Professional Services Fees. If you have any questions or would like more detail on any of the information provided, please contact us directly. Thank you for the opportunity to provide these engineering services.

PROJECT DESCRIPTION

Sitts & Hill Engineers proposes to provide the Engineering Consulting Services associated with this project based upon our Statement of Qualifications dated January 11th, 2010, site visit and overall design concepts provided by the City of Gig Harbor. The project will be designed to the requirements of the 2006 International Building Code with Washington State and local amendments.

PROJECT PERSONNEL

The following section describes the duties and responsibilities of several individuals who are vital to the successful completion of this project, both with the City of Gig Harbor and Sitts & Hill Engineers.

City of Gig Harbor Key Personnel

Marcos McGraw - Project Engineer

- Review/approve proposed schedules for design and construction.
- Process Contractor pay requests and/or change orders which have first been reviewed by Sitts & Hill Engineers.
- Review administrative submittals, including certified payroll for prevailing wage rates.
- Review technical submittals which have first been reviewed by Sitts & Hill Engineers.

- Coordinate preparation of documents required as a part of the Washington State Heritage Grant.

City Building Officials

- Timely review of contract documents required for a building permit.
- Coordination with the Design Team/Contractor regarding any inspection issues.

Sitts & Hill Engineers Key Personnel

Larry Lindell, P.E., S.E. - Principal In Charge/Project Manager

- Function as the primary contact with the City of Gig Harbor.
- Oversee the efforts of all Sitts & Hill personnel involved with this project.
- Assign additional Sitts & Hill personnel to assist on the project as required to assure that the project is completed on schedule.
- Attend review meetings with the City of Gig Harbor as required.
- Attend meetings with the Building Department as required to facilitate permitting.
- Identify key project stakeholders and determine individual requirements for each stakeholder.
- Assist in resolving conflicting stakeholder project requirements (if any exist).
- Assist in the resolution of unforeseen issues, should they occur during the construction process.

Brent Leslie, P.E., S.E. - Quality Control

- Oversee inhouse quality assurance and quality control (QA/QC) measures.
- Review preliminary documents for "Value Engineering" considerations.
- Assist the Principal In Charge in overseeing the efforts of Sitts & Hill personnel.

Brian Labrecque, P.E. - Project Engineer

- Preparation of contract documents (drawings and specifications).
- Prepare and maintain a schedule of the design and construction milestones.
- Communicate with the City of Gig Harbor regarding the project process, with particular emphasis on adherence to /modification of the project schedule.
- Attend all review meetings with the City of Gig Harbor/Building Department.
- Prepare meeting minutes of all meetings for distribution to project stakeholders.
- Prepare regular status reports and invoices for submission to the City of Gig Harbor.
- Review the budget throughout the project and update the City of Gig Harbor regarding budget issues at regular intervals.
- Attend the pre-bid meeting and/or site visits with potential bidders.
- Review Requests for Information (RFIs) submitted by contractors during the bid period and respond as required.
- Preparation of any addenda to the contract documents and incorporation of the addenda into the final construction documents.
- Attend construction status meeting, to the extent required and/or requested by the Contractor/City of Gig Harbor.
- Perform regular site visits during construction for the purpose of structural observations.
- Review Contractor submittals and shop drawings for conformance to the contract documents.
- Review RFI's and change orders from the Contractor and respond as required.
- Coordinate required special inspections with the Contractor.

- At the direction of the City of Gig Harbor, prepare independent cost estimates for change orders submitted for approval.
- Perform a final walkthrough at substantial completion of the project and prepare a final punch list based on observed issues.
- Prepare documents as required to close out the Washington State Heritage Fund grant.
- Prepare mylar record drawings for submittal to the City of Gig Harbor.

SCOPE OF BASIC ENGINEERING SERVICES

Sitts & Hill Engineers understands the Scope of Basic Structural Engineering Services to be defined as follows. If additional items are required or excluded, please contact our office so that adjustments can be made to the proposed fee.

1. Construction Documents

The objective of this phase of the project is to prepare the technical documents required for submittal to the City of Gig Harbor to obtain a City building permit. This portion of the basic engineering services includes the preliminary studies and design work required to perform the structural design of the new wood and steel pipe pile pier and new wood float. The new concrete bulkhead at the shore side of the pier and the details required for the relocation of the existing ramp shall also be designed. This portion of the work shall specifically include:

- a. Consultant shall coordinate design parameters with special inspection agency.
- b. Project Mobilization and Kickoff.
- c. Conceptual Design Documents.
- d. Design/Permit Reconciliation
- e. Ramp Condition Survey.
- f. Structural Analysis for Pier.
- g. Preparation of Pier Plans.
- h. Preparation of Pier Sections and Details.
- i. Design and Detail of New Float.
 - i. The new float design shall be compatible with the existing historic ramp (which shall be reinstalled).
 - ii. This item shall be bid as an alternate item (in lieu of replacement of the existing float).
- j. Integration of Existing Gangway/Ramp into Project.
- k. Design and Detail of Pier Approach Bulkhead.
- l. Structural Notes.

2. General Project Tasks

The objective of this phase of the project is to provide the general project support tasks required to support the development of construction bidding documents, such as meetings with the City of Gig Harbor, review of existing project documentation and structural observation visits to the project site. Project cost estimates and project scheduling, as well as regularly scheduled progress reports shall be provided to the City of Gig Harbor as a part of this work. This portion of the work shall specifically include:

- a. Meetings with Owner/City of Gig Harbor.
- b. Review Existing Documentation.
- c. Site Visits.

- d. Design Team Meetings.
- e. Preparation of Deliverables for Submittals.
 - i. Structural calculations books and 22"x34" structural drawings shall be submitted to the Building Department for building permit review.
 - ii. A compact disc (CD) containing electronic copies of the structural drawings in PDF format shall be provided to the City of Gig Harbor.
- f. Topographic Survey (Upon request, a proposal for topographic surveying services will be provided).
- g. Preparation of full Technical Specifications in accordance with Construction Institute (CSI) format. City to provide the front end and standard General Conditions, Divisions Zero and One, of the construction contract only All other sections of the bid package to be provided by Consultant:
 - i. A complete specification book shall be prepared, include technical and administrative specifications.
 - ii. An abbreviated technical specification shall be included with the construction drawings in the form of General Structural Notes. The General Structural Notes will be reconciled with the specifications referenced in item (i.) above.
- h. Cost Estimating and Engineer's Estimate.
- i. Project Scheduling.
- j. Project Progress Reports (Weekly during the design phase).
- k. Building Permit Package Preparation.
- l. Quality Control, Supervision and Checking.
- m. Project Management.
- n. Meetings with Jurisdictions, If Required (Sitts & Hill Engineers has an excellent relationship with the City of Gig Harbor Building Department and we do not expect an extensive comment period for this project. We have budgeted for up to three meetings with the City during this phase).

3. Bidding Phase Support

The objective of this phase of the project is to assist and facilitate the bidding phase of the construction process. This portion of the work shall specifically include:

- a. Attend a Pre-Bid Conference and Site Walk-Through.
- b. Address RFI and Substitution Requests.
- c. Assist with Preparation of Addenda Documents.
- d. Create an "Issued for Construction" Set of Contract Documents.
- e. Provide a CD containing electronic copies of the structural drawings in PDF format of the "Issued for Construction" set of Contract Drawings to the City of Gig Harbor.
- f. Consultant shall provide a CD of the Bid Package to the City. The specifications shall be original Word format and the drawings shall be AutoCad 2008 or older format. A full sized set of wet stamped 22"x34" mylars are also required.

4. Construction Phase Support

The objective of this phase of the project is to provide support services required to ensure an efficient and structurally acceptable construction process. Sitts & Hill Engineers shall attend construction meetings and perform site visits as required and/or requested by the Contractor and/or the City of Gig Harbor. We will provide technical review of the construction and product submittals in a timely fashion to avoid unnecessary project delays. Also, we will assist the City of

Gig Harbor in reviewing any proposed change orders submitted by the Contractor. This portion of the work shall specifically include:

- a. Attend Construction Meetings as Requested.
- b. Telephone Consultations and Clarifications through the City.
- c. Submittal Data Review.
- d. Shop Drawing Review.
- e. Construction Observation.
- f. Assist with Change Order Review and Cost Validation (At the request of the City of Gig Harbor).
- g. Coordination of Testing and Special Inspection with the Contractor. It is our understanding that while Sitts & Hill Engineers may assist in the selection of special inspectors and coordination of special inspections with the Contractor, the City of Gig Harbor shall hire and pay for all special inspections. The following items shall require special inspection:
 - i. Steel pipe pile installation.
 - ii. Concrete placement and test cylinders.
 - iii. Any other items that are required by the building department.
 - iv. All special inspections shall be performed by qualified testing agencies approved by the City of Gig Harbor.
 - v. Special Inspection of the steel pile installation may be performed by Sitts & Hill Engineers at the request of the City of Gig Harbor (Upon request, a proposal for pile installation special inspection services will be provided).
 - vi. At the option of the City of Gig Harbor, Sitts & Hill Engineers may assume the responsibility of hiring the required special inspectors. This cost associated with this is not currently included in the budget for structural engineering fees. Upon request, a proposal for the hiring of the special inspectors will be provided.

5. Project Completion and Closeout

The objective of this phase of the project is to assist the City of Gig Harbor and the Contractor is completing and closing out of the project in a satisfactory way. Sitts & Hill Engineers will perform a final walkthrough of the project to determine if the pier and float have been constructed and installed in accordance with the contract documents. Record drawings shall be provided to the City of Gig Harbor, and we will assist in any way possible with the final closeout of the Washington State Heritage Fund Grant. This portion of the work shall specifically include:

- a. Final Walkthrough of the Project.
- b. Assist in Final Punch List Development.
- c. "As Built"/Record Drawing Preparation.
 - i. Hard copies of record drawings shall be submitted as 22"x34" mylar sheets to the City of Gig Harbor.
 - ii. A CD containing electronic copies of the record drawings in AutoCad 2008 or older format shall also be submitted to the City of Gig Harbor.
- d. Washington State Heritage Fund Grant Reporting Support.

EXCLUSIONS: SCOPE OF BASIC ENGINEERING SERVICES

The following are a list of Additional Services that may be performed under a separate contract if necessary (at your request):

CITY of GIG HARBOR
February 18th 2010
Revised February 25th, 2010
Page 6 of 6

1. Our Scope of Work will **not** include fences, site retaining walls (apart from the bulkhead at the shore side of the pier) or site structures that are separate from the primary structure.
2. Permitting services **not** specifically included in the Scope of Work.
3. It is understood that the City of Gig Harbor shall be responsible for payment of all permitting fees.
4. Special inspections.
5. Topographic Survey.

STRUCTURAL ENGINEERING FEES

Basic Structural Engineering Services are estimates and will be billed monthly on a Time and Materials Basis to help with budgetary considerations. We anticipate working with the City of Gig Harbor during the design process to optimize the final in place product. The following is a summary of the engineering cost estimate sheets attached:

Basic Engineering Services

1. Construction Documents	\$13,920.00
2. General Project Tasks	\$ 8,970.00
3. Bidding Phase Support	\$ 3,670.00
4. Construction Phase Support	\$ 4,140.00
5. Project Completion and Closeout	\$ <u>1,710.00</u>


Total \$32,410.00

We are prepared to begin work upon mutual acceptance of this proposal and the consulting services contract between the City of Gig Harbor and Sitts & Hill Engineers. To assure clarity in matters of our mutual responsibilities, it is understood that the City of Gig Harbor Consultant Services Agreement shall form the basis of our agreement to perform the work.

We appreciate the opportunity to submit this proposal. If you have any questions, please don't hesitate to contact our office.

Sincerely,

SITTS & HILL ENGINEERS, INC.



Brent K. Leslie, P.E., S.E.
Principal

v:14,500/14,574/Job Opening Info/2010-02-18-25 -Gig Harbor (Revised)

PROJECT SERVICES ESTIMATE
 PREPARED FOR
 CITY OF GIG HARBOR

FILE: 2010-02-05 Eddon Boat Dock
 DATE: 12 JANUARY 2010
 ESTIMATE BY: B LESLIE

SITTS & HILL ENGINEERS, INC.
 4815 CENTER STREET
 TACOMA, WA. 98409
 TEL. (253) 474-9449
 FAX. (253) 474-0153

PROJECT: EDDON BOAT DOCK, GIG HARBOR, WA

	TOTAL COSTS
CONSTRUCTION DOCUMENTS	\$13,920
GENERAL PROJECT TASKS	\$8,970
BIDDING PHASE SUPPORT	\$3,670
CONSTRUCTION PHASE SUPPORT	\$4,140
PROJECT COMPLETION AND CLOSEOUT	\$1,710
TOTAL HOURS	
TOTAL COSTS	
GENERAL NOTES:	GRAND TOTAL OF COSTS = \$32,410

PROJECT SERVICES ESTIMATE
PREPARED FOR
CITY OF GIG HARBOR

FILE: 2010-02-05 Eddon Boat Dock
DATE: 12 JANUARY 2010
ESTIMATE BY: B LESLIE

SITTS & HILL ENGINEERS, INC.
4815 CENTER STREET
TACOMA, WA. 98409
TEL. (253) 474-9449
FAX. (253) 474-0153

PROJECT: EDDON BOAT DOCK, GIG HARBOR, WA

DESCRIPTION	PRINCIPLE ENGINEER	PROJECT MANAGER	STAFF ENGINEER	DRAFTER	DIRECT EXPENSE	TOTAL COSTS
	\$135.00	\$105.00	\$85.00	\$75.00		
GENERAL TASKS						\$0
MEETINGS WITH OWNER		4	2			\$590
REVIEW EXISTING DOCUMENTATION		2				\$210
SITE VISITS		2	2			\$380
DESIGN TEAM MEETINGS	1	2	2	2		\$665
PREPARATION OF DELIVERABLES FOR SUBMITTALS		1		4		\$405
TOPOGRAPHIC SURVEY NOTE 1						\$0
PREPARE TECHNICAL SPECIFICATIONS	2		24			\$2,310
COST ESTIMATING			16			\$1,360
PROJECT SCHEDULING			6			\$510
PROJECT PROGRESS REPORTS (WEEKLY DURING DESIGN PHASE)			6			\$510
BUILDING PERMIT PACKAGE PREPARATION			2	2		\$320
QUALITY CONTROL, SUPERVISION AND CHECKING	2	2				\$480
PROJECT MANAGEMENT	4					\$540
MEETINGS WITH JURISDICTIONS (IF REQUIRED)	2	4				\$690
						\$0
						\$0
						\$0
						\$0
						\$0
TOTAL HOURS	11	17	60	8	0	
TOTAL COSTS	\$1,485	\$1,785	\$5,100	\$600	\$0	\$8,970
			TOTAL MAN HOURS: 96			
GENERAL NOTES:						
1. PROPOSAL FOR SERVICES WILL BE PROVIDED UPON REQUEST.						
TOTAL COSTS:						\$8,970

PROJECT SERVICES ESTIMATE
PREPARED FOR
CITY OF GIG HARBOR

FILE: 2010-02-05 Eddon Boat Dock
DATE: 12 JANUARY 2010
ESTIMATE BY: B LESLIE

SITTS & HILL ENGINEERS, INC.
4815 CENTER STREET
TACOMA, WA. 98409
TEL. (253) 474-9449
FAX. (253) 474-0153

PROJECT: EDDON BOAT DOCK, GIG HARBOR, WA

DESCRIPTION	PRINCIPLE PROJECT	STAFF	DRAFTER	DIRECT	TOTAL COSTS
	ENGINEER	MANAGER	ENGINEER		
	\$135.00	\$105.00	\$85.00	\$75.00	
BIDDING PHASE SUPPORT					\$0
ATTEND PRE-BID CONF AND WALK-THROUGH	2	2	2		\$650
ADDRESS RFI & SUBSTITUTION REQUESTS		2	4	4	\$850
ASSIST W/ PREPARATION OF ADDENDA DOCUMENTS		2	4	4	\$850
CREATE "ISSUED FOR CONSTRUCTION DOCUMENTS"		2	6	8	\$1,320
					\$0
CONSTRUCTION PHASE SUPPORT					\$0
ATTEND CONSTRUCTION MEETINGS AS REQUESTED		8			\$840
TELEPHONE CONSULTATIONS/CLARIFICATIONS			8		\$680
SUBMITTAL DATA REVIEW			4		\$340
SHOP DRAWING REVIEW			8		\$680
CONSTRUCTION OBSERVATION		8			\$840
ASSIST with CHANGE ORDER review and cost validation		4	4		\$760
					\$0
PROJECT COMPLETION AND CLOSEOUT					\$0
FINAL WALK THROUGH OF PROJECT	2	2	2		\$650
ASSIST IN FINAL PUNCH LIST DEVELOPMENT		2			\$210
"AS-BUILT"/RECORD DRAWING PREP		1		4	\$405
GRANT REPORTING SUPPORT		1	4		\$445
					\$0
TOTAL HOURS	4	34	46	20	0
TOTAL COSTS	\$540	\$3,570	\$3,910	\$1,500	\$0
	TOTAL MAN HOURS:		104		
GENERAL NOTES:					
1. TECHNICAL SPECIFICATIONS SHALL BE PLACED ON THE DRAWINGS AS NOTES.					
	TOTAL COSTS:				\$9,520

EXHIBIT B

Consent Agenda - 12

Page 19 of 19

SITTS & HILL ENGINEERS, INC.
4815 Center Street
Tacoma, Washington 98409

The following are representative charges:

CIVIL AND STRUCTURAL ENGINEERING DESIGN

Principal	\$ 130 - 135/Hour
Senior Project Manager	\$ 110 - 120/Hour
Project Manager	\$ 90 - 112/Hour
Engineer	\$ 57 - 116/Hour
Landscape Architect	\$ 112/Hour
Inspectors & Technicians	\$ 57 - 91/Hour

SURVEYING

Principal Land Surveyor	\$ 135/Hour
Project Surveyor	\$ 80 - 100/Hour
Survey Technician	\$ 56 - 95/Hour
Field Crew Chief	\$ 58 - 95/Hour
Field Crew Member	\$ 56 - 67/Hour

SUPPORT PERSONNEL

CAD Technician	\$ 59 - 92/Hour
Administration	\$ 60 - 72/Hour

MISCELLANEOUS

Mileage	\$ 0.50 per mile
Regular Materials (Stakes)	\$ 0.50 per unit
RTK - GPS	\$ 75.00/Hour
Special Materials	Cost Plus 15%
Subconsultants	Cost Plus 15%

CONSULTING ENGINEER AND COURT CASES

Principal	\$ 275/Hour
Engineer	\$ 225/Hour
Land Surveyor	\$ 225/Hour

Effective September 1st, 2009



Subject: Second Reading of Ordinance
Providing for the Issuance and Sale
of Water and Sewer Revenue Bonds
For the Purpose of Providing
Financing for Treatment Plant
Improvements

Dept. Origin: Finance
Prepared by: David Rodenbach, Finance Director
For Agenda of: March 8, 2010
Exhibits: Ordinance, Bond Purchase Agreement
Initial & Date
Concurred by Mayor: [Signature] 3/3/10
Approved by City Administrator: [Signature]
Approved as to form by City Atty: e-mail
Approved by Finance Director: [Signature] 3/3/10
Approved by Department Head: [Signature]

Proposed Council Action:
Adopt the ordinance after second reading, and
authorize execution of the Bond Purchase
Agreement with DA Davidson.

Table with 3 columns: Expenditure Required, Amount Budgeted, Appropriation Required. All values are 0.

INFORMATION / BACKGROUND

This is the second reading of an ordinance providing for the issuance and sale of revenue bonds in the amount of approximately \$6,010,000. The City received a rating of AA- from Moody's for this bond issue.

The actual ordinance with maturity dates, principal amounts and interest rates filled in will be handed out Monday during the City Council meeting.

The bonds are 20-year taxable Build America Bonds that will mature in 2030 and are estimated to save the City \$400,000 over traditional tax-exempt revenue bonds. The bonds will carry and estimated average coupon of 5.61% and True Interest Cost of 3.76%.

The proceeds of these bonds will be used to fund completion of waste water treatment plant Phase 1 and pump station improvements and water system improvements such as water main replacements for Harborview Drive and Stinson Avenue.

FISCAL CONSIDERATION

The net proceeds after issuance costs and reserve account funding requirements are \$5.5 million. Annual debt service requirements are expected to be approximately \$500,000. The water and sewer rates, as approved by Council in December 2009, appear to be sufficient to meet debt coverage requirements.

RECOMMENDATION / MOTION

Move to: Staff recommends adoption of the ordinance and a separate motion approving the bond purchase agreement.

CITY OF GIG HARBOR, WASHINGTON

WATER AND SEWER REVENUE BONDS, 2010
(TAXABLE BUILD AMERICA BONDS – DIRECT PAYMENT TO ISSUER)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF WATER AND SEWER REVENUE BONDS OF THE CITY IN THE PRINCIPAL AMOUNT OF \$6,010,000 TO PROVIDE FINANCING FOR CERTAIN IMPROVEMENTS TO THE WATER AND SEWER SYSTEM OF THE CITY; FIXING THE DATE, FORM, TERMS, MATURITIES AND COVENANTS OF THE BONDS; APPROVING A PURCHASE CONTRACT FOR THE BONDS; APPROVING AN AGREEMENT FOR ONGOING DISCLOSURE; AND RESERVING THE RIGHT TO ISSUE REVENUE BONDS ON A PARITY WITH THE BONDS HEREIN AUTHORIZED UPON COMPLIANCE WITH CERTAIN CONDITIONS.

APPROVED ON MARCH 8, 2010

PREPARED BY:

K&L GATES LLP

CITY OF GIG HARBOR, WASHINGTON
ORDINANCE NO. _____

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* This Table of Contents and the cover page are not a part of this ordinance; they are included for convenience of the reader only.

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF WATER AND SEWER REVENUE BONDS OF THE CITY IN THE PRINCIPAL AMOUNT OF \$6,010,000 TO PROVIDE FINANCING FOR CERTAIN IMPROVEMENTS TO THE WATER AND SEWER SYSTEM OF THE CITY; FIXING THE DATE, FORM, TERMS, MATURITIES AND COVENANTS OF THE BONDS; APPROVING A PURCHASE CONTRACT FOR THE BONDS; APPROVING AN AGREEMENT FOR ONGOING DISCLOSURE; AND RESERVING THE RIGHT TO ISSUE REVENUE BONDS ON A PARITY WITH THE BONDS HEREIN AUTHORIZED UPON COMPLIANCE WITH CERTAIN CONDITIONS.

WHEREAS, the City of Gig Harbor needs to make certain improvements to its combined water and sewerage system (the "System"); and

WHEREAS, the City is in need of improvements (herein further defined as the "Project") and it is in the best interests of the citizens of the City to finance the Project by means of the revenue bonds authorized herein (the "Bonds"); and

WHEREAS, the City has outstanding its Water and Sewer Revenue and Refunding Bond, 2003 issued under date of December 2, 2003 pursuant to Ordinance No. 946 (the "Outstanding Parity Bond Ordinance"), bearing interest at the rate of 3.89% and maturing on September 1, 2013 in the principal amount of \$1,811,000 (the "Outstanding Parity Bond"); and

WHEREAS, the Outstanding Parity Bond Ordinance permits the City to issue revenue bonds on a parity of lien with the Outstanding Parity Bond upon compliance with certain conditions; and

WHEREAS, it appears that the conditions imposed by the Outstanding Parity Bond Ordinance will be satisfied on or prior to the date of delivery of the bonds herein authorized; and

WHEREAS, the City has received an offer from D.A. Davidson & Co. to purchase such revenue bonds on terms and conditions that are acceptable to this Council; and

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

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

Annual Debt Service means, with respect to any issue of Parity Bonds, the amount required in a given calendar year for the payment of the principal of and interest on such Parity Bonds. From and after the New Date (absent a written election by the Designated Representative to the contrary), the Annual Debt Service shall be calculated net of any federal subsidy legally available to pay the principal of or interest on Parity Bonds in the year of calculation.

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

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

Average Annual Debt Service means the average amount of annual debt service which will become due in any fiscal year hereafter on all Parity Bonds then outstanding. From and after the New Date (absent a written election by the Designated Representative to the contrary), the Average Annual Debt Service shall be calculated net of any federal subsidy legally available to pay the principal of or interest on Parity Bonds in the year of calculation.

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

[Bond Insurance Policy means the municipal bond insurance policy issued by the Insurer insuring the payment when due of the principal of and interest on the Bonds as provided therein.]

Bond Register means the books or records maintained by the Bond Registrar containing the name and mailing address of the owner of each Bond or nominee of such owner and the principal amount and number of Bonds held by each owner or nominee.

Bond Registrar means the fiscal agency of the State of Washington, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds, and paying the principal of, premium, if any, and interest on the Bonds.

Bond Year means each one-year period that ends on the date selected by the City. The first and last Bond Years may be short periods. If no day is selected by the City before the earlier of the final maturity date of the Bonds or the date that is five years after the date of issuance of the Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Bonds.

Bonds means the City of Gig Harbor, Washington Water and Sewer Revenue Bonds, 2010 (Taxable Build America Bonds – Direct Payment to Issuer), issued pursuant to this ordinance.

Build America Bonds means bonds issued under authority of Section 54AA of the Code, enacted by the American Recovery and Reinvestment Act of 2009.

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

Code means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

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

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

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

Designated Representative means the Finance Director or City Administrator or any official or employee of the City designated in writing by either of them.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 4 hereof.

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

Government Obligations has the meaning given such term in RCW Ch. 39.53, as amended to date and as the same may hereinafter be amended and shall include any successor statute thereto.

[Insurer means _____, or any successor thereto or assignee thereof, as issuer of a Bond Insurance Policy for the Bonds.]

Letter of Representations means the blanket issuer letter of representations from the City to DTC.

Maximum Annual Debt Service means the highest remaining Annual Debt Service requirement for outstanding Parity Bonds. From and after the New Date (absent a written election by the Designated Representative to the contrary), the Maximum Annual Debt Service shall be calculated net of any federal subsidy legally available to pay the principal of or interest on Parity Bonds in the year of calculation.

MSRB means the Municipal Securities Rulemaking Board or any successors to its functions. Until otherwise designated by the MSRB or the Securities and Exchange Commission, any information, reports or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system ("EMMA"), currently located at www.emma.msrb.org.

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

New Date means the date on which the Outstanding Parity Bond is no longer outstanding.

Outstanding Parity Bond means the City's outstanding Water and Sewer Revenue and Refunding Bond, 2003, authorized by the Outstanding Parity Bond Ordinance, issued December 2, 2003 and currently outstanding in the amount of \$824,000.

Outstanding Parity Bond Ordinance means Ordinance No. 946 approved by the Council on November 24, 2003.

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

Project means capital improvements to the water and sewer system of the City.

Project Account means the fund established in Section 15 of this ordinance.

Private Person means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

Rate Covenant means the covenants described in Section 10(c) of this ordinance.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

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

Reserve Account Requirement means the lesser of (A) 10% of the net proceeds of each series of Parity Bonds, (B) Maximum Annual Debt Service, (C) 1.25 times average Annual Debt Service, or (D) such amount as shall be required to maintain the exemption of interest of any series of Parity Bonds from taxation under the Code.

Revenue Fund means the “City of Gig Harbor Utility Revenue Fund” authorized to be created by Section 12 of Ordinance No. 468, into which fund all of the Revenue of the System is to be deposited, as collected. The Revenue Fund may be maintained as one or more separate funds of the City into which all of the Revenue of the System shall be deposited.

Revenue of the System means all earnings, revenue and moneys received by the City from or on account of the operation of the System, including the income from investments of money in the Revenue Fund and the Bond Fund or from any other investment thereof. “Revenue of the System” shall also include any federal or state reimbursements of operating expenses to the extent such expenses are included as “Costs of Maintenance and Operation.” From and after the New Date, unless declined by a written election by the Designated Representative, the term **Revenue of the System** shall not include any federal subsidy legally available to pay the principal of or interest on Parity Bonds.

Rule means the Securities and Exchange Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

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

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

Underwriter means D.A. Davidson & Co., Seattle, Washington.

Rules of Interpretation. In this ordinance, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this ordinance;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and sections of this ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect its meaning, construction or effect;

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

(f) Words importing the singular number include the plural number and vice versa.

Section 2. Compliance with Parity Conditions. The Council hereby finds and determines, as required by Section 11 of the Outstanding Parity Bond Ordinance, that:

(a) the City has not been in default of its Rate Covenant for the immediately preceding fiscal year 2009;

(b) this ordinance provides that the Reserve Account Requirement shall be funded no later than the date of delivery of the Bonds; and

(c) there will have been filed a certificate of an independent professional engineer, certified public accountant or City representative demonstrating fulfillment of Section 11(a)(5) of the Outstanding Parity Bond Ordinance.

The conditions contained in Section 11 of the Outstanding Parity Bond Ordinance having been complied with or assured, the payments required herein to be made out of the Revenue Fund into the Bond Fund and the Reserve Account to pay and secure the payment of the principal of and interest on the Bonds shall constitute a lien and charge upon the money in the Revenue Fund equal in rank with the lien and charge thereon for the payments required to be made for the Outstanding Parity Bond.

Section 3. Authorization of Bonds. The Council hereby finds that the public interest, welfare and convenience require capital improvements to the water and sewer system of the City (the “Project”). The City shall now issue and sell \$6,010,000 of water and sewer revenue bonds (the “Bonds”) for the purpose of paying the costs of the Project and paying the costs of issuance of the Bonds. The Bonds shall be designated as the “City of Gig Harbor, Washington, Water and

Sewer Revenue Bonds, 2010 (Taxable Build America Bonds – Direct Payment to Issuer),” shall be dated as of their date of original issuance and delivery; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each, or any integral multiple thereof, provided that no Bond shall represent more than one maturity; shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification; and shall bear interest from their date payable semiannually on the first days of each April and October, commencing on October 1, 2010. The Bonds shall be numbered separately in the manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification and shall mature on April 1 of the following years in the following amounts and bear interest at the following rates per annum:

<u>Maturity Dates</u> <u>(April 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
	\$	%

The Bonds shall be obligations only of the Bond Fund and shall be payable and secured as provided herein. The Bonds do not constitute an indebtedness or general obligation of the City within the meaning of the constitutional provisions and limitations of the State of Washington.

Section 4. Registration, Exchange and Payments.

(a) *Bond Registrar/Bond Register.* The City hereby specifies and adopts the system of registration approved by the Washington State Finance Committee from time to time through the appointment of state fiscal agencies. The City shall cause a bond register to be maintained by the Bond Registrar. So long as any Bonds remain outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration or transfer of Bonds at its principal corporate trust office. The Bond Registrar may be removed at any time at the option of the City upon prior notice to the Bond Registrar and a successor Bond Registrar appointed by the City. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication of the Bonds.

(b) *Registered Ownership.* The City and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in Section 16 of this ordinance), and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 4(h) hereof, but such Bond may be transferred as herein provided. All such payments made as described in Section 4(h) shall be valid and shall satisfy and discharge the liability of the City upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letters of Representations.* The Bonds initially shall be held in fully immobilized form by DTC acting as depository. To induce DTC to accept the Bonds as eligible for deposit at DTC, the City has executed and delivered to DTC a Blanket Issuer Letter of Representations. Neither the City nor the Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or the participants of any successor depository or those for who any such successor acts as nominee) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds, any notice which is permitted or required to be given to Registered Owners under this ordinance (except such notices as shall be required to be given by the City to the Bond Registrar or to DTC (or any successor depository)), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

If any Bond shall be duly presented for payment and funds have not been duly provided by the City on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until it is paid.

(d) *Use of Depository.*

(1) The Bonds shall be registered initially in the name of "Cede & Co.", as nominee of DTC, with one Bond maturing on each of the maturity dates for the Bonds in a

denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Designated Representative pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Designated Representative to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Designated Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds, together with a written request of the Designated Representative, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Designated Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Designated Representative determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain such bonds in the form of Bond

certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The Designated Representative shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds together with a written request of the Designated Representative to the Bond Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.*

The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless it is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding any interest payment or principal payment date any such Bond is to be redeemed.

(f) *Bond Registrar's Ownership of Bonds.* The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) *Registration Covenant.* The City covenants that, until all Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months. For so long as all Bonds are in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are no longer in fully immobilized form, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the fifteenth day of the month preceding the interest payment date, or upon the written request of a Registered Owner of more than \$1,000,000 of Bonds (received by the Bond Registrar at least 15 days prior to the applicable payment date), such payment shall be made by the Bond Registrar by wire transfer to the account within the United States designated by the Registered Owner. Principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar.

Section 5. Redemption and Purchase.

(a) *Optional Redemption.* The Bonds maturing on and prior to April 1, 2020 are not subject to optional redemption in advance of their scheduled maturity. The Bonds maturing on and after April 1, 2021 are subject to redemption at the option of the City on and after April 1, 2020 in whole or in part (and if in part, with maturities to be selected by the City) on any date at a price of par plus accrued interest to the date of redemption.

(b) *Purchase of Bonds for Retirement.* The City reserves the right to use at any time any surplus Gross Revenue available after providing for the payments required by paragraphs First, through Fifth of Section 6 of this ordinance, or other available funds, to purchase any of the Bonds at any price deemed reasonable by the City to purchase for retirement any of the Bonds offered to the City at any price deemed reasonable to the City.

(c) *Selection of Bonds for Redemption.* For as long as the Bonds are held in book-entry only form, the selection of particular Bonds within a maturity to be redeemed shall be made in accordance with the operational arrangements then in effect at DTC. If the Bonds are no longer held in uncertificated form, the selection of such Bonds to be redeemed and the surrender and reissuance thereof, as applicable, shall be made as provided in the following provisions of this subsection (c). If the City redeems at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such manner determined by the Bond Registrar) in increments of \$5,000. In the case of a Bond of a denomination greater than \$5,000, the City and the Bond Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Bond by \$5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon

surrender of such Bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations herein authorized.

(d) *Notice of Redemption.*

(1) Official Notice. For so long as the Bonds are held in uncertificated form, notice of redemption (which notice may be conditional) shall be given in accordance with the operational arrangements of DTC as then in effect, and neither the City nor the Bond Registrar will provide any notice of redemption to any Beneficial Owners. Thereafter (if the Bonds are no longer held in uncertificated form), notice of redemption shall be given in the manner hereinafter provided. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption (which redemption shall be conditioned by the Bond Registrar on the receipt of sufficient funds for redemption) shall be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar. Mailed notices will also be sent within the same period to the Underwriter or its business successor, if any.

All official notices of redemption shall be dated and shall state:

- (A) the redemption date,
- (B) the redemption price,

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(D) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(E) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date, unless the redemption notice was conditional and the City shall thereafter have determined not to proceed with the redemption, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

(2) Effect of Notice; Bonds Due. If an unconditional official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice, further notice shall be given by the City as set out below, but no defect in said further notice nor any failure to give

all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 35 days before the redemption date to [the Insurer,] each party entitled to receive notice pursuant to Section 16, and to the Underwriter or to its business successor, if any, and to such persons and with such additional information as the Designated Representative shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) CUSIP Number. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 5, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 6. Priority of Payments from Revenue Fund There has heretofore been established in the office of the Treasurer a special fund of the City known as the "City of Gig Harbor Utility Revenue Fund" (the "Revenue Fund"), into which the Revenue of the System is

deposited as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the City, and the Revenue of the System shall be used only for the following purposes and in the following order of priority:

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

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

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

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

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

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

Section 7. Bond Fund. A special fund of the City known as the "Utility Bond Redemption Fund" (the "Bond Fund") has heretofore been created by the City for the sole purpose of paying and securing the payment of Parity Bonds.

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

As long as any Parity Bonds remain outstanding, the City hereby obligates and binds itself to set aside and pay from the Bond Fund into the Debt Service Account those amounts necessary, together with such other funds as are on hand and available in the Debt Service Account, to pay the principal of and the interest on such Parity Bonds on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):

(1) Such amounts as are required to pay the interest scheduled to become due on outstanding bonds; and

(2) Such amounts with respect to outstanding bonds as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem outstanding bonds in accordance with any mandatory redemption provisions.

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

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

mandatory sinking fund deposits as of the date required and interest on Term Bonds provided for by such deposits only to the dates of the respective deposits.

The City hereby covenants and agrees that on the date of issuance of the Bonds it will pay into the Reserve Account (out of Revenue of the System or any funds on hand legally available for such purpose) one fifth of the Reserve Account Requirement, and thereafter not less than approximately equal additional annual payments so that by five years from the date of issuance of the Bonds there will have been paid into the Reserve Account an amount which, with the money already on deposit therein (or any insurance policy(ies) or letter(s) of credit), will be equal to the Reserve Account Requirement.

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

The City further covenants and agrees that when the required deposits have been made into the Reserve Account, it will at all times maintain therein an amount at least equal to the Reserve Account Requirement. Whenever there is a sufficient amount in the Revenue Bond Fund, including the Reserve Account and the Debt Service Account, to pay the principal of, premium if any, and interest on all outstanding Parity Bonds, the money in the Reserve Account may be used to pay such principal, premium and interest. Money in the Reserve Account may

also be withdrawn to redeem and retire, and to pay the premium, if any, and interest due to such date of redemption, on any outstanding Parity Bonds, as long as the moneys left remaining on deposit in the Reserve Account are equal to the Reserve Account Requirement.

In the event there shall be a deficiency in the Debt Service Account to meet maturing installments of either interest on or principal of and interest on the outstanding bonds payable out of such Account, such deficiency shall be made up from the Reserve Account by the withdrawal of moneys therefrom. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up out of Revenue of the System or Assessments after making necessary provision for the payments required to be made by subparagraphs First, Second, Third, Fourth and Fifth of Section 6 hereof.

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

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

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

Section 8. Defeasance. In the event that money and/or Government Obligations maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds authorized hereunder in accordance with their terms, are set aside in a special account of the City to effect such redemption and retirement, and such moneys and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund of the City for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive the moneys so set aside and pledged, and except the right to receive the moneys so set aside and pledged, such Bonds shall be deemed not to be outstanding hereunder.

Section 9. Tax Covenants.

(a) *Arbitrage Covenant.* The City hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the City which may be deemed to be proceeds of such Bonds pursuant to Section 148 of the Code which will cause the Bonds to be “arbitrage bonds” within the meaning of said section and said Regulations. The City will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and the applicable Regulations thereunder throughout the term of the Bonds.

(b) *Private Person Use Limitation for Bonds.* The City covenants that for as long as the Bonds are outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Bonds in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The City further covenants that, if:

(3) More than five percent of the Net Proceeds of the Bonds are to be used for any Private Person Use; and

(4) More than five percent of the principal or interest payments on the Bonds in a Bond Year are (under the terms of this ordinance or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the Project or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the Project, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Bonds used for the state or local governmental use portion of the Project to which the Private Person Use of such portion of the

Projects relates. The City further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds.

(c) *No Designation under Section 265(b) of the Code.* The Bonds are not “qualified tax-exempt obligations” for investment by financial institutions under Section 265(b) of the Code.

Section 10. Bond Covenants.

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

(b) *Collection and Application of Assessments.* The City will promptly collect all Assessments levied in utility local improvement districts that have been heretofore created by the City and all Assessments levied in utility local improvement districts heretofore created, and all utility local improvement districts that are hereafter created to secure the payment of the principal of and interest on Parity Bonds and will pay the same into the Bond Fund. The same may be used to meet required payments into any Account of the Bond Fund and may be used to pay the principal of and interest on any Parity Bonds without said Assessments being particularly allocated to the payment of any particular series of bonds payable out of such Fund. It is hereby

further provided, however, that nothing in this ordinance or in this subsection shall be construed to prohibit the City from issuing revenue bonds having a lien on the Revenue of the System and the money in the Revenue Fund junior to the lien on such revenue and money for the payment of the principal of and interest on the Bonds and pledging as security for the payment of such junior lien bonds assessments levied in any utility local improvement district that may have been created to pay part or all of the cost of improvements to the System for which such junior revenue bonds were specifically issued.

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

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

(2) the Net Revenue together with Assessment Income in each calendar year will equal at least 1.25 times the maximum amount required to be paid in any succeeding

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

(d) *Net Revenue.* After making or providing for the monthly payments from the Revenue Fund as required by Section 6 hereof, there shall be maintained in the Revenue Fund sufficient moneys to enable the City to meet the Costs of Maintenance and Operation of the System on a current basis. The City shall not change any rate or charge for service of the System as now established by the existing rate ordinance or ordinances that will reduce substantially the annual Net Revenues below that which would have been obtained before such change, unless the City shall have on file a certificate from a licensed professional engineer experienced in the design, construction and operation of municipal utilities or from an independent certified public accountant stating that the rates and charges as so changed will provide Net Revenues sufficient to comply with all the covenants and requirements of this ordinance.

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

operating properties of the System unless such facilities are replaced or provision is made for payment into the Bond Fund of the greatest of the following:

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

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

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

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

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

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

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

(h) *Books and Accounts.* The City shall keep proper books of account which shall be kept in accordance with any applicable rules and regulations prescribed by the State of Washington. The City shall prepare, and any owner of Parity Bonds may obtain copies of,

balance sheets and profit and loss statements showing in reasonable detail the financial condition of the System as of the close of each year, and the income and expenses of such year, including the amounts paid into the Revenue Fund, the Bond Fund, and into any and all special funds or accounts created pursuant to the provisions of this ordinance, and the amounts expended for maintenance, renewals, replacements, and capital additions to the System.

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

(j) *Sound Expenditures.* The City will not expend any of the Revenue derived by it from the operation of the System or the proceeds of any indebtedness payable from Revenue of the System for any extensions, betterments and improvements to the System which are not legally required or economically sound, and which will not properly and advantageously contribute to the conduct of the business of the System in an efficient manner.

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

Section 11. Issuance of Future Parity Bonds. The City hereby further covenants and agrees with the owners of each of the Bonds for as long as any of the same remain outstanding as follows:

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

Revenue to pay and secure the payment of the principal of and interest on the Parity Bonds except as follows:

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

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

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

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

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

(3) If there are Assessments pledged to be paid into a warrant or bond redemption fund for revenue bonds or warrants being refunded by Future Parity Bonds, the

ordinance authorizing the Future Parity Bonds shall require such Assessments to be paid into the Bond Fund.

(4) The principal of and interest on the Future Parity Bonds shall be payable out of the Bond Fund and the requirements for Reserve Account payments in Section 14(b) hereof shall be met.

(5) Prior to the delivery of any Future Parity Bonds the City shall have on file a certificate of an independent professional engineer, certified public accountant or City representative dated not earlier than 90 days prior to the date of delivery of such Future Parity Bonds and showing that the Net Revenue determined and adjusted as hereafter provided for each calendar or fiscal year after the issuance of such Parity Bonds (the "Adjusted Net Revenue") together with Assessment Income will equal at least 1.25 times the amount required in any such year for the payment of the principal of and interest on all Parity Bonds then outstanding, including the Future Parity Bonds proposed to be issued, except that the certificate of a City representative shall be based on actual historical Net Revenue of the System and no adjustments to that revenue shall be allowed. In the event the City issues any Term Bonds, and provides for the payment thereof by a mandatory schedule of payments into a sinking fund account in the Bond Fund, the words "principal of and interest on all outstanding Parity Bonds" in the preceding sentence shall be deemed to exclude from "principal" an amount of Term Bonds equal to such mandatory payments, and from "interest" the interest on such Term Bonds subsequent to the date of the respective deposits, and to include in lieu thereof the mandatory sinking fund deposits as of the date required and interest on Term Bonds provided for by such deposits only to the dates of the respective deposits.

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

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

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

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

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

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

Notwithstanding the foregoing requirement, if Future Parity Bonds are to be issued for the purpose of refunding at or prior to their maturity any part or all of the then outstanding Parity Bonds and the issuance of such refunding Parity Bonds results in a debt service savings and does not require an increase of more than \$5,000 in any year for principal and interest on such refunding Parity Bonds, the certificate required by subsection (a)(5) of this section need not be obtained.

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

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

The bonds of this issue are not general obligations of the City. The City hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Ordinance.

The bonds of this issue are not "private activity bonds" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The bonds of this issue are not "qualified tax-exempt obligations" under Section 265(b) of the Code.

This bond is payable solely out of the Revenue of the System, and does not constitute a general obligation of the City. Both principal of and interest on this bond are payable solely out of the special fund of the City known as the Bond Fund. The City does hereby pledge and bind itself to set aside and pay into the Bond Fund the amounts required by the Bond Ordinance to be paid therein on or prior to the maturity of the Bond as the same shall become due from the proceeds of the Bonds (as authorized in the Bond Ordinance) or from the sources and in the priority specified in the Bond Ordinance.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

It is hereby certified that all acts, conditions, and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done, and performed precedent to and in the issuance of this bond have happened, been done, and performed.

IN WITNESS WHEREOF, the City of Gig Harbor, Washington has caused this bond to be signed with the facsimile or manual signature of the Mayor, to be attested by the facsimile or manual signature of the City Clerk, and the corporate seal of the City to be impressed, imprinted or otherwise reproduced hereon, all as of this ____ day of March, 2010.

CITY OF GIG HARBOR, WASHINGTON

By _____ /s/ manual or facsimile
Mayor

(SEAL)

ATTEST:

_____/s/ manual or facsimile
City Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Water and Sewer Revenue Bonds, 2010 (Taxable Build America Bonds – Direct Payment to Issuer) of the City of Gig Harbor, Washington, dated March ____, 2010.

WASHINGTON STATE FISCAL AGENCY,
Bond Registrar

By _____
Authorized Signer

Section 13. Execution and Delivery of Bond. The Bonds shall be executed on behalf of the City with the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and the seal of the City shall be impressed, imprinted or otherwise reproduced on the Bonds.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the City before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons who

are at the actual date of delivery of such Bond the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

Section 14. Sale of Bonds. The Bonds shall be sold as Build America Bonds and shall be sold by negotiated sale to D.A. Davidson & Co., Seattle, Washington (the "Underwriter"). The Bonds shall be sold to the Underwriter under the terms of a bond purchase agreement dated as of this date. The Designated Representative is hereby authorized and directed to execute and deliver such bond purchase agreement.

The Designated Representative is hereby authorized to review and approve on behalf of the City the preliminary and final Official Statements relative to the Bonds with such additions and changes as may be deemed necessary or advisable to them. The preliminary Official Statement for the Bonds dated March ____, 2010, is hereby deemed final within the meaning of SEC Rule 15c2-12. The proper City officials are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Bonds to said Underwriter, in accordance with the purchase agreement, and for the proper application and use of the proceeds of sale thereof

Section 15. Disposition of Bond Proceeds. From the proceeds of the Bonds, a sum sufficient to meet the Reserve Account Requirement shall be deposited in the Reserve Fund. The Designated Representative shall establish an account within the Revenue Fund to be designated as the "Project Account" (the "Project Account"). The balance of the proceeds of sale of the Bonds shall be deposited in the Project Account and shall be expended solely to pay the cost of issuing and selling the Bonds and, together with other available moneys of the City, shall be used to undertake the Project. Money in the Project Account shall be invested by the Designated Representative, pending disbursement, in any legal investment for City funds.

Section 16. Undertaking to Provide Ongoing Disclosure.

(a) *Contract/Undertaking.* This section constitutes the City's written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule.

(b) *Financial Statements/Operating Data.* The City agrees to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), the following annual financial information and operating data for the prior fiscal year (commencing in 2011 for the fiscal year ended December 31, 2010):

1. Annual financial statements, which statements may or may not be audited, showing ending fund balances for the City's water and sewer funds prepared in accordance with the Budgeting Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) and generally of the type included in the official statement for the Bonds under the heading "Historical Operating Results and Debt Service Coverage";

2. Statement of authorized, issued and outstanding Parity Bonds;

3. Number of water utility and sewer utility customers; and

4. Debt service coverage ratios for Parity Bonds.

Items 2-5 shall be required only to the extent that such information is not included in the annual financial statements.

The information and data described above shall be provided on or before nine months after the end of the City's fiscal year. The City's current fiscal year ends December 31. The City may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB. In lieu of providing such annual financial information and operating data, the City may cross-reference to other documents available to the public on the MSRB's internet website.

If not provided as part of the annual financial information discussed above, the City shall provide the City's audited annual financial statement prepared in accordance with the Budgeting Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) when and if available to the MSRB.

(c) *Material Events.* The City agrees to provide or cause to be provided, in a timely manner, to the MSRB notice of the occurrence of any of the following events with respect to the Bonds if material:

- Principal and interest payment delinquencies;
- Non-payment related defaults;
- Unscheduled draws on debt service reserves reflecting financial difficulties;
- Unscheduled draws on credit enhancements reflecting financial difficulties;
- Substitution of credit or liquidity providers, or their failure to perform;
- Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- Modifications to rights of owners;
- Optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-23856;
- Defeasances;

- Release, substitution or sale of property securing the repayment of the Bonds; and
- Rating changes.

Solely for purposes of disclosure, and not intending to modify this undertaking, the City advises that there is no property securing repayment of the Bonds, and there is no debt service reserve fund or account securing the repayment of the Bonds.

(d) *Notification Upon Failure to Provide Financial Data.* The City agrees to provide or cause to be provided, in a timely manner, to the MSRB, if any, notice of its failure to provide the annual financial information described in subsection (b) above on or prior to the date set forth in subsection (b) above.

(e) *Emma; Format for Filings with the MSRB.* Until otherwise designated by the MSRB or the Securities and Exchange Commission, any information or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system ("EMMA"), currently located at www.emma.msrb.org. All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in an electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

(f) *Termination/Modification.* The City's obligations to provide annual financial information and notices of material events shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. This section, or any provision hereof, shall be null and void if the City (1) obtains an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this section, or any such provision, are

invalid, have been repealed retroactively or otherwise do not apply to the Bonds; and (2) notifies the MSRB, if any, of such opinion and the cancellation of this section. Notwithstanding any other provision of this ordinance, the City may amend this Section 16 and any provision of this Section 16 may be waived, with an approving opinion of nationally recognized bond counsel.

In the event of any amendment of or waiver of a provision of this Section 16, the City shall describe such amendment in the next annual report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (I) notice of such change shall be given in the same manner as for a material event under Subsection (c), and (II) the annual report for the year in which the change is made should present a comparison (in narrative form and also, if practical, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

(g) *Bond Owner's Remedies Under This Section.* A Bond owner's right or Beneficial Owner's to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the City's obligations hereunder, and any failure by the City to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds under this ordinance.

Section 17. Lost or Destroyed Bonds. In case any Bond or Bonds shall be lost, stolen or destroyed, the Bond Registrar may execute and deliver a new Bond or Bonds of like date, number and tenor to the Registered Owner thereof upon the Registered Owner's paying the

expenses and charges of the City in connection therewith and upon his/her filing with the City evidence satisfactory to the City that such Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the City with indemnity satisfactory to the City.

[Section 18. Bond Insurance. In accordance with the offer of Underwriter to purchase the Bonds, the Council hereby approves the commitment of the Insurer to provide a bond insurance policy guaranteeing the payment when due of principal of and interest on the Bonds (the "Bond Insurance Policy"). The Council further authorizes and directs all proper officers, agents, attorneys and employees of the City to cooperate with the Insurer in preparing such additional agreements, certificates, and other documentation on behalf of the City as shall be necessary or advisable in providing for the Bond Insurance Policy.]

Section 19. Supplements and Amendments.

(a) *Without Consent.* The Council from time to time and at any time may adopt an ordinance or ordinances supplemental hereof, which ordinance or ordinance thereafter shall become a part of this ordinance, for any one or more or all of the following purposes:

(1) To add to the covenants and agreements of the City contained in this ordinance other covenants and agreements thereafter to be observed, which shall not adversely affect the interests of the owners of any Parity Bonds, or to surrender any right or power herein reserved to or conferred upon the City.

(2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this ordinance or any ordinance authorizing Parity Bonds in regard to matters or questions arising under such ordinances as the Council may deem necessary or desirable and not inconsistent with such ordinances and which shall not adversely affect the interest of the owners of Parity Bonds.

Any such supplemental ordinance of the Council may be adopted without the consent of the owners of any Parity Bonds at any time outstanding, notwithstanding any of the provisions of subsection (b) of this section.

(b) *With Consent.* With the consent of the owners of not less than 65% in aggregate principal amount of the Parity Bonds at the time outstanding, the Council may adopt an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall:

(1) Extend the fixed maturity of any Parity Bonds, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof without the consent of the owner of each Bond so affected; or

(2) Reduce the aforesaid percentage of owners of Bonds required to approve any such supplemental ordinance, without the consent of the owners of all of the Parity Bonds then outstanding.

It shall not be necessary for the consent of the Bondowners under this subsection (b) to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

(c) *Effect of Supplemental Ordinance.* Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this ordinance and all owners of Parity Bonds outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respect to such

modification and amendments, and all the terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this ordinance for any and all purposes.

(d) *Notation on Future Parity Bonds.* Parity Bonds executed and delivered after the execution of any supplemental ordinance adopted pursuant to the provisions of this section may have a notation as to any matter provided for in such supplemental ordinance, and if such supplemental ordinance shall so provide, new bonds so modified as to conform in the opinion of the Council, to any modification of this ordinance contained in any such supplemental ordinance, may be prepared by the City and delivered without cost to the owners of any affected Parity Bonds then outstanding.

Section 20. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bond.

Section 21. Effect of Covenants, Etc.. All covenants, obligations and agreements of the City contained in this ordinance shall be deemed to be covenants, obligations and agreements of the City to the full extent authorized by the Act and permitted by the Constitution of the State of Washington. No covenant, obligation or agreement contained herein shall be deemed to be a covenant, obligation or agreement of any present or future official, member, agent or employee of the City in his or her individual capacity, and neither the members of the Council nor any officer thereof executing the Bond shall be liable personally on the Bond or be subject to any

personal liability or accountability by reason of the issuance thereof. No member, officer, agent or employee of the City shall incur any liability in acting or proceeding or in not acting or proceeding, in good faith in accordance with the terms of this ordinance.

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

PASSED by the Council of the City of Gig Harbor, Washington at a regular meeting held on the 8th day of March, 2010.

CITY OF GIG HARBOR, WASHINGTON

Mayor

ATTEST:

City Clerk

First Reading: February 22, 2010

Date Adopted: March 8 2010

Date of Publication: _____, 2010

Effective Date: March 15, 2010

CERTIFICATE

I, the undersigned, City Clerk of the City of Gig Harbor, Washington (the "City") and keeper of the records of the City Council (the "Council"), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. ____ of the Council (the "Ordinance"), duly passed at a regular meeting thereof held on the 8th day of March, 2010.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of March, 2010.

Molly Towslee, City Clerk



David Trageser
Senior Vice President Public Finance
Seattle Office

CITY OF GIG HARBOR, WASHINGTON
\$ _____ WATER AND SEWER REVENUE BONDS, 2010
(TAXABLE BUILD AMERICA BONDS – DIRECT PAYMENT TO ISSUER)

BOND PURCHASE AGREEMENT

March 8, 2010

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

On March 8, 2010, the City Council of the City of Gig Harbor (the “City”) passed Ordinance No. 1184 (the “Bond Ordinance”) authorizing the issuance, sale and delivery of the City’s Water and Sewer Revenue Bonds, 2010 (the “Bonds”), and the City’s execution and delivery of this Bond Purchase Agreement (the “Agreement”). In light of such authority, D.A. Davidson & Co. (the “Underwriter”) hereby offers to enter into this Agreement with the City on March 8, 2010. Upon your acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter. Reference is made to the Bond Ordinance for definitions of capitalized terms used and not otherwise defined herein.

- 1) Upon the terms and conditions and in reliance upon the representations set forth herein, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the Bonds in the aggregate principal amount of \$ _____ at an aggregate purchase price of \$ _____ (representing the par amount of the Bonds, less Underwriter’s Discount of \$ _____, plus original issue premium of \$ _____). The Bonds shall be issued and secured under and pursuant to the Bond Ordinance, shall be dated their Date of Delivery (as defined herein), and shall mature, bear interest and be subject to redemption as set forth in Exhibit A hereto. The Underwriter agrees to make a public offering of the Bonds at the initial offering prices set forth in the Official Statement referred to in Section 2 herein, which prices may be changed from time to time by the Underwriter. The Underwriter’s offer to purchase the Bonds will expire at 11:59 PM (PT) on Monday, March 8, 2010.

- 2) The City shall deliver or cause to be delivered to the Underwriter, promptly after acceptance hereof, five copies of the Official Statement, substantially in the form of the Preliminary Official Statement dated February 26, 2010 (the "Preliminary Official Statement") with only such changes therein as shall have been accepted by us (such Preliminary Official Statement with such changes, if any, and including the cover page, the inside cover page and all appendices, exhibits and statements included therein or attached thereto being called the "Official Statement"). The Official Statement is to be dated March 8, 2010. By the Bond Ordinance, the City has authorized the distribution by the Underwriter of the Preliminary Official Statement and the Official Statement, when available, in offering the Bonds for sale to prospective purchasers of the Bonds.
- 3) On March 30, 2010, or on such other date as the Underwriter and the City may mutually agree (the "Closing Date" or "Date of Delivery"), the Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 herein by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds. The Bonds shall be delivered through The Depository Trust Company, New York, New York ("DTC") in definitive form, bearing CUSIP numbers and issued under a book-entry system.
- 4) The City makes the following representations and warranties:
 - a) The City is a municipal corporation organized and existing under the laws of the State of Washington and is authorized to issue the Bonds, to enter into this Agreement and all other agreements contemplated hereby and to pass the Bond Ordinance.
 - b) The City has complied to date with all applicable provisions of the laws of the State of Washington in connection with the execution and issuance of the Bonds.
 - c) The Bond Ordinance and this Agreement have been duly and validly authorized and executed by the City.
 - d) The City has authorized all necessary action to be taken by it for (i) the issuance and sale of the Bonds pursuant to Section 54A of the Internal Revenue Code of 1986, as amended, the ("Code"), enacted by the American Recovery and Reinvestment Act of 2009 (ii) the issuance and sale of the Bonds upon the terms set forth herein, in the Official Statement and in the Bond Ordinance; (iii) the execution, delivery, receipt and due performance of this Agreement, the Bonds and the Bond Ordinance and all other agreements contemplated hereby or required in order to carry out, give effect to and consummate the transactions described in this Agreement; and (iv) the carrying out, giving effect to and consummation of the transactions described in this Agreement.
 - e) The Bonds when issued, delivered and paid for as provided for herein and in the Bond Ordinance, will have been duly and validly authorized and issued and will constitute revenue obligations of the City secured as provided in the Bond Ordinance and as described in the Official Statement.
 - f) To the best knowledge of the City, there are no legal or governmental proceedings pending or threatened, or any basis therefore, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the validity or security of the Bonds, the Bond Ordinance, this Agreement or the transactions described herein or the authority of the City to execute and deliver the Bonds or this Agreement, or pass the Bond Ordinance.
 - g) As of the date hereof, the Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for such information that may be omitted from a

preliminary official statement pursuant to Rule 15c2-12), except that the City makes no representation or warranty with respect to information within the Preliminary Official Statement or Official Statement relating to DTC, the book entry system, the Bond Insurer and the related insurance policy, or the Underwriter.

- h) The Preliminary Official Statement is “deemed final” in accordance with Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934.
- 5) The Underwriter enters into this Agreement in reliance upon the representations and warranties of the City contained herein and in the Bond Ordinance and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing Date and upon the performance by the City and its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and shall also be subject to the following additional conditions:
- a) the representations and warranties of the City contained herein shall be true and correct on the date hereof and as of the Closing Date, as if made on and at the Closing Date;
 - b) at or prior to the Closing Date, the Underwriter shall receive the following documents:
 - i) a certified copy of the Bond Ordinance;
 - ii) the opinion of K&L Gates LLP, as Bond Counsel, dated the Closing Date, substantially in the form of Appendix C to the Official Statement;
 - iii) evidence satisfactory to the Underwriter that Standard and Poor’s has assigned its (i) underlying rating of “___” to the Bonds
 - iv) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request.

If the conditions to the Underwriter’s obligations contained in this Agreement are not satisfied (unless otherwise waived in writing by the Underwriter) or if the Underwriter’s obligations shall be terminated for any reason permitted herein, this Agreement shall terminate and neither the Underwriter nor the City shall have any further obligation hereunder except to reimburse the Underwriter for expenses related to the preparation, printing and mailing of the preliminary and final official statements.

- 6) During the initial public offering of the Bonds (a period concluding the final date the Underwriter is charged with furnishing a copy of the Official Statement to a potential customer under SEC Rule 15c2-12 but no later than six months after the Closing Date), the City will (a) not consent to the distribution of any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing or which shall be disapproved by counsel for the Underwriter and (b) if any event shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser, consent to the distribution of an amendment of or supplement to the Official Statement, prepared without expense to the City (in form and substance satisfactory to the Underwriter) in a reasonable number of copies which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a

material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading.

- 7) The Underwriter shall have the right to cancel its obligation to purchase the Bonds if between the date hereof and the Closing Date, (i) legislation shall have been enacted by the Congress of the United States or the legislature of the State of Washington or legislation shall have been reported out of committee of either body, or a decision shall have been rendered by a court of the United States or of the State of Washington or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character of the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material aspect as of such time any statement or information contained in the Official Statement or (b) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred an escalation of hostilities or any other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, State of Washington or New York authorities having jurisdiction and be in force, or (vi) there shall be established any new restriction on transactions in municipal securities materially affecting the free market for municipal securities (including the imposition of any limitation on interest rates) or extension of credit by, or charge to the net capital requirements of, Underwriter established by the New York Stock Exchange, the SEC, any other federal or state agency or the Congress of the United States, or by Executive Order.

- 8) Subject to the provisions of Section 1, all fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including, but not limited to: the cost of printing the Bonds, if any (and full execution thereof); the fees of the Bond Registrar; costs of printing and distribution of the Preliminary and final Official Statement; fees and charges of Standard and Poor's; and the fees and expenses of Bond Counsel shall be paid by the City. All expenses to be paid by the City pursuant to this Agreement may be paid from Bond proceeds to the extent permitted by the Bond Ordinance. The obligation of the City under this Section 8 shall survive the payment of the Bonds.

- 9) Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing at the address set forth above and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to D.A. Davidson & Co., Columbia Center, 701 5th Avenue, Suite 3100, Seattle, Washington 98104, Attention: Mr. David Trageser. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to you.
- 10) This Agreement is made solely for the benefit of the City and the Underwriter (including successors or assigns of the Underwriter, but excluding any purchaser, as such purchaser, of Bonds from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire to have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Time shall be of the essence of this Agreement. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Washington. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together will constitute one and the same instrument.

Very truly yours,

D.A. DAVIDSON & CO.

By: _____
David Trageser, Senior Vice President

Accepted and Agreed to:

CITY OF GIG HARBOR, WASHINGTON:

By: _____
City Administrator

Time: _____

Exhibit A

City of Gig Harbor, Washington
\$ _____ Water and Sewer Revenue Bonds, 2010

The Bonds Maturity Schedule

Maturity (Apr 1)	Principal Amount	Coupon	Yield	Price
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
Total	\$			

Description of the Bonds

The Bonds will be issued in the aggregate amount of \$ _____ and will be issued in fully registered form, in the denomination of \$5,000 each or any integral multiple within a single maturity and will be dated the Date of Delivery, expected to be March 30, 2010. The Bonds will mature on April 1 in the years and amounts set forth on the inside cover of this Official Statement. The Washington State Fiscal Agent, currently The Bank of New York Mellon, New York, New York, will serve as registrar, paying agent and transfer agent for the Bonds.

The Bonds will bear interest from the Date of Delivery, or the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, at the rates per annum set forth on the inside cover. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months, and will be payable semi-annually on April 1 and October 1, commencing October 1, 2010, until the stated dates of maturity or prior redemption of the Bonds.

Redemption

Optional Redemption. The Bonds maturing on or prior to April 1, 2020 are not subject to redemption prior to their stated maturities. The City reserves the right to redeem the outstanding Bonds maturing on and after April 1, 2021 in whole or in part (and if in part, with maturities to be selected by the City) on April 1, 2020, and on any date thereafter, at par plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Bonds maturing on _____ are term bonds subject to mandatory redemption prior to maturity at par plus accrued interest to the date of redemption, on April 1 in the following years and in the following principal amounts.

____ TERM BONDS	
DATE (APR 1)	REDEMPTION

February 10, 2010

Chuck Hunter, Mayor
City of Gig Harbor
3510 Grandview St.
Gig Harbor, WA 98335

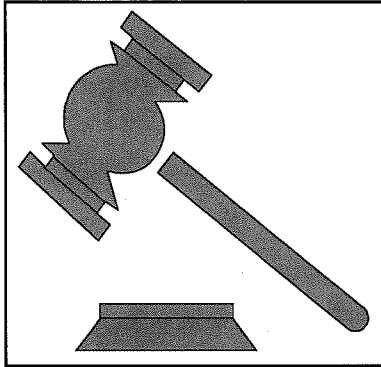
Dear Mayor Hunter:

The position on the Board of Commissioners for Pierce Transit, elected by the fourteen small cities and towns within the Pierce Transit boundary, will be up for renewal May 1, 2010. Mayor Dave Enslow, from the City of Sumner, has represented these municipalities since May 2001. The Board of Commissioners is requesting your cooperation in the nomination and selection of one representative to fill this at-large position. Accordingly, we ask that you please present this item at your next Council meeting for action.

As information, the Pierce Transit Board meets the second Monday of each month at 4:00 p.m. in the Rainier Room of the Pierce Transit Training Center, located at 3720 - 96th Street SW, Lakewood. Board members also have committee responsibilities that require additional meeting commitments. All Board members' terms are for a three-year period; this position's term will expire on April 30, 2013.

In accordance with our bylaws, the following election procedure will be followed:

1. If your council wishes to submit a nomination, the enclosed nomination form must be submitted to Treva Percival, Pierce Transit Clerk of the Board, no later than **5 p.m. on Wednesday, March 24, 2010.**
2. On **March 26, 2010**, a ballot listing the prospective nominees will be mailed to the fourteen town and city councils. Your council will have until **5 p.m. on April 30, 2010**, to return your ballot to the Pierce Transit Clerk of the Board.
3. A certified copy of the council resolution or motion must accompany all ballots. The Clerk of the board shall count the ballots and announce the results of the balloting to the Board of Commissioners. A plurality of ballots cast will determine the successful candidate.
4. In the event of a tie, the city and town councils will have an additional thirty days to reconsider. The ballot procedure will be repeated until a candidate is selected by a plurality vote.



NOMINATION FORM

The town/city of _____ wishes to nominate
Councilmember/Mayor _____ to serve as a member of
the Board of Commissioners for Pierce Transit for a three-year term, May 1, 2010, to April 30,
2013, representing the following towns and cities within the Pierce Transit boundary:

Auburn	Gig Harbor
Bonney Lake	Milton
Buckley	Orting
DuPont	Pacific
Edgewood	Ruston
Fife	Steilacoom
Fircrest	Sumner

Date: _____ By: _____

This form must be received by Pierce Transit's Clerk of the Board by 5 p.m., Wednesday, March 24, 2010.



Subject: First Reading or Ordinance
Revising Grease Interceptor Ordinance
No. 1107 to Reflect Uniform Plumbing Code
Update.

Proposed Council Action: Recommend
approval of the ordinance as
presented at the second reading.

Dept. Origin: Public Works
Prepared by: Darrell Winans
Supervisor, WWTP

For Agenda of: March 8, 2010

Exhibits: Ordinance

Initial & Date

Concurred by Mayor: [Signature] 3/3/10
Approved by City Administrator: [Signature]
Approved as to form by City Atty: [Signature]
Approved by Finance Director: [Signature]
Approved by Department Head: [Signature]

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

INFORMATION / BACKGROUND

Attached for your consideration is a first reading of an ordinance updating the City's Grease Interceptor Ordinance No. 1107 rules, regulations and Uniform Plumbing Code changes by amending Gig Harbor Municipal Code Sections 13.28.020, 13.28.170, and 13.28.270, and amending Chapter 13.30 of the Gig Harbor Municipal Code. The objective was to work with the City Building Officials to merge plumbing code and interceptor installation, operations and maintenance standards to be consistent with City of Gig Harbor Municipal Code, and to assist the public in streamlining the grease interceptor permitting process.

The purpose of this ordinance is for the regulation of the installation, maintenance, generation and disposal of grease interceptor waste for the protection of the Public Owned Treatment Works (POTW) and to reduce the operational and maintenance costs of the POTW by preventing the accumulation of grease within the collection system and additional treatment at the POTW. This ordinance shall apply to all users of the POTW in the City of Gig Harbor and to users outside the City by contract or agreement with the City.

FISCAL CONSIDERATION

Grease Interceptor plan review fees will be collected at time of submittals and any fines for non compliance shall be collected per fee ordinance.

BOARD OR COMMITTEE RECOMMENDATION

Presented to Operations and Public Projects Committee on November 24, 2009.

RECOMMENDATION / MOTION

Move to: Recommend the City Council approve the ordinance as presented at the second reading.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON; RELATING TO DISCHARGES INTO THE CITY'S ~~SEWER SYSTEM~~ PUBLIC OWNED TREATMENT WORKS, UPDATING THE GIG HARBOR MUNICIPAL CODE TO REFLECT CHANGES TO THE UNIFORM PLUMBING CODE; AMENDING GIG HARBOR MUNICIPAL CODE SECTIONS 13.28.020, 13.28.170, AND 13.28.270, AND AMENDING CHAPTER 13.30 OF THE GIG HARBOR MUNICIPAL CODE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE OF _____.

WHEREAS, the increased demand on the City's Public Owned Treatment Works (POTW) necessitated implementing more stringent rules and regulations on waste dischargers; and

WHEREAS, under Ordinance No. ____ the City established requirements for retrofitting of treatment devices in existing development and installation in new development in order to significantly reduce the amount of fats, oils and grease entering the POTW to protect public health, safety and the environment; and

WHEREAS, the City desires to update the requirements established in Ordinance No. 1107 to be consistent with the currently adopted Uniform Plumbing Code, _____ version; and

WHEREAS, for the consistency with current management responsibilities at the City, the City desires to designate the WWTP Supervisor as the official with authority to administer, implement and enforce the provisions of Chapter 13.28 and 13.30 of the Gig Harbor Municipal Code; and

WHEREAS, the City's SEPA Responsible Official issued a decision exempting this Ordinance from SEPA review under WAC 197-11-800(19) on May 1, 2007; and

WHEREAS, the City Council had a first reading of this ordinance on March 8, 2010; and

WHEREAS, the City Council had a second reading of this ordinance on March 22, 2010; Now, Therefore,

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

Section 1. Section 13.28.020 of the Gig Harbor Municipal Code is hereby amended to read as follows:

13.28.020 Definitions. Unless the content specifically indicates otherwise, the meaning of terms used in this chapter shall be as follows:

* * *

~~M. "Sewage" means a combination of water-carried wastes from residences, business buildings, institutions and industrial establishments, together with such ground, surface and storm waters as may be present.~~

* * *

Section 2. Section 13.28.170 of the Gig Harbor Municipal Code is hereby amended to read as follows:

13.28.170 Prohibited Discharges.

Except as hereinafter provided, no person shall discharge or cause to be discharged any of the following described ~~waters~~ substances to any public sewer:

~~A. Any liquid or vapor having a temperature higher than 150 degrees Fahrenheit;~~

~~B. Any water or waste which may contain more than 100 parts per million, by weight or fat, oil or grease;~~

~~A. C. Any gasoline, benzene naphtha, fuel oil, or other flammable or explosive liquid, solid or gas;~~

~~B. D. Any garbage that has not been properly shredded;~~

~~C. E. Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, ~~punch manure~~ or any other solid or viscous substance capable of causing obstruction to the flow in sewers, lift stations or other interference with the proper operation of the ~~sewage works~~ Wastewater Treatment Plant;~~

~~D. F. Any waters or wastes having a pH lower than ~~5.5~~ 6.0 or higher than 9.0 or having any other corrosive property capable of causing damage or hazard to structures, equipment, and personnel of the ~~sewage works~~ Wastewater Treatment Plant;~~

E. G. Any waters or wastes containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage treatment process, constitute a hazard in the receiving waters of the ~~sewage~~ Wastewater Treatment Plant;

E. H. Any waters or wastes containing suspended solids of such character and quantity that unusual attention or expense is required to handle such materials at the ~~sewage~~ Wastewater Treatment Plant;

G. I. Any noxious or malodorous gas or substance capable of creating a public nuisance.

H. Any discharge that is inconsistent with GHMC Section 13.30.060.

Section 3. Section 13.28.270 is hereby amended to read as follows:

13.28.270 Violation – Penalty. ~~Any person, firm, or corporation which violates the provisions of this chapter shall incur a cumulative civil penalty in the amount of \$50.00 per day from the date set for correction thereof, pursuant to Chapter 15.18 GHMC, until the violation is corrected. This chapter 13.28 shall be enforced according to the procedures set forth in chapter 12.17 GHMC. The person authorized to enforce this chapter pursuant to chapter 12.17 GHMC is the WWTP Supervisor or his/her designee.~~

Section 4. Chapter 13.30 is hereby amended to read as follows:

**CHAPTER 13.30 GRAVITY GREASE INTERCEPTOR (GGI)/TRAP
HYDROMECHANICAL GREASE INTERCEPTOR (HGI) RULES AND REGULATIONS**

Section 13.30.010: Purpose, Policy and Administration

Section 13.30.020: Definitions

Section 13.30.030: Specialized Definitions

Section 13.30.040: Applicability

Section 13.30.050: ~~Date Required~~ Requirements for Compliance

Section 13.30.060: Discharge Criteria

Section 13.30.070: ~~Requirements for Grease Trap/Interceptors~~ Gravity Grease Interceptors (GGIs)/Hydromechanical Grease Interceptors (HGIs)

Section 13.30.080: Gravity Grease Interceptor (GGI) Construction

Section 13.30.090: ~~Service/Inspection Ports and Inspection Ports~~

Section 13.30.110: ~~Grease Traps~~ Hydromechanical Grease Interceptors (HGIs)

Section 13.30.111: Interceptor Pumping and Cleaning (GGI/HGI)

Section 13.30.112: Operational Permit Requirements

Section 13.30.113: Required Reporting

Section 13.30.114: Gravity Grease Interceptors (GGIs)/Hydromechanical Grease Interceptors (HGIs)Treatment Products

Section 13.30.115: Mobile Treatment Processes

Section 13.30.116: Facility Closure

Section 13.30.117: Monitoring, Inspection and Entry

Section 13.30.118: Confidentiality and Proprietary Information

Section 13.30.119: Suspension of Service

Section 13.30.120: Fees

Section 13.30.200: Violations and Penalties

Section 13.30.210: Remedies Not Exclusive

Section 13.30.010. Purpose, Policy and Administration.

A. Purpose. The purpose of this Chapter is the regulation of the installation, maintenance, generation and disposal of ~~grease interceptor/trap~~ GGI/HGI waste for the protection of the Public Owned Treatment Works (POTW) and the environment.

B. Policy. The objective of this Chapter is to reduce the operational and maintenance costs of the POTW by preventing the accumulation of grease within the collection system and additional treatment at the ~~POTW Wastewater Treatment Plant.~~ This ordinance shall apply to all users of the POTW in the City of Gig Harbor and to users outside the City who, by contract or agreement with the City, are users of the City's POTW.

C. Administration. Except as otherwise provided herein, the ~~Public Works Operations Director~~ WWTP Supervisor ("~~Operations Director~~" Supervisor") or his/her designee shall administer, implement, and enforce the provisions of the Chapter.

Section 13.30.020. Definitions. Unless otherwise expressly stated or the context clearly indicates a different intention, the following terms shall, for the purpose of this chapter, have the meanings indicated in this section:

A. "Adequately-sized GGI" shall mean an interceptor that ~~does not allow a discharge of Oil and Grease in excess~~ at no time allows discharge of fats, oils and grease (FOG) in excess of 100 milligrams per liter (mg/l) concentrations, solids or otherwise has not been found by the ~~Operations Director~~ Supervisor to be contributing grease in quantities sufficient to cause POTW line stoppages or necessitate increased maintenance on the POTW.

B. "Adequately-sized ~~grease trap~~ HGI" shall mean an interceptor that at no time trap that does not allows a discharge of fats, oil and grease (FOG) in excess of 100 milligrams per liter (mg/l) concentrations, solids or otherwise has not been found by the ~~Director~~ Supervisor to be contributing grease in quantities sufficient to cause POTW line stoppages or necessitate increased maintenance on the POTW.

C. "Administrative Authority" shall be the ~~City Director of Operations~~ WWTP Supervisor.

D. "Approved" shall mean accepted as satisfactory under the terms of this chapter and given formal and official sanction by the Administrative Authority.

E. ~~E.~~ “Beverage/Coffee Stand” means a facility that serves primarily coffee, tea, juices and other nonalcoholic beverages.

F. ~~F.~~ “Biological pretreatment service” shall mean the application of any additive or enzyme or the use of any other biological means to digest waste in an interceptor that discharges into a public sewer system within the city.

G. ~~G.~~ “Lawful Discharge” shall mean the introduction of waste into a POTW.

H. ~~H.~~ “Disposal” shall mean the discharge, deposit, injection, dumping, spilling, leaking or placing of any solid or semi-solid ~~grease interceptor/trap~~ GGI/HGI waste, ~~grit interceptor waste~~, and/or sewage into or on any land or water so that such waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters.

I. ~~I.~~ “Disposal facility” shall mean a facility at which liquid waste, including but not limited to, ~~grease interceptor/trap~~ GGI/HGI waste, ~~grit interceptor waste~~, and sewage is received, processed, or treated in a manner compliant with all applicable Federal, State, and local regulations.

J. ~~J.~~ “Disposal facility operator” shall mean an individual who is authorized to accept or reject liquid waste at a disposal facility, and who is authorized to sign a trip ticket, regardless of actual title.

K. ~~K.~~ “Disposal site” shall mean a permitted site or part of a site at which ~~grease interceptor/trap~~ GGI/HGI waste, ~~grit interceptor waste~~, or seepage is processed, treated and/or intentionally placed into or on any land in a manner compliant with all applicable Federal, State, and local regulations, and at which site said waste will remain after closure.

L. ~~L.~~ “Drainage Fixture Units (DFUs)/Fixture Units” shall mean a quantity in terms of which the load-producing effects on the plumbing system of different kinds of plumbing fixtures are expressed as referenced in UPC per Table 7-3 of this chapter.

M. ~~M.~~ “Emulsifiers” and/or “De-emulsifiers” shall mean any substance or substances which, when added or placed into a ~~grease trap~~ GGI or grease interceptor HGI system, will form an oily substance to a milky fluid in which the fat globules are in a very finely divided state and are held in suspension, ~~giving it the semblance of a solution; as the homogenization of milk emulsifies the fat with the whey forming a smooth milk product~~ allowing it to be released into the POTW.

N. ~~N.~~ “Existing facility” shall mean any building, structure, facility, or installation from which there is or may be a discharge of ~~pollutants~~ waste, the construction of which started before the adoption of this Chapter.

O. ~~O.~~ “Fats” shall mean substances that are primarily fatty acid esters of the alcohol glycerol, also called acylglycerols, neutral fats, natural fats, or glycerides. They are the major components of deposit, or storage, of fats in plant and animal cells,

especially in the adipose (or fat) cells of vertebrates. This term may include any synthesized substance of a like nature.

P. N “Food courts” shall mean areas predominantly found in shopping centers or amusement parks and festivals where several food ~~preparation~~ service establishments having different owners may be sharing seating space and/or plumbing facilities.

Q. O “Food service establishment” shall mean any facility that cuts, cooks, bakes, prepares or serves food, ~~or~~ which disposes of food-related wastes and/or which has a local, State, and/or Federal food service permit.

R. P “Garbage grinder” shall mean any device, which shreds or grinds up solid or semisolid food waste materials into smaller portions for discharge into the POTW.

S. Q “Generator” shall mean a facility business/owner that causes, creates, generates, stores, or otherwise produces waste from on-site process operations, whether domestically or commercially generated, or as a byproduct of some domestic or non-domestic activity. The generator is responsible for assuring that the produced waste is disposed of in accordance with all Federal, State and local disposal regulations.

T. R “Grease” shall mean fats, waxes, free fatty acids, calcium and magnesium soaps, mineral oils and certain other non-fatty material from animal or vegetable sources, or from hydrocarbons of petroleum origins, commonly found in wastewater from food preparation and food service. Grease may originate from, but not be limited to, discharges from scullery sinks, pot and pan sinks, dishwashing machines, soup kettles and floor drains located in areas where grease-containing materials may exist.

U. S “~~Grease Interceptor~~” or “~~Interceptor~~” “Gravity Grease Interceptor (GGI)” shall mean a water-tight receptacle utilized by commercial or industrial generators of liquid waste to intercept, collect, and restrict, the passage of grease and food particles into the POTW to which the receptacle is directly or indirectly connected, and to separate and retain grease and food particles from the wastewater discharged by a facility. See *also*, definition of “Adequately-sized Gravity Grease Interceptor.”

V. “Gravity Grease Interceptor (GGI)” Shall mean a water tight receptacle receiving and retaining waste containing fats, oils and grease from food service establishments. In all cases shall be located outside place of business or any structure. Minimum size shall be 750 gallons. Additional sizing criteria set forth in this chapter and the current adopted plumbing code.

V. T. “~~Grease Trap~~” or “~~Trap~~” “Hydromechanical Grease Interceptor “HGI” shall mean a water-tight or mechanical receptacle utilized by commercial generators of liquid waste to intercept, collect, and restrict, the passage of grease and food particles into the POTW to which the receptacle is directly or indirectly connected, and to separate and

~~retain grease and food particles from the wastewater discharged by a facility. See also, definition of “Adequately-sized Grease Trap Hydromechanical Grease Interceptor.”~~

W. ~~“Hydromechanical Grease Interceptor (HGI)”~~ Shall mean a water tight receptacle receiving and retaining waste containing fats, oils and grease from food service establishments. The HGI is generally located inside a business or structure. Sizing criteria is set forth in this chapter and the current adopted plumbing code.

~~W. U. Grease Interceptor/trap waste “Gravity Grease Interceptor (GGI)/Hydromechanical Grease Interceptor (HGI) waste” shall mean any grease, food particles, or organic or inorganic solid or semisolid waste collected and intercepted by a grease interceptor (GGI/HGI), usually in layers of floatable, suspended, and settleable substances, which are ultimately removed from a grease interceptor (GGI/HGI) for proper disposal. All layers must be removed for disposal.~~

~~V. “Grit Interceptor” shall mean a channel or tank that has capacity to allow liquid to slow down and let grit settle out and remain until removed by mechanical means.~~

X. ~~W.~~ “Incompatible wastes” shall mean wastes that have different processing, storage or disposal requirements, or whose mixture would inhibit the proper disposal or treatment of each type of waste, or wastes that if mixed may cause a dangerous chemical or physical reaction, including, but not limited to, ~~grease interceptor~~ GGI waste and ~~grit interceptor~~ HGI waste, ~~grease interceptor waste and septic tank waste,~~ seepage and hazardous waste, or any combination or combinations thereof.

Y. ~~X.~~ “Inspection port” shall mean openings, with easily opened covers designed to allow inspectors quick access to each compartment of the grease interceptor, and the effluent from the grease interceptor. A monitoring port is an inspection port large enough to allow temporary installation of monitoring devices such as samplers, strip recorders, flow meters, or other such measuring and/or monitoring devices.

Z. ~~Y.~~ “Inspector” shall mean the Supervisor of the POTW and person or persons designated and under the instruction and supervision of the Supervisor ~~and/or Director of Operations.~~ who is are assigned to investigate compliance and detect violations of this chapter.

AA. “Interceptor” may mean GGI or HGI depending on its use.

BB. Z. “Living quarters” shall mean a facility, or an area of a facility, where a person or family has a distinct living area, which includes individual kitchen and bath facilities, utilized solely by that single person or family.

CC. AA. “Manager” shall mean the person, regardless of actual title, immediately on-site at a location conducting, supervising, managing, or representing the activities of a generator, a transporter or a disposer.

DD. ~~CC.~~ “New facility” shall mean:

1. Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the adoption of this ordinance, provided that:

a. The building, structure, facility, or installation as constructed, remodeled or modified is located on a site at which no other source is located; or

b. The building, structure, facility, or installation as constructed, remodeled or modified totally replaces the process or production equipment that causes the discharge of pollutants at an existing course; or

c. The production processes or wastewater generating processes of the building, structure, facility or installation as constructed, remodeled or modified are substantially independent of an existing source at the same site. In determining whether these are substantially independent factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the existing source, should be considered.

d. Refer to Section 13.30.040(C) for exemptions.

EE. ~~DD.~~ “NPDES” shall mean National Pollutant Discharge Elimination System as administered by the Washington State Department of Ecology.

FF. ~~EE.~~ “Oil and grease” shall mean any material, but particularly biological lipids and mineral hydrocarbons, recovered as a substance soluble in an organic extracting solvent using an appropriate analytical method approved under 40 CFR 136. It also includes other material extracted by the solvent from an acidified sample and not volatilized during the extraction procedure.

GG. ~~FF.~~ “Permittee” shall mean a person issued a permit under this article, including any agent, servant, or employee of the permittee.

HH. ~~GG.~~ “POTW” shall mean Public Owned Treatment Works, which shall include all collection, transmission and treatment facilities.

II. ~~HH.~~ “Reasonable hours” shall mean any time during which a facility is open for business to the public. It shall also include those times when a facility is closed to the public when a manager, employees, and/or contractors are present at the facility and involved in cleanup or food preparation, or any other business activity.

JJ. ~~II.~~ “Seepage” defined as liquid that is allowed to ingress or egress from a tank or piping under existing natural pressures through cracks or imperfections.

KK. ~~JJ.~~ “Sewage” shall mean the liquid and water-carried domestic or industrial wastes from dwellings, commercial establishments, industrial facilities and institutions, whether treated or untreated. The terms “waste” and “wastewater” shall be deemed as sewage by definition.

LL. ~~KK.~~ “Shall not” shall prohibit.

MM. ~~LL.~~ “Spill” shall mean the unpermitted, incidental or intentional loss or unauthorized discharge of grease interceptor (GGI/HGI) waste, ~~grit interceptor waste~~, seepage, any other liquid waste, a chemical (hazardous or non-hazardous), or any other material that has the potential to contaminate any surface or ground water or in any other manner such that the waste is not legally disposed.

NN. ~~MM.~~ “Shopping center” shall mean a group of ~~architecturally unified~~ commercial establishments built on a site that is planned, developed, owned, and managed as an operation unit for sale or lease, with on-site parking in definite relationship to the types and sizes of stores at the site.

OO. ~~NN.~~ “Strip Mall” shall mean a line of stores fronted by uniform parking spaces or a small common parking lot. For the purposes of this Chapter, Strip Malls and Shopping Centers are considered to be the same.

PP. ~~OO.~~ “Transporter” shall mean a hauler who transfers waste from the site of a generator to an approved site for disposal or treatment. The transporter is responsible for assuring that all Federal, State and local regulations are followed regarding waste transport.

QQ. ~~PP.~~ “Trip ticket” shall mean the written, multi-part form used as documentation and required to be in the possession of the generator, transporter, and disposer to document the generation, receipt, transportation, and disposal of ~~grit interceptor waste~~, grease interceptor (GGI/HGI) waste, seepage, and other liquid wastes enabling legal and proper disposal of hauled ~~grit interceptor waste~~, ~~grease interceptor/trap~~ GGI/HGI waste, and seepage at a permitted or registered disposal site, and specifying the identity of the generator, transporter, and disposal facility operator of liquid wastes and the volume of ~~grit interceptor waste~~, grease interceptor (GGI/HGI) waste, seepage, and other liquid wastes disposed.

RR. ~~QQ.~~ “Waste” shall mean the liquid and water-carried domestic or industrial wastes from dwellings, commercial establishments, industrial facilities and institutions, whether treated or untreated. The terms “sewage” and “wastewater” shall be deemed as waste by definition.

SS. “WWTP” shall mean the Wastewater Treatment Plant

TT. “WWTP Supervisor” shall mean the Supervisor of the POTW which includes, but is not limited to, the Wastewater Treatment Plant and collection system.

Section 13.30.040. Applicability.

A. Discharge of waste. Waste, which contains fats, oil and grease, shall be discharged into the POTW system only as set forth in this Chapter. The following facilities shall discharge all waste from sinks, dishwashers, drains, and any other fixtures through which grease may be discharged, into an adequately-sized, properly maintained and functioning ~~grease interceptor/trap~~ Gravity Grease Interceptor (GGI)/Hydromechanical Grease Interceptor (HGI) before the discharge enters the POTW, as well as grease interceptor (GGI/HGI) effluent inspection port. (Note: dishwasher not allowed on HGI.)

1. Every commercial food preparation and food service facility, including but not limited to bakeries, boardinghouses, butcher shops, cafes, clubhouses, ~~beverage/coffee shops stands with four or more fixtures~~, commercial kitchens, correction facilities (prisons), delicatessens, fat rendering plants, ice cream parlors, hospitals, ~~churches, caterers~~, meat packing plants, restaurants, schools, slaughter houses, soap factories, and similar facilities, especially where meat, poultry, seafood (excludes fresh fish), dairy products or fried foods are prepared or served.

2. All shopping centers that have food processing facilities.

3. All food courts.

4. All other facilities discharging grease in amounts that, according to this Chapter, will, alone or in concert with other substances from the discharges of other facilities in the opinion of the City, have a reasonable chance to impede or stop the flow in the POTW or require additional treatment.

B. Grease Interceptors (GGIs/HGIs) Required. All ~~new areas of intensified dwelling businesses~~, including, but not limited to; assisted living facilities, convalescent homes, day nursing and childcare facilities, sanitariums, hotels, maternity homes, motels in which there is a commercial food preparation service, nursing homes, retirement homes, in which food preparation occurs as defined in Section 13.30.040 (A) above.

C. Exemptions.

1. Modifications to existing facilities that do not add new buildings or new grease generating activities are exempt from this requirement.

2. Adult family homes and family day care facilities ~~are exempt~~.

3. Facilities with 4 or less drainage fixture units (DFU's).

D. Grease Interceptors (GGIs/HGIs) Not Required. Interceptors (GGIs/HGIs) shall not be required for single-family residences, duplexes, triplexes, quadplexes, or apartment complexes, unless the City first determines there are discharges from the

property that will create problems in the POTW. The determination shall be made based upon an investigation of the property, and a comparison of the content and amount of discharge from the property with the discharges of other properties similar in size and use. Upon a determination that the discharges will create problems in the POTW, the Supervisor of the POTW may require the installation of an adequately sized grease interceptor (GGI/HGI) to treat the discharges.

E. Review to Determine Applicability. All Building and Plumbing applications shall be reviewed with the submission of the City's "~~Grease Trap/Interceptor Installation Guidelines~~" applicant's plumbing plan to determine the need for an interceptor (GGI/HGI) ~~or trap~~.

Section 13.30.050. Date Required for Compliance

A. ~~Within 48 months~~ After the effective date of the ordinance adopting this Chapter 13.30 GHMC, an existing facility (excepting those existing facilities described in section 13.30.040 above as not requiring a grease interceptor (GGI/HGI)) shall be required to install an approved, adequately-sized, and properly operated and maintained grease interceptor (GGI/HGI) when any of the following conditions exist:

1. The existing facility is found by the Supervisor of the POTW to be discharging grease in quantities in excess of 100mg/L fats, oils and grease.
2. The existing facility is remodeling the food preparation or kitchen waste plumbing facilities in such a manner to be subject to a building/plumbing permit issued by the Building and Fire Safety ~~Division~~ Department.
3. The existing facility has an interceptor/~~trap~~ (GGI/HGI) which allows a discharge of fats, oil or grease in excess of 100 mg/l.

B. The owner of existing facilities equipped with an undersized grease interceptor (GGI/HGI) as verified from data collected by the POTW Supervisor verifying interceptor (GGI/HGI) inability to treat discharge flows shall, within ~~48~~ 12 months ~~after the effective date of the ordinance adopting this Chapter~~, install an adequately-sized grease interceptor (GGI/HGI) in accordance with the requirements of this Chapter.

C. Existing facilities that have no or inadequate means of grease treatment shall be required by this Chapter to install an adequately sized grease interceptor within ~~48~~ 12 months of the ~~effective date of the ordinance adopting this Chapter~~ identification of such facility by the Supervisor.

D. New facilities required by this Chapter to maintain a grease interceptor (GGI/HGI) shall install such a unit prior to commencement of discharge to the POTW.

E. Any requests for extensions to installation dates must be made in writing to the ~~Director of Operations~~ Supervisor, at least ~~thirty (30)~~ one hundred and eighty (180) days in advance of the compliance date. The written request shall include the reasons for the grease generator's failure or inability to comply with the compliance date set

forth, the additional time needed to complete the remaining work, and the steps to be taken to avoid future delays. The ~~Director of Operations~~ Supervisor shall determine the date for compliance.

Section 13.30.060. Discharge Criteria.

In addition to the prohibitions outlined in Chapter 13.28.170 of the Gig Harbor Municipal Code, the following prohibitions shall apply.

A. Where oil and grease are a byproduct of food preparation and/or cleanup, reasonable efforts shall be made to separate waste oil and grease into a separate container for proper disposal. Except as contained in byproducts of food preparation and/or clean up, waste oil and grease shall not be discharged to any drains or grease interceptors (GGIs/HGIs). Such waste shall be placed in a container designed to hold such waste and either utilized by industry or disposed of at suitable locations.

B. None of the following agents shall be placed directly into an ~~grease interceptor/trap~~ grease interceptor, or into any drain that leads to the interceptor:

1. Emulsifiers, de-emulsifiers, surface active agents, enzymes, degreasers, or any type of product that will liquefy grease interceptor wastes,
2. Any substance that may cause excessive foaming in the POTW or;
3. Any substance capable of passing the solid or semi-solid contents of the ~~grease interceptor/trap~~ to the POTW.

C. The influent to interceptors (GGIs/HGIs) shall not exceed 140 degrees Fahrenheit (140 F). The temperature at the influent inspection port shall be considered equivalent to the temperature of the influent.

D. Toilets, urinals, and other similar fixtures shall not discharge through a grease interceptor.

E. All waste shall only enter the grease interceptor/~~trap~~ through the inlet pipe.

F. Where food-waste grinders are installed, the waste from those units shall discharge directly into the building drainage system without passing through a grease interceptor. ~~Living quarters, as defined in this chapter, are exempted from this requirement.~~

G. Discharge of Oil and Grease in excess of 100 milligrams per liter (mg/l) concentrations are not allowed downstream of GGI/HGI.

H. The Uniform Plumbing Code Section ~~4015.0~~ 1014.1.3 additionally prohibits the discharge from “dishwashers” into any ~~grease trap~~ HGI are prohibited unless specifically required or permitted by the Authority Having Jurisdiction.

I. Cleaning of any equipment used in a Food Service Establishment shall be performed using Best Management Practices (BMP's). At no time shall waste from any equipment maintenance be allowed to enter into the storm drain system. If equipment is cleaned utilizing Food Establishment drains, flow must not exceed rated design flow of the interceptor. No chemical shall be allowed that will emulsify or alter the grease to allow it to pass through the interceptor. If hot water is used it shall not exceed 140 degrees at the inlet of the interceptor.

Section 13.30.070. Requirements for Gravity Grease Interceptors (GGIs)/Traps Hydromechanical Grease Interceptors (HGIs)

A. All commercial and industrial facilities dealing with fats, oils and grease (FOG) shall, at the permittees' expense and as required by the Director of Operations Supervisor.

1. Provide an adequately-sized grease interceptor/trap (GGI/HGI). Requirements for grease interceptor/trap (GGI/HGI) sizing and the design criteria are set forth in this section.
 - a. Zero to four DFUs are exempt.
 - b. Five through eight DFUs must provide adequately-sized and approved HGI.
 - c. Nine or more DFUs must install adequately-sized and approved GGI.
2. Locate the interceptor/~~trap~~ (GGI/HGI) in a manner that provides ready and easy accessibility for cleaning and inspection.
3. Unless otherwise specified by the Director of Operations, ~~service the interceptor every 120 days, traps~~ Supervisor, service will be performed on an individual basis as specified in each individual operational permit. Hydromechanical Grease Interceptors (HGIs) require weekly maintenance or at a frequency as determined by the Director of Operations Supervisor. Maintain backup copies of trip tickets and a service log, on the premises of the facility, for at least three (3) years.
4. Reports must be available to the Director of Operations Supervisor, as defined in Section 13.30.113 GHMC.
5. Allow inspection of the facility and of records by inspectors during reasonable hours.
6. ~~C.~~ If the Director of Operations Supervisor determines that there is a need for installation or upgrading of sample ports or grease interceptors

(GGIs/HGIs) on an existing facility, he/she shall direct the generator to install necessary improvements to bring existing facility into compliance.

B. Requirements for ~~Grease Interceptor/Trap~~ Gravity Grease Interceptor/Hydronechanical Grease Interceptor Sizing and Design Criteria

1. Size, type, and location of ~~grease interceptor/traps~~ GGIs/HGIs shall be in accordance with the manufacturers' instructions, the requirements of City of Gig Harbor Municipal Code and/or Public Works Standards, and Uniform Plumbing Code.

~~a.~~ a. All grease bearing waste streams ~~should~~ shall be routed through an ~~appropriate~~ approved grease interceptor, including: three-compartment sinks, pot/pan sinks, soup kettles, hand-washing sinks, dishwashers, mop sinks and floor drains.

2. Applicability: These requirements are applicable to all commercial food service establishments, including those that are undergoing the following:

a. New construction

b. Interior remodeling to accommodate expansion or operational modifications

c. Changes of ownership/occupancy or use.

d. Facilities which may be experiencing difficulty in achieving compliance with maintenance and/or wastewater discharge limitations.

3. Sizing Requirements:

a. Sizing methods described herein are intended as guidance in determining ~~grease interceptor/trap~~ GGI/HGI sizes that ~~will~~ may afford the POTW a minimum degree of protection against grease and other obstructing materials. Sizing determinations are based on operational data provided by business owners or their contractors. In approving a generators plumbing or ~~grease interceptor/trap~~ GGI/HGI design, the City does not accept liability for the failure of a system to adequately treat wastewater to achieve effluent quality requirements specified under this Chapter. It is the responsibility of the generator and/or contractors to insure the appropriate level of treatment necessary for compliance with environmental and wastewater regulations.

~~Note: The following sizing criteria for grease traps are to be used only in the case of an existing establishment with no physical capability of installing a grease interceptor. All new facilities will be required to install a~~

grease interceptor according to the sizing criteria in the interceptor sizing guidelines within section 13.30.070 B. 5.

b. Tables in formulas found in Section ~~3-d.~~ and 4. below shall be used to determine adequate grease trap Gravity Grease Interceptor/Hydromechanical Grease Interceptor (GGI/HGI) sizing.

c. In the circumstance of “single service kitchens” with no food preparation (heat/serve only), and which use only paper service items, a minimum 50 gallon per minute (gpm) flow rated, or 100 pound grease retention, mechanical grease trap may be used. The trap must be readily accessible for cleaning and maintenance.

d. ~~Recommended Ratings for commercial Grease Traps~~

Type of fixture	Rate of flow in gpm	Grease retention capacity rating, in pounds	Recommended maximum capacity of fixture connected to trap, in gallons
Restaurant kitchen sink	15	30	37.5
Single compartment scullery sink	20	40	50.0
Double compartment scullery sink	25	50	62.52
Single compartment sinks	25	50	62.52
Double compartment sinks	35	70	87.5
Dishwasher for restaurants: *Dishwashers shall not be connected to Grease Trap			

4. Grease Trap Gravity Grease Interceptor (GGI)/Hydromechanical Grease Interceptor (HGI) Sizing Tables in Formulas:

It is the responsibility of the generator/owner and his/her contractors to ensure that the wastewater discharged from their facility is in compliance with the City’s discharge limitations. For the purpose of plans review, a general assessment of ~~grease trap~~ GGI/ HGI design and size will be performed using the following tables in formulas. (These formulas have been demonstrated as

industry standards capable of achieving the City's discharge criteria when systems are maintained in proper conditions.)

Method 1: Uniform Plumbing Code

TABLE 10-2
Grease Traps

Total Number of Fixtures Connected	Required Rate of Flow per Minute, Gallons	Grease Retention Capacity, Pounds
1	20	40
2	25	50
3	35	70
4	50	100

TABLE 10-2
Grease Traps (Metric)

Total Number of Fixtures Connected	Required Rate of Flow per Minute, Liters	Grease Retention Capacity, kg
1	76	18
2	95	22
3	132	31
4	189	45

Inch	mm
1-1/4	32
1-1/2	40
2	50
2-1/2	65
3	80

TABLE 7-3
Drainage Fixture Unit Values (DFU)

Plumbing Appliance, Appurtenance, or Fixture	Min. Size Trap & Trap Arm ⁷	Private	Public	Assembly ⁸
Bathtub or Combination Bath/Shower	1-1/2"	2.0	2.0	
Bidet.....	1-1/4"	1.0		
Bidet	1-1/2"	2.0		
Clothes Washer, domestic, standpipe ⁵	2"	3.0	3.0	3.0
Dental Unit, cuspidor.....	1-1/4"		1.0	1.0
Dishwasher, domestic, with independent drain ²	1-1/2"	2.0	2.0	2.0
Drinking Fountain or Water Cooler	1-1/4"	0.5	0.5	1.0
Food-Waste-Grinder, commercial	2"		3.0	3.0
Floor Drain, emergency	2"		0.0	0.0
Floor Drain (for additional sizes see Section 702)	2"	2.0	2.0	2.0
Shower, single-head trap	2"	2.0	2.0	2.0
Multi-head, each additional	2"	1.0	1.0	1.0
Lavatory, single	1-1/4"	1.0	1.0	1.0
Lavatory, in sets of two or three	1-1/2"	2.0	2.0	2.0
Washfountain	1-1/2"		2.0	2.0
Washfountain	2"		3.0	3.0
Mobile Home, trap	3"	12.0		
Receptor, indirect waste ^{1,3}	1-1/2"			See footnote ^{1,3}
Receptor, indirect waste ^{1,4}	2"			See footnote ^{1,4}
Receptor, indirect waste ¹	3"			See footnote ¹
Sinks				
Bar	1-1/2"	1.0		
Bar ²	1-1/2"		2.0	2.0
Clinical	3"		6.0	6.0
Commercial with food waste ²	1-1/2"		3.0	3.0
Special Purpose ²	1-1/2"	2.0	3.0	3.0
Special Purpose	2"	3.0	4.0	4.0
Special Purpose	3"		6.0	6.0
Kitchen, domestic ²	1-1/2"	2.0	2.0	
(with or without food-waste grinder and/or dishwasher)				
Laundry ²	1-1/2"	2.0	2.0	2.0
(with or without discharge from a clothes washer)				
Service or Mop Basin	2"		3.0	3.0
Service or Mop Basin	3"		3.0	3.0
Service, flushing rim	3"		6.0	6.0
Wash, each set of faucets			2.0	2.0
Urinal, integral trap 1.0 GPF ²	2"	2.0	2.0	2.0
Urinal, integral trap greater than 1.0 GPF	2"	2.0	2.0	2.0
Urinal, exposed trap ²	1-1/2"	2.0	2.0	2.0
Water Closet, 1.6 GPF Gravity Tank ⁶	3"	3.0	4.0	6.0
Water Closet, 1.6 GPF Flushometer Tank ⁶	3"	3.0	4.0	6.0
Water Closet, 1.6 GPF Flushometer Valve ⁶	3"	3.0	4.0	6.0
Water Closet, greater than 1.6 GPF Gravity Tank ⁶	3"	4.0	6.0	8.0
Water Closet, greater than 1.6 GPF Flushometer Valve ⁶	3"	4.0	6.0	8.0

¹ Indirect waste receptors shall be sized based on the total drainage capacity of the fixtures that drain therein to, in accordance with Table 7-4.

² Provide a two (2) inch (51 mm) minimum drain.

³ For refrigerators, coffee urns, water stations, and similar low demands.

⁴ For commercial sinks, dishwashers, and similar moderate or heavy demands.

⁵ Buildings having a clothes-washing area with clothes washers in a battery of three (3) or more clothes washers shall be rated at six (6) fixture units each for purposes of sizing common horizontal and vertical drainage piping.

⁶ Water closets shall be computed as six (6) fixture units when determining septic tank sizes based on Appendix K of this code.

⁷ Trap sizes shall not be increased to the point where these fixture discharge may be inadequate to maintain their self-scouring properties.

⁸ Assembly [Public Use (See Table 4-1)].

Table 10-2

Hydromechanical Grease Interceptor (HGI)
Sizing Chart*

DFU	HGI Flow (gpm)
8	20
10	25
13-8 ** (Maximum Units Allowed to HGI)	35
20	50
35	75
172	100
216	150
342	200
428	250
576	350
720	500

*Based on intermittent potentially full flow in drainage lines.

**Gravity Grease Interceptor must be installed if number of DFU's exceeds 8.

TABLE 10-2

Hydromechanical Interceptor Sizing Using Gravity Flow Rates¹

<u>Diameter of Grease Waste Pipe</u>	<u>Maximum Full Pipe Flow (gpm)²</u>	<u>Size of Grease Interceptor</u>	
		<u>One-Minute Drainage Period (gpm)</u>	<u>Two-Minute Drainage Period (gpm)</u>
2"	20	20	10
3"	60	75	35
4"	125	150	75
5"	230	250	125
6"	375	500	250

¹ For interceptor sizing by fixture capacity see the example below.

² 1/4" (.240) slope per foot based on Manning's formula with friction factor N = .012

EXAMPLE FOR SIZING HYDROMECHANICAL INTERCEPTOR(S) USING FIXTURE CAPACITY

Step 1: Determine the flow rate from each fixture.

$$[\text{Length}] \times [\text{Width}] \times [\text{Depth}] / [2.31] = \text{Gallons} \times [.75 \text{ fill factor}] / [\text{Drain Period (1 min or 2 min)}]$$

Step 2: Calculate the total load from all fixtures that discharge into the interceptor.

<u>Fixtures</u>	<u>Compartments</u>	<u>Load (gallons)</u>	<u>Size of Grease Interceptor</u>	
			<u>One-Minute Drainage Period (gpm)</u>	<u>Two-Minute Drainage Period (gpm)</u>
<u>Compartment size</u>				
24" x 24" x 12"	2	44.9		
Hydrant		3		
Rated Appliance		2		
		49.9	50	25

5. Gravity Grease Interceptor: Where sizing formulas result in determination of an exterior grease interceptor (GGI) less than 750 gallons in capacity, minimum size shall be 750 gallons.

The size of a grease interceptor shall be determined by the following formula:

$$\text{Number of meals} \times \text{waste flow} \times \text{retention} \times \text{storage} = \text{Size Requirement}$$

Per Peak hour (1) — rate (2) — time (3) — factor (4) — (liquid capacity)

(1) Meals served at the Peak Hour:

The number of meals served at the peak hour is obtained by multiplying the number of seats by 60, and dividing by the estimated time it takes for a patron to eat. For new restaurants, it may be estimated to be equal to the

seating capacity. For restaurants with drive-through service, the estimated drive-through service rate at peak hour should be included. In rest homes, camp kitchens and other similar kitchens, the peak meals would be equal to the occupant load.

(2) Waste Flow Rate:

- a. With dishwashing machine _____ 6 gallon flow
- b. Without dishwashing machine _____ 5 gallon flow
- c. Single service kitchen _____ 2 gallon flow
- d. Food waste disposer _____ 1 gallon flow

(3) Retention Times:

- a. Commercial kitchen waste/dishwasher _____ 2.5 hours
- b. Single service kitchen single serving _____ 1.5 hours

(4) Storage Factors:

- a. Fully equipped commercial kitchen _____ 8 hour operation =1
- b. _____ 16 hour operation =2
- c. _____ 24 hour operation =3
- d. Single service Kitchen _____ =1.5

Table 10-3
Gravity Grease Interceptor Sizing

DFUs ^(1, 3)	Interceptor Volume ⁽²⁾
8	750 gallons
21	750 gallons
35	1,000 gallons
90	1,250 gallons
172	1,500 gallons
216	2,000 gallons
307	2,500 gallons
342	3,000 gallons
428	4,000 gallons
576	5,000 gallons
720	7,500 gallons
2112	10,000 gallons
2640	15,000 gallons

** DFUs are calculated using Uniform Plumbing Code Table 7-3

Notes:

- (1) The maximum allowable DFUs plumbed to the kitchen drain lines that will be connected to the grease interceptor.
- (2) This size is based on: DFUs, the pipe size from this code; Table 7-5; Useful Tables for flow in half-full pipes (ref: Mohinder Nayyar Piping Handbook, 3rd Edition 1992). Based on 30-minute retention time (ref.: George Tchobanoglous and Metcalf & Eddy. Wastewater Engineering Treatment, Disposal and Reuse, 3rd Ed. 1991 & Ronald Crites and George Tchobanoglous. Small and Decentralized Wastewater Management Systems, 1998). Rounded up to nominal interceptor volume.
- (3) When the flow rate of directly connected fixture(s) or appliances(s) have no assigned DFU values, the additional grease interceptor volume shall be based on the known flow rate (gpm) multiplied by 30 minutes.

Additional information and assistance about sizing and installation can be obtained through the ~~Division of Fire and Building~~ Building and Fire Safety Department and/or the Public Works Operations/Engineering Divisions of the City of Gig Harbor.

6. Alternate Sizing Formulas/Proposals.

Facilities that propose the use of alternate sizing techniques and/or procedures that result in specifications that differ from calculated requirements (or are less than the MINIMUM 750 gallon requirement), must submit formulas and other bases to the ~~Director of Operations~~ Supervisor to support proposed grease interceptor (GGI/HGI) size/installation. Submission should also provide documentation of the generator's ability to meet effluent quality requirements. The generator's proposal must be signed by an engineer licensed in the state of Washington. The ~~Director of Operations~~ Supervisor shall make the final decision on any installation.

Notable Exceptions: Drains that receive "clear waste" only, such as from ice machines, condensate from coils and drink stations, may be plumbed to the sanitary system without passing through the grease interceptor with the condition that the receiving drain is a "hub" type that is a minimum of two inches above the finished floor.

~~7. Construction/Installation.~~

~~All permitting, construction, and inspection activities must be completed in accordance with the Gig Harbor Municipal Code and Public Works Standards. Additionally, the following specifications must be incorporated into grease interceptor design.~~

~~a. The grease interceptor shall be constructed with a minimum of two chambers or shall have a minimum of two tanks in series. b. There must be inlet and outlet tees made of 6" schedule 40 PVC installed. The inlet T should extend down approximately one-third the depth of the interceptor from the top and the outlet tee should be located twelve inches off of the bottom of the interceptor.~~

~~c. Grease interceptors are to be installed at a minimum distance of 10 ft. from sinks and dishwashers to allow for adequate cooling of wastewater. Water temperatures must be less than 140 degrees F. prior to entering grease interceptor.~~

~~d. All grease bearing waste streams should be routed through an appropriate grease interceptor, including: three-compartment sinks, pot/pan sinks, soup kettles, hand washing sinks, dishwashers, mop sinks and floor drains.~~

~~e. All exterior or recessed Grease Interceptors are to be installed with an Effluent Sampling Well, equivalent to: a. Parks Equipment Services Sample Well SWB-9; b. American Industrial Pre-Cast Products Test well; or c. Uopnor Sample well. Sample wells will have a 15" diameter access Cover and a minimum 4" drop from inlet to outlet piping through the sampling well. Mechanical Grease Traps and Interceptors that are installed above ground must be equipped with an influent flow regulator and an effluent valve assembly that allows for sample collection.~~

~~7. 8. Generator/owner Responsibilities: It is the responsibility of the generator to insure compliance with the City of Gig Harbor's discharge limitations.~~

Hazardous wastes, such as acids, bases, grease emulsifying agents strong cleaners, pesticides, herbicides, heavy metals, paint, solvents, gasoline or other hydrocarbons, shall not be disposed of where they would go through GGIs/HGIs or ~~grit traps~~. If commercial dishwashers are discharged through a grease interceptor GGI, care must be taken in system design. Dishwashers use detergents and elevated water temperatures that will melt grease. If the ~~interceptor GGI~~ is either too small or too close to the commercial dishwasher, grease may pass through the ~~interceptor GGI/HGI~~ and into the collection system. Relocation and upsizing may be required to comply with City discharge requirements. (Dishwashers may not discharge through a Hydromechanical Grease Interceptor (HGI) without the Supervisor's approval as per UPC Code 1014.1.3).

~~Generators/owners are responsible for maintaining grease interceptors GGI/HGIs in continuous proper working condition. Further, generators are responsible for inspecting, repairing, replacing, or installing apparatus and equipment as necessary to ensure proper operation and function of grease interceptors GGI/HGIs and compliance with discharge limitations at all times.~~

~~Interceptors GGI/HGIs shall be maintained with a minimum frequency of every 120 days as specified in individual Operational Permit to ensure proper function. (Maintenance frequency assumes proper sizing and installation consistent with this requirement.) The ~~interceptor GGI/HGI~~ shall be maintained more frequently if needed to meet the city's discharge criteria. If, in cooperation with the Supervisor of the POTW, frequency of cleaning can be extended, without degradation of ~~interceptor GGI/HGI~~ effluent, an alternative schedule can be approved. Records of maintenance are required to be maintained on site for three (3) years. (120-day maintenance frequency assumes proper sizing and installation consistent with this requirement.)~~

Enzymes, solvents, and emulsifiers are not permitted, as they will only change the form of grease, allowing it to be carried out of the ~~interceptor GGI/HGI~~ with the wastewater and deposited in the collection system (POTW).

Biological treatment systems must be pre-approved by the Director of Operations Supervisor. These systems will not alleviate the necessity for inspection and proper maintenance

Section 13.30.080. Gravity Grease Interceptor (GGI) Construction.

A. Any generator responsible for discharges requiring a grease interceptor GGI shall, at his/her expense and as required by the City, provide plans and specifications for equipment and facilities of a design type and design capacity approved by the Public Works Operations/Engineering Division of the City of Gig Harbor. The ~~grease~~ interceptor GGI must be in compliance with the Gig Harbor Municipal Code and Public Works Standards, and Uniform Plumbing Code. The generator shall locate the interceptor in a manner that provides easy accessibility for cleaning, maintenance and inspection ~~and maintain the interceptor in effective operating condition~~. Representatives of the Public Works Operations/Engineering Division shall inspect and approve the interceptor during construction and upon completion before any service connections are made.

B. a. The GGI shall be constructed with a minimum of two chambers or shall have a minimum of two tanks in series. All tanks shall be coated with an approved material to maintain structural integrity externally for inflow prevention and internally to protect degradation of structure from hydrogen sulfide and/or compounds that may damage integrity (see Public Works Standards for approved coatings).

C. b. There must be inlet and outlet tees made of minimum 6" schedule 40 PVC installed. The inlet T should extend down approximately one-third the depth of the interceptor (GGI) from the top and the outlet tee should be located twelve inches off of the bottom of the interceptor.

D. B. Construction of items listed herein in accordance herewith or in accordance to the City's specifications shall not constitute a defense to unlawful discharge and shall not limit the generator's liability for any surcharge stated in this Chapter.

~~E. e.~~ ~~All exterior or recessed Gravity Grease Interceptors (GGIs) are to be installed with an Effluent Sampling Well, per City Public Works Standards.~~

~~C.~~ ~~If the Director of Operations determines that there is a need for installation or upgrading of sample ports or grease interceptors on an existing facility, he/she shall direct the generator to install necessary improvements to bring existing facility into compliance.~~

~~C. D.~~ ~~Where process wastewaters are generated in only part of the facility, the process wastewaters may, at the option of the Director of Operations, discharge into a grease interceptor servicing only those areas, as long as the interceptor is of adequate capacity and is not connected to any restroom facility.~~

~~D. E. The Director of Operations may waive the requirement for a grease interceptor, provided the grease generator can verify that only domestic sewage is being discharged, with no floor drains or process water. The Director of Operations may require testing by the generator in connection with this request, with all costs for this testing being at the generator's expense.~~

Section 13.30.090. Service, Inspection and Monitoring Ports.

A. Except for grease traps HGIs, each interceptor (GGI) shall be located outside of a building or structure in an area accessible for service, and so installed and connected that it shall be at all times easily accessible for inspection, and for cleaning and removal of the intercepted waste. Inlet inspection ports, interceptor inspection ports, and effluent monitoring ports shall be in areas where vehicles may not temporarily block access to inspection. The use of ladders or the removal of bulky equipment or stored materials in order to inspect inlet flow, inspect or service interceptors, or sample interceptor effluent shall be unacceptable. Inspection ports and monitoring ports shall be located so as to allow inspectors quick and easy access to the inlet flow, each compartment of the interceptor, and the effluent from the interceptor. ~~An interceptor shall not be installed in any part of a building where food is handled.~~ The location of all interceptors, inspection ports, and monitoring ports shall meet the approval of the ~~Director of Operations~~ Supervisor and shall be shown on the approved building plans.

B. ~~A one-piece removable metal plate covering the entire interceptor shall be preferred as an interceptor inspection port, though at the discretion of the Director of Operations,~~ Standard manhole ports with risers may shall be installed over each ~~divider inlet, outlet and crossover connections of~~ in the interceptor (GGI), but in either case all parts of the interceptor (GGI) shall be easily accessible for cleaning and visual inspection. A monitoring port shall be provided for ease in sampling the treated effluent from the interceptor (GGI) ~~and shall be as close as possible to the connection with the city sewer within the bounds of the facility property.~~ The port shall be installed according to the specifications of Public Works Standards, ~~the Director of Operations~~ or as approved by the Supervisor. The port shall be installed and maintained at the generators expense. A generator shall properly place, monitor, and maintain the monitoring port so that wastewater samples taken from the monitoring port are representative of wastewater leaving the interceptor. It shall be unlawful for a grease generator to divert sewage around a monitoring point into the POTW.

Section 13.30.110. ~~Grease Traps.~~ Hydromechanical Grease Interceptors (HGIs).

A. In the event that an outside ~~grease interceptor~~ Gravity Grease Interceptor (GGI) is not practical or not required, a ~~grease trap~~ Hydromechanical Grease Interceptor (HGI) may be installed subject to the approval of the ~~Director of Operations~~ Supervisor. In addition to the regular requirements of ~~grease interceptors, grease traps~~ Gravity Grease Interceptors, Hydromechanical Grease Interceptors are subject to the

additional requirements. Refer to Note in Section 13.30.070 B.3. Facilities using five or more fixtures shall install a minimum 750 gallon grease interceptor.

B. General requirements.

~~1. The location of such interceptors shall be in as close proximity to the source of wastewater as physically possible.~~

2. 1. The lid shall be secured to the body and easily accessible and removable with the use of common tools. No special tools shall be needed to remove the lid. Grease traps HGI and grease interceptors must be watertight and be constructed of materials not subject to excessive corrosion or decay. ~~6.~~ The trap HGI shall be coated so as to be resistant to corrosion. Refer to City of Gig Harbor Public Works Standards Chapter 5 List of Drawings for Specifications.

~~3.~~ 2. Baffle systems and all other internal pieces shall be removable to facilitate cleaning and replacement, but must be in place at all other times.

4. 3. The lid shall cover the deep seal trap HGI. The deep seal trap shall be constructed so as to eliminate the possibility of sewer gas entering the kitchen area.

~~5. The trap HGI shall be constructed with bottom supports so that the body of the trap HGI does not corrode by coming into contact with the floor.~~

~~7.~~ 4. Mechanical Grease Traps HGIs and Interceptors that are installed above ground must be equipped with an influent flow regulator and an effluent valve assembly that allows for sample collection.

C. Installation requirements.

1. The trap HGI may be set on the floor, partially recessed in the floor with top flush with the floor, or fully recessed below the floor to suit piping and structural conditions, as acceptable by the Building and Fire Safety Division Department of the City.

2. There shall be sufficient clearance for the removal of the trap HGI cover for cleaning and inspection.

~~3. Unless specifically approved by the Building and Fire Safety Division, runs of pipe exceeding 25 feet between fixture and trap shall not be permitted.~~

4. 3. The trap HGI shall not be installed in a waste line from a garbage grinder. Any garbage grinder waste shall bypass the trap HGI.

5. 4. A suitable flow control fitting shall be installed ahead of the trap HGI in the waste line beyond the fixture and as close as possible to the underside of the lowest fixture. When wastes of two or more sinks or fixtures,

are combined to be used by one ~~trap~~ HGI, a single flow control fitting shall be used.

~~6.~~ 5. Air intake for flow control ~~either~~ shall either terminate under the sink drain board as high as possible to prevent overflow, or shall terminate in a return bend at the same height and on the outside of the building. (The UPC requires devices to be readily accessible and in a visible location.)

~~7.~~ 6. To retain water and prevent siphoning, all ~~traps~~ HGI shall have a vented waste, sized in accordance with the UPC.

~~8.~~ 7. With the approval of the ~~Division of Fire and Building Safety Department~~, one ~~trap~~ HGI may be used to serve multiple fixtures if the fixtures are located close together and the ~~trap~~ HGI is sized to meet the combined flow of all the fixtures.

D. Maintenance requirements.

1. ~~Traps~~ Hydromechanical Grease Interceptors (HGIs) shall be serviced weekly or as needed on an individual basis. This will be determined by the amount of grease produced and a maximum measurement of no more than 3" accumulation on the top of the ~~trap~~ HGI or 25% of the total liquid volume is occupied by floating solids or sediment. In addition, and discharge does not exceed the 100mg/L limit. After accumulated grease and waste has been removed, the ~~trap~~ HGI shall be thoroughly inspected to make certain that inlet, outlet, and air relief ports are clear of obstructions.

2. Grease and other waste removed from the ~~trap~~ HGI shall not be introduced into any drain, sewer, or natural body of water. The waste shall be placed in proper containers for proper disposal. It shall not be mixed with "edible" grease. Grease and waste removed from a ~~trap~~ HGI shall not be disposed of in such a manner so as to become food for animals or humans.

3. The grease generator shall maintain adequate documentation that the ~~trap~~ HGI is appropriately cleaned and inspected as referenced in Section 13.30.113 Interceptor/trap Hydromechanical Grease Interceptor Maintenance Log. ~~Grease Interceptor/Trap~~ Hydromechanical Grease Interceptor Waste Generators shall meet all applicable federal, state and local requirements regarding the accumulation, generation, and disposal of waste.

Section 13.30.111. Interceptor Pumping and Cleaning (GGI/HGI)

A. Required Pumping Frequency

1. Unless otherwise specified by the ~~Director of Operations Supervisor~~, each interceptor (GGI/HGI) in active use shall be cleaned at least once every 120 days as specified in the individual Operational Permit. Each GGI/HGI is reviewed on a case by case basis. The frequency may increase or decrease

~~depending upon the need to prevent carry over of grease into the POTW. Unless it can be demonstrated to the Director of Operations Supervisor that the pumping frequency can be performed at greater intervals. However, the interceptor may need to be cleaned more frequently as needed to prevent carry over of grease into the POTW.~~ The Director of Operations Supervisor may specify cleaning more frequently when current pumping schedule is shown to be inadequate. Additional pumping may be required during time periods where increased loading is anticipated. Any grease generator desiring a schedule less frequent than established shall submit a request to the Director of Operations Supervisor along with testing (as required by the Director of Operations Supervisor and copies of the cleaning records for the last four (4) interceptor (GGI/HGI) cleanings, including measurements of the thickness of the surface scum/grease layer and sediment.

2. At any time if an inspection finds the interceptor (GGI/HGI) to be full, immediate steps shall be taken by the grease generator to pump out and clean the interceptor. The inspector shall make an evaluation of the advisability of allowing discharge to continue, and may at his or her discretion order an immediate cessation of all discharge from the facility. In any case, the Grease Interceptor Operational Permit of the facility may be amended so as to compel more frequent pumping and cleaning of the interceptor (GGI/HGI).

B. All interceptors (GGIs/HGIs) shall be maintained by the grease generator at the grease generator's expense. If generator fails to comply with its cleaning schedule or is not adhering to the requirements of this chapter the City shall have the interceptor (GGI/HGI) cleaned and bill the generator for all cost's associated with its cleaning.

C. Requirement for Increased Pumping or Servicing.

If the Director of Operations Supervisor finds that a change in pumping or servicing of an interceptor (GGI/HGI) is necessary for an existing facility to meet the discharge limits stated in this chapter, ~~or solids occupying 25% of the interceptors (GGIs/HGIs) liquid capacity,~~ the Director of Operations Supervisor may order a change in pumping or servicing of an interceptor (GGI/HGI). If the Director of Operations Supervisor orders a change in the pumping or servicing, then the Director of Operations Supervisor shall inform the generator and owner of the new schedule and their responsibility to adhere to the new schedule.

D. Interceptor (GGI/HGI) Maintenance Log.

1. Every generator having a GGI or HGI shall maintain an Interceptor/trap Gravity Grease Interceptor/Hydromechanical Grease Interceptor Maintenance Log indicating each pumping or cleaning for the previous twelve (12) months. This log shall include the date, time, amount pumped (removed), hauler and disposal site, and shall be kept in a conspicuous location on the premises of the facility for inspection. Food service establishments shall keep the log posted. Said log shall be made immediately available to any authorized City inspector.

2. A copy of the information required in the maintenance log must be available to the inspector at the time of inspection to be removed and become the City's record. The inspection period shall run from January 1 through December 31 of each year. Regular inspections will occur twice yearly, or as required by "Operational Permit". Repeat inspections for those interceptors (GGIs/HGIs) not meeting maintenance requirements will be done 30 days from initial inspection.

E. Cleaning Procedures

1. The owner or an employee of the facility shall supervise the interceptor (GGI/HGI) cleaning, and shall be physically present and observe the entire cleaning operation and sign the maintenance log as proof.

2. A generator shall cause the liquid waste hauler, transporter, or any other person cleaning or servicing an interceptor (GGI/HGI) to completely evacuate all contents, including grease floating materials, wastewater, and bottom sludges and solids. Skimming the surface layer of waste material and other partial cleaning of the interceptor (GGI/HGI) or use of any method that does not remove the entire contents of the collection device is prohibited. ~~The suction~~ Removal of the floating materials shall be done prior to removal of other contents. After complete evacuation, the walls, top, and bottom of the interceptor (GGI/HGI) shall then be thoroughly ~~scraped~~ cleaned and the residue removed. Upon completion of the servicing, the manager or their designee of the facility shall make an inspection of the interior of the interceptor (GGI/HGI) and then personally sign the trip ticket. In the case of an HGI, an entry on the maintenance log shall serve as the trip ticket. The manager or their designee shall make an appropriate entry in the facility Interceptor Maintenance Log, and leave a copy of the trip ticket with the log for the inspector to pick up at the next inspection. Food service establishments shall keep all trip tickets posted with their Pierce County Health Food Permit. Said trip tickets and maintenance logs shall be made immediately available to any authorized City inspector.

3. The generator shall prohibit the discharge of liquid, semi-solids, or solids back into an interceptor (GGI/HGI) during and/or after servicing. Decanting or discharging of removed waste back into the interceptor (GGI/HGI) from which the waste was removed or any other interceptor, for the purpose of reducing the volume to be disposed, is prohibited.

4. Each gravity interceptor (GGI) pumped shall be fully evacuated unless the interceptor volume is greater than the tank capacity on the vacuum truck in which case the transporter shall arrange for additional transportation capacity so that the interceptor is fully evacuated within a twenty four (24) hour period following the transporter's inability to fully evacuate the interceptor.

F. Disposal of Interceptor (GGI/HGI) Waste.

All waste removed from each interceptor (GGI/HGI) shall be disposed of at a facility permitted and authorized to receive such waste in accordance with all applicable Federal, State, and local regulations. In no way shall the waste be returned to any private or public portion of the POTW, without prior written approval from the ~~Director of Operations~~ Supervisor, nor may it be returned to any portion of the POTW not specifically designated by the Wastewater Collections/Treatment ~~superintendent~~ Supervisor. Additionally, grease removed from an interceptor (GGI/HGI) shall not be recycled so as to become a food product or part of a food product for animal or human consumption.

G. Vacuum Truck Cleaning Service

It shall be unlawful for a grease or grit generator/owner to allow grease or grit ~~interceptor~~ waste to be removed from his/her premises by a transporter who does not have all applicable Federal, State, or local permits or registrations, including, ~~at a minimum~~, a Washington State Waste Hauler's Permit and City business license.

Section 13.30.112. Grease Interceptor (GGI/HGI) Operational Permit Requirements.

A. It is unlawful for any facility to discharge effluent from a grease interceptor (GGI/HGI) without authorization from the ~~Director of Operations~~ Supervisor. Authorization shall be given in the form of a "Grease Interceptor (GGI/HGI) Operational Permit."

B. No separate application is necessary for a Grease Interceptor (GGI/HGI) Operational Permit. The ~~Director of Operations~~ Supervisor shall examine the information contained in the application materials for the underlying permit, including, but not limited to the ~~Grease Trap requirements for GGI/HGI Installation Guidelines~~. If it is determined by the ~~Director of Operations~~ Supervisor that the proposed discharge is consistent with the provisions of this Chapter, and any other applicable Federal, State, or local requirement or regulation, and the permit fee is paid, a Grease Interceptor (GGI/HGI) Operational permit shall be issued allowing the facility to discharge into the POTW. Each Grease Interceptor (GGI/HGI) Operational permit shall be in effect from issue until the business stops, changes or the ~~Director of Operations~~ Supervisor declares a necessity for a change to meet discharge requirements. The terms and conditions of the permit may be subject to modification at any time during the term of the permit as limitations or requirements as identified in this chapter are modified or other just causes exist.

The permittee shall be informed of any proposed changes in the issued permit at least thirty days prior to the effective date of the change(s). Any changes or new conditions in the permit shall include a reasonable time schedule for compliance.

The permit cannot be appealed administratively.

Section 13.30.113. Required Reporting.

A. All permitted Gravity Grease Interceptor (GGI) /trap Hydromechanical Grease Interceptor (HGI) waste generators shall, at a frequency and time determined by the POTW Supervisor, but in no case less than once per year, ~~shall~~ make available to the POTW Supervisor:

1. Copies of all ~~manifests~~ trip tickets made by liquid waste transporters servicing their ~~grease interceptor/trap~~ GGI/HGI during the reporting period;

2. A copy of the ~~Interceptor/trap~~ Gravity Grease Interceptor/Hydromechanical Grease Interceptor Maintenance Log;

3. Any other information required by the Grease Interceptor (GGI/HGI) Operational Permit, including analysis of the discharge to the POTW of such pollutants as the ~~Director of Operations~~ Supervisor may require. Such analysis shall be in accordance with requirements of this chapter, and Chapter 13.28 of the Gig Harbor Municipal Code

Section 13.30.114. Grease Interceptor Treatment Products.

A. Use of grease interceptor treatment products, including bacteria, designed to digest grease, is specifically prohibited.

B. Acceptance of such products for use may be considered only where a valid screening test, showing the product's ability to treat the waste and to produce an effluent in compliance with this chapter has been performed in accordance with methods outlined by the ~~Director of Operations~~ Supervisor.

C. Screening tests for such grease interceptor treatment products shall be designed by the ~~Director of Operations~~ Supervisor on a case-by-case basis.

D. The results of screening tests shall be subject to technical review by the ~~Director of Operations~~ Supervisor. All costs of screening tests shall be borne by the facility generator whether or not the product is accepted for use.

E. If a product is accepted for use, each facility shall obtain written permission from the ~~Director of Operations~~ Supervisor to use the product.

F. Complete descriptions of the chemical composition of all products must be disclosed to the ~~Director of Operations~~ Supervisor.

G. The ~~Director of Operations~~ Supervisor may revoke permission to use such products where the effluent from the interceptor or basin in which the product is used fails to meet the requirements of this Chapter.

Section 13.30.115. Mobile Treatment Processes.

Any person wishing to make use of a mobile treatment process or of an on-site process to clean or service grease interceptors or grit interceptors shall demonstrate the process to the satisfaction of the ~~Director of Operations~~ Supervisor. Included with the demonstration shall be a written explanation of the treatment process. Any costs to the City associated with the demonstration, such as, but not limited to sampling and analysis, shall be recovered. Complete descriptions of the chemical composition of all products must be disclosed to the ~~Director of Operations~~ Supervisor along with an MSDS sheet for said product.

Section 13.30.116. Facility Closure.

(Note: Plumbing permit required for any alterations of plumbing system.)

A. When a facility with a grease interceptor (GGI/HGI) closes for business, and is subsequently:

1. Razed or demolished, then any grease interceptor (GGI/HGI) ~~or interceptors or traps~~ shall be either:

a. Physically removed, or

b. Have all contents pumped out, a straight line plumbed from the inlet to the outlet, and the remainder of the tank filled with soil or sand.

2. Remodeled such that the grease interceptor (GGI/HGI) will not be used, then the grease interceptor or interceptors ~~or traps~~ may be left in place, however:

a. The grease interceptor (GGI/HGI) ~~or traps~~ shall have all effluent contents pumped out, the ~~trap~~ GGI/HGI cleaned thoroughly, and the grease interceptor ~~or traps~~ left dry and empty, and

b. Be re-plumbed as to bypass the existing grease interceptor or interceptors ~~or traps~~, either by straight through or by bypassing methods, while leaving the empty ~~trap~~ GGI/HGI ~~and~~ in place for possible future utilization by another business, or

3. Replaced with a type of business that will not utilize the grease interceptor (GGI/HGI), then that business may have any existing grease interceptor or interceptors ~~or traps~~:

a. Physically removed, or

b. Re-plumbed as to bypass the existing grease interceptor or interceptors ~~or traps~~, either by straight through or by bypassing methods, while leaving the empty trap HGI ~~and~~ in place for possible future utilization by another business, or

c. Re-plumbed with a straight line ~~plumbed~~ from the inlet to the outlet, and the remainder of the grease interceptor or interceptors ~~or traps~~ filled with soil or sand. In all instances, the owner of the premises shall appropriately inform the ~~Director of Operations~~ Supervisor and perform the closure at such a time so as to permit an inspector to be physically present during the removal or filling of the interceptor (GGI).

Section 13.30.117. Monitoring, Inspection and Entry.

A grease generator shall, during reasonable business hours, allow the inspectors access to all parts of the premises for purposes of inspection, sampling, records examination and copying, and the performance of additional duties. The right of access of the ~~Director of Operations~~ Supervisor shall be considered at least as extensive as the authority provided under 13.28.040 of the Gig Harbor Municipal Code.

Section 13.30.118. Confidentiality and Proprietary Information.

Information and data obtained from reports, surveys, grease interceptor (GGI/HGI) permits, and monitoring programs, and from the ~~Director of Operations~~ Supervisor inspection and sampling activities, and any other information submitted to the ~~Director of Operations~~ Supervisor pursuant to this Chapter, shall become public record at least to the extent provided by the public disclosure act, chapter 42.17 RCW.

Section 13.30.119. Suspension of Service

A. The Administrative Authority and/or City may suspend water or sewer service when such suspension is necessary, in the opinion of the Administrative Authority, in order to stop an actual or threatened discharge which:

1. Presents or may present an imminent or substantial endangerment to the health or welfare of persons or the environment;
2. Causes stoppages or excessive maintenance to be performed to prevent stoppages in the sanitary sewer collection system;
3. Causes interference to the POTW or;
4. Causes the City to violate any condition of its NPDES permit.

B. Any person notified of a suspension of the water or sewer service shall immediately stop or eliminate the discharge. In the event of a failure of the person to

comply voluntarily with the suspension order, the City shall take such steps as deemed necessary, including immediate termination of water or sewer service, to prevent or minimize damage to the POTW system or sewer connection or endangerment to any individuals. The City shall reinstate the water or sewer service when such conditions causing the suspension have passed or been eliminated. A detailed written statement submitted by the grease generator describing the cause(s) of the harmful discharge and the measure(s) taken to prevent any future occurrence shall be submitted to the City within fifteen (15) days of the date of occurrence.

C. In addition to prohibiting certain conduct by natural persons, it is the intent of this chapter to hold a corporation, association, legally responsible for prohibited conduct performed by an agent acting in behalf of a corporation or association.

Section 13.30.120 Fees. The City shall adopt fees for administration of this chapter by separate resolution.

Section 13.30.121. Violations and penalties.

A. This chapter shall be enforced according to the procedures set forth in chapter 12.17 GHMC. The person authorized to enforce this chapter pursuant to chapter 12.17 GHMC is the ~~Director of Operations~~ Supervisor or his/her designee.

B. It is unlawful for any grease generator to discharge into the POTW in any manner that is in violation of this Chapter or of any condition set forth in this ordinance. Additionally, a person commits an offense if the person causes or permits the plugging or blocking of, or otherwise interferes with or permits the interference of a grease interceptor (GGI/HGI) or the POTW, including alteration or removal of any flow constricting devices so as to cause flow to rise above the design capacity of the interceptor (GGI/HGI).

C. No person, and/or facility shall discharge grease in excess of 100 mg/l to the POTW. If such discharge occurs, the person or facility shall be considered in violation of this ordinance and subject to the remedies described herein. This includes non-permitted facilities.

~~C. Any person, operator, or owner who shall violate any provision of this ordinance, or who shall fail to comply with any provision hereof, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than five thousand dollars (\$5,000.00) and or up to a year in jail for each violation. Each day a violation continues shall constitute a separate offense and shall be punished accordingly.~~

D. ~~E.~~ A permittee is liable to the City for any expense, loss, or damage occasioned by the City for reason of appropriate cleanup and proper disposal of said waste materials.

Section 13.30.122. Remedies Not Exclusive

The remedies set forth in this Chapter are not exclusive. The City Council may authorize the City Attorney to take any legally authorized actions against a noncompliant permittee or generator, including, but not limited to, all applicable remedies enumerated in this Chapter and available under applicable law.

Section 5. Severability. If any section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, clause or phrase of this Ordinance.

Section 6. Effective Date. This Ordinance shall take effect and be in full force as of _____, upon passage and publication of an approved summary consisting of the title.

PASSED by the City Council and approved by the Mayor of the City of Gig Harbor this ___ day of _____, 20__

CITY OF GIG HARBOR

CHARLES L. HUNTER, MAYOR

ATTEST/AUTHENTICATED:

By: _____
MOLLY TOWSLEE, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
ANGELA S. BELBECK

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



Subject: First Reading of an Ordinance Establishing a Process for Street Latecomer Agreements

Proposed Council Action:

Move to: Review an Ordinance of the City Council relating to the establishment of a process for Street Latecomer Agreements; adding Chapter 12.20 "Latecomer Agreements for Street Improvements" to the Gig Harbor Municipal Code, and consider approval at second reading.

Dept. Origin: Public Works/Engineering

Prepared by: Rob Karlinsey, City Administrator
Emily Appleton, Senior Engineer *EA*

For Agenda of: March 8, 2010

Exhibits: Ordinance to Adopt Chapter 12.20 "Latecomer Agreements for Street Improvements", Memo dated February 26, 2010 with attachments

Initial & Date

Concurred by Mayor:

CLH 3/3/10

Approved by City Administrator:

RJK 7/3

Approved as to form by City Atty: *approve via email 3/3/10*

Approved by Finance Director:

CF 3/3/10

Approved by Department Head: _____

Expenditure Required	N/A	Amount Budgeted	N/A	Appropriation Required	N/A
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INFORMATION / BACKGROUND

The enclosed ordinance adopts a new Gig Harbor Municipal Code chapter that sets up an application process and identifies criteria for approval of Latecomer Agreements for Street Improvements. The proposed code section is summarized below:

- \$300,000 or greater cost of improvements.
- 15 year reimbursement period.
- The applicant proposes the benefit area and pro-rata share for each parcel and the methodology that supports the pro-rata share calculation.
- Non-refundable application fee – applicant responsible for costs in excess of fee.
- The City Engineer would approve the application if the following criteria was met or deny in writing:
 - Minimum cost of improvements (\$300,000)
 - Meets definition of 'street project' per RCW 35.72
 - Construction is required by City ordinance as a prerequisite to development
- City Engineer's decision is appealable to the City Council.
- If application is approved, the Latecomer Agreement is considered by the Council for approval, rejection or modification.
- If approved, the final determination of the benefitted area and assessments is established by ordinance.

The Street Latecomer Agreement code provides a mechanism for reimbursement of street improvement costs incurred by private development for an improvement project that benefits other developments. A similar mechanism exists for other types of improvements that are required for development that benefit more than a single developer (ex. Latecomer Agreement

for water improvements). State law does not prohibit the City from participating in or creating an assessment reimbursement area if the specified criteria are met. However, costs for improvements that benefit the general public may not be reimbursed in this manner.

The adoption of code that allows for Street Latecomer Agreements would help to fulfill the City's obligation to Franciscan Health Systems (FHS) and Harbor Estates, LLC. The Construction Agreement between the City and Franciscan Health Systems (adopted via Resolution No. 679 on July 24, 2006) contains a section that contemplates the City adopting a framework for the assessment and collection of proportionate shares of the cost of the Transportation Mitigation Improvements that were required from Franciscan Health Systems. Staff has met with representatives from FHS and they support the Street Latecomer Agreement option. There is a similar obligation in the Development Agreement between the City and Harbor Estates, LLC (adopted via Resolution No. 677 on July 10, 2006). Please refer to the enclosed memo from Rob Karlinsey dated February 26, 2010.

The SEPA process is a possible alternative for payment of pro rata shares and/or reimbursement of traffic mitigation. However, the SEPA process is not staff's preferred alternative for reimbursement requests. A SEPA threshold determination containing a reimbursement condition can be appealed to the City's hearing examiner and ultimately to the Pierce County Superior Court either on its own or as part of an appeal of an underlying permit. This process brings uncertainty to a developer's reimbursement. In addition, the SEPA determination is project specific not property specific so that if a project changes or expires, a new SEPA with a reimbursement condition must be issued and could be appealed.

The street latecomer agreement is recorded against a property and reimbursement is triggered by future development. In addition, the appeal process for a street latecomer assessment is defined in the proposed code (Section 12.20.070) and RCW 35.72.040. To start the process, a property owner needs to request a hearing in writing within twenty (20) days of the certified mailing of the preliminary determination of boundaries and assessments to the property owners. If a property owner requests a hearing, notice is given to all affected property owners and a hearing is held before the City Council. The City Council's ruling is determinative and final. The final determination of the benefitted area and assessments is established by City ordinance.

FISCAL CONSIDERATION

None.

BOARD OR COMMITTEE RECOMMENDATION

This issue was initially discussed at an Operation and Public Works Committee meeting last fall. The committee's concern regarding who would propose the method for calculating the pro-rata shares has been addressed by requiring the applicant to propose the methodology in the application and the City Engineer to approve or disapprove it. This is reflected in the proposed ordinance.

RECOMMENDATION / MOTION

Move to: Review an Ordinance of the City Council relating to the establishment of a process for Street Latecomer Agreements; adding Chapter 12.20 "Latecomer Agreements for Street Improvements" to the Gig Harbor Municipal Code, and consider approval at the second reading.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO LATECOMER REIMBURSEMENT OF THE COSTS OF DEVELOPER-CONSTRUCTED STREET IMPROVEMENTS; ESTABLISHING THE REQUIREMENTS FOR APPLICATION, PROCESSING AND CONSIDERATION OF STREET LATECOMER AGREEMENTS; ADDING A NEW CHAPTER 12.20 TO THE GIG HARBOR MUNICIPAL CODE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, chapter 35.72 RCW authorizes cities to enter into agreements with developers providing for reimbursement of developer-constructed street projects by property owners benefitting from such street projects; and

WHEREAS, the City Council desires to incorporate a formal process for the approval of street latecomer agreements in the City code; and

WHEREAS, the City SEPA Responsible Official determined that this ordinance was categorically exempt from SEPA under WAC 197-11-800(2); and

WHEREAS, the Gig Harbor City Council considered this ordinance during its regular City Council meetings of _____ and _____, 2010; Now, therefore,

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

Section 1. A new chapter 12.20 is hereby added to the Gig Harbor Municipal Code, to read as follows:

**Chapter 12.20
LATECOMER AGREEMENTS FOR STREET IMPROVEMENTS**

Sections:

- | | |
|------------------|--------------------------------------------------------------------------------|
| 12.20.010 | Purpose. |
| 12.20.020 | Definitions. |
| 12.20.030 | Minimum project size; timing of application. |
| 12.20.040 | Contents of application. |
| 12.20.050 | City engineer's review of application. |
| 12.20.060 | Preliminary determination of benefited area boundaries and assessments. |
| 12.20.070 | Notice; hearing; consideration by city council. |
| 12.20.080 | Duration of agreement. |
| 12.20.090 | Latecomer agreement must be recorded. |

- 12.20.100** Payment of city costs in excess of application fee.
- 12.20.110** Construction and acceptance of improvements; recording of final assessment.
- 12.20.120** Collection of assessments; no liability for failure to collect.
- 12.20.130** Disposition of undeliverable reimbursement funds.
- 12.20.140** No requirement to execution of latecomer agreement.

- 12.20.010** Purpose.

The purpose of this chapter is to prescribe rules and regulations for exercise of the authority to enter into street latecomer agreements granted to the city by chapter 35.72 RCW.

12.20.020 Definitions.

As used in this chapter, the terms listed below shall be defined as follows:

A. "Cost of construction" means those costs incurred for design, acquisition of right-of-way and/or easements, construction, construction management, materials, and installation required in order to create an improvement which complies with city standards. In the event of a disagreement between the city and the applicant concerning the cost of the improvement, the city engineer's determination shall be final.

B. "Latecomer agreement" means a written contract between the city and one or more property owners providing for construction or improvement of street projects and for partial reimbursement to the party causing such improvements to be made of a portion of the costs of such improvements by owners of property benefited by the improvements, as more specifically described in chapter 35.72 RCW.

C. "Street project" shall have the meaning specified in RCW 35.72.020(1) as now exists or hereafter amended.

12.20.030 Minimum project size; timing of application.

In order to be eligible for a latecomer agreement, the estimated cost of the improvement must not be less than Three Hundred Thousand Dollars (\$300,000.00). The cost of the improvement shall be determined by the city engineer, based upon a construction contract for the project, bids, engineering or architectural estimates, receipts or other information deemed by the city engineer to be a reliable basis for determining cost. Latecomer agreements may be applied for before or after completion of construction of the street project.

12.20.040 Contents of application.

An application for a latecomer agreement shall be on a form approved by the city, accompanied by:

- A. A nonrefundable application fee of One Thousand Dollars (\$1,000.00);
- B. Preliminary, or in the case of completed street projects, final City approved street improvement design drawings;
- C. For applications submitted before the street project is completed, itemized estimates of construction costs prepared and signed by a licensed civil engineer or in the form of a bid submitted by a qualified contractor (if more than one bid has been obtained, all bids must be submitted to the city engineer);
- D. For applications submitted after construction of a street project, receipts and itemized construction costs must be submitted to establish the costs of construction of the street project;
- E. Scaled and clearly reproducible vicinity drawing, stamped by a licensed civil engineer or licensed land surveyor depicting the improvements, their location, the proposed benefit area including dimensions and county assessor's numbers for each tax parcel, size of parcels, and evaluations where necessary for determining benefit;
- F. The proposed pro rata share of costs for reimbursement for each parcel in the proposed benefit area and methodology supporting the pro rata shares;
- G. An assessment roll containing Pierce County assessor's tax parcel numbers, owners of record, legal descriptions and assessed value for each benefited parcel; and
- H. Such other information as the city engineer determines is necessary to properly review the application.

12.20.050 City engineer's review of application.

A. The city engineer shall review all applications and shall approve the application for further processing only if the following requirements are met:

- 1. The project satisfies the minimum size requirement of Section 12.20.030;

2. The proposed improvements fall within the description of "street projects" as that term is described in chapter 35.72 RCW; and

3. The construction of the improvements is required by city ordinance as a prerequisite to development of property owned by the applicant.

4. The application meets all requirements under GHMC 12.20.040.

B. In the event all of the above criteria are not satisfied, the city engineer shall deny the application in writing. The applicant may obtain a review of the city engineer's decision by filing a request with the city clerk no later than ten days after the date the city mails the city engineer's decision to the applicant at the address listed on the application.

C. In reviewing a city engineer's decision, the city council shall apply the criteria set forth in this chapter and Chapter 35.72 RCW as now exists or hereafter amended. The council may adopt, reject or modify the engineer's decision.

12.20.060 Preliminary determination of benefitted area boundaries and assessments.

In the case of all applications which are approved, the city engineer shall define an assessment reimbursement area based upon a determination of which parcel of property adjacent to the improvements would have been required to construct similar street improvements as a condition of development had it not been for the construction which is the subject of the latecomer agreement. The amount of assessment shall be established so that each property will be assessed a share of the costs of the improvements, which is proportional to the benefits which accrue to the property. The methodology utilized in calculating the amount of assessment shall be the responsibility of the applicant. Parcels with previously approved development permits are exempt from latecomers assessment.

12.20.070 Notice; hearing; consideration by city council.

A. Upon approval of the application and the determination of the estimated costs, benefitted area and assessments by the city engineer, the city shall prepare a latecomer agreement.

B. The preliminary determination of area boundaries and assessments, along with a description of the property owner's rights and options, shall be forwarded by certified mail to the property owners of record within the proposed assessment area shown on the records of the Pierce County assessor.

C. If any property owner requests a hearing in writing within twenty days of the mailing date of the preliminary determination, a hearing shall be held before the city council, notice of which shall be given to all affected property owners by mail not less than ten days prior to the hearing. After considering public testimony at the hearing, the city council shall make a final determination of the benefitted area boundaries and assessments based upon the criteria set forth in this chapter and as specified in Chapter 35.72 RCW as now exists or hereafter amended. The council may adopt, reject or modify the engineer's determination. The final determination of the benefitted area and assessments shall be established by ordinance.

D. In the event no hearing is requested, the city engineer's determination of the benefitted area and assessments shall be final.

E. The agreement, application and supporting documents, along with the city engineer's determination of costs, benefitted area and assessments, shall be presented to the city council for consideration. The city council may approve, reject or modify the latecomer agreement.

12.20.080 Duration of agreement.

No latecomer agreement shall provide for reimbursement for a period that exceeds fifteen years.

12.20.090 Latecomer agreement must be recorded.

In order to become effective, a latecomer agreement must be recorded with the office of the Pierce County auditor no later than thirty days after the latecomer agreement is signed by all parties.

12.20.100 Payment of city costs in excess of application fee.

In the event that costs incurred by the city for administrative, engineering, legal or other professional consultant services required in processing the application and preparing the latecomer agreement exceed the amount of the application fee, the city engineer shall so advise the city council and council approval shall be conditioned upon receipt of payment by the applicant of an amount sufficient to compensate the city for its costs in excess of the application fee as set forth in Section 12.20.040.

12.20.110 Construction and acceptance of improvements; recording of final assessment.

A. When an application is made prior to construction of the street project and the latecomers agreement has been signed by all parties and

all necessary permits and approvals have been obtained, the applicant shall construct improvements, and upon completion, request final inspection and formal acceptance of the improvements by the city, subject to any required obligation to repair defects. When deemed appropriate by the city engineer, a bill of sale, easement and any other documents needed to convey the improvements to the city and to ensure right of access for maintenance and replacement shall be provided, along with documentation of the actual costs of the improvement and a declaration by the applicant verifying the actual costs and that all of such costs have been paid.

B. In the event that actual costs are less than the costs determined by the city engineer in calculating the assessments by ten percent or more, the city engineer shall recalculate the assessments, reducing them accordingly, and shall cause a revised list of assessments to be recorded with the county auditor.

12.20.120 Collection of assessments; no liability for failure to collect.

A. Subsequent to the recording of a latecomer agreement, the city shall not issue any permit for development upon property which has been assessed pursuant to the agreement unless the share of the costs of such facilities required by the recorded agreement is first paid in full to the city.

B. Upon receipt of any reimbursement funds, the city shall deduct a five percent administrative fee and remit the balance of such funds to the party entitled to the funds pursuant to the agreement. In the event that through error the city fails to collect a required reimbursement fee prior to issuance of development approval, the city shall make diligent efforts to collect such fee, but shall under no circumstances be obligated to make payment to the party entitled to reimbursement or in any other way be liable to such party, unless such reimbursement fee has actually been paid to the city.

12.20.130 Disposition of undeliverable reimbursement funds.

Every two years from the date a latecomer agreement is executed, a property owner entitled to reimbursement under the latecomer agreement shall provide the city with information regarding the current contract name, address, and telephone number of the person, company, or partnership that originally entered into the contract. If the property owner fails to comply with the notification requirements of this section within sixty days of the specified time, then the city may collect any reimbursement funds owned to the property owner under the contract. Such funds must be deposited in the capital fund of the city.

12.20.140 No requirement for execution of latecomer agreement.

Nothing in this chapter shall be construed as requiring the city to enter into a latecomer agreement with a developer.

Section 2. 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 3. Effective Date. This Ordinance shall take effect and be in full force five (5) days after passage and publication of an approved summary consisting of the title.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this ___ day of _____, 2010.

CITY OF GIG HARBOR

Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney


Angela S. Belbeck

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



Date: February 26, 2010

To: Mayor & City Council

From: Rob Karlinsey, City Administrator 

Subject: Huber & FHS Agreements


Attached are the sections from the Huber and FHS agreements that you as the City Council requested at the February 22 City Council meeting. The topic of discussion was the Street Latecomer Agreement, and you requested the language from these agreements that addressed recouping costs of the BB16 improvements from other developments.

Please let me know if you would like copies of the entire agreements.

--Rob 851-6127

herein. Once the City's Portion of the Transportation Mitigation improvements are complete, the City (together with the Project Manager and the contractor) shall have the responsibility to ensure acceptance for ownership, maintenance and operation by the Agency with jurisdiction, which in most, if not all cases will be the City. However, nothing in this Agreement shall create any liability or cause of action by FHS or any other third party against the City for the City's failure to complete the City's Portion of the Transportation Mitigation Improvements by any particular date including any date established by the FHS Development Agreement, given that the City's expected receipt of the CERB Grant is the only reason the City has elected to enter into this Agreement with the Developer.

H. The City's decision to construct the Transportation Mitigation improvements as set forth herein shall not be interpreted to mean that the City (or the public in general) has any responsibility for the funding, design or construction of the Transportation Mitigation improvements. If the City receives the CERB Grant, it agrees to reimburse the Developer for its proportionate share of the cost of improvements of any portion of the Grant which covers the cost of the Transportation Mitigation improvements that are listed in Exhibits A and B, as well as the extension of the water line along Canterwood Boulevard, N.W., in the event that FHS is required to install such line as a condition of the City's approval of the FHS Project, to the extent allowed by the CERB Grant and applicable law. The parties acknowledge that the CERB Grant, if received, will cover only a portion of the Transportation Mitigation improvements.

I. The Developer acknowledges that in order for the City to construct the Transportation Mitigation improvements, the City must adopt some framework for the assessment and collection of funds from property owners for same (it is unknown whether the City will receive the CERB Grant, and the CERB Grant will not cover all of the Transportation Mitigation improvements). Therefore the City may, (but is not required to) require other developers, as a condition of approval of their projects, to pay a proportionate share of the cost of the Transportation Mitigation improvements and/or the City may create a street assessment reimbursement district pursuant to chapter 35.72 RCW, local improvement district or other means of financing the construction of the Transportation Mitigation improvements. The City agrees to reimburse the Developer out of the funds received by these means for the costs of any Transportation Mitigation improvements that have been previously paid by the Developer, to the extent allowed by law. 

The Developer acknowledges that the FHS Property would be specially benefited by the Transportation Mitigation improvements. The Developer agrees to sign a petition for the formation of a LID or ULID for the Transportation Mitigation improvements at such time as one is circulated and the Developer hereby appoints the Mayor of the City of Gig Harbor as its attorney-in-fact to sign such a petition in the event the Developer fails or refuses to do so.

With full understanding of the Developer's right to protest formation of an LID or ULID to construct the Transportation Mitigation improvements pursuant to RCW 35.43.180, the

Developer agrees to participate in any such LID or ULID and to waive its right to protest formation of the same. The Developer shall retain the right to contest the method of calculating any assessment and the amount thereof, and shall further retain the right to appeal the decision of the City Council affirming the final assessment roll to the superior court. Notwithstanding any other provision of this Agreement, this waiver of the right to protest shall be valid for a period of ten (10) years from the date this Agreement is signed by the Developer.

The Developer acknowledges that formation of any street assessment reimbursement district is subject to the procedures in chapter 35.72 RCW, and that the City Council's ruling on such area is final. RCW 35.72.040(2). The Developer agrees not to challenge the adoption of an ordinance adopted pursuant to RCW 35.72.010 (as it now exists or may hereafter be amended).

J. The Developer specifically acknowledges that nothing in this Agreement requires the City to construct the Transportation Mitigation improvements on or before a date certain or at all. In addition, the City may decide not to construct the Transportation Mitigation Improvements if the City does not receive the CERB Grant, if the Grant award is not sufficient in the City's sole discretion, to warrant the City's construction of the Transportation improvements, if an appeal is filed of the Comprehensive Plan Amendment or Development Agreement, if an appeal is filed of the FHS conditional use, site plan, design review or building permits, the street assessment reimbursement district, LID or other method of financing design and construction, City does not have to construct any of the Transportation Mitigation improvements. In the event the City decides not to construct the improvements and if the City receives any CERB grant funds for any portion of the Transportation Mitigation Improvements, and to the extent allowed by the CERB grant and applicable law, the City will reimburse FHS for its proportionate share of the cost of those improvements.

Section 7. Escrow Agreement. An escrow account shall be established by the City for funds to be deposited by FHS which may be drawn upon by the City solely for the purpose of paying, or reimbursing the City for, the cost of designing the Transportation Mitigation improvements. In addition, if both parties agree that the arrangement described above for the construction project manager is unworkable, and that an escrow account should be established so that the City may draw upon it in order to pay the contractor, the following procedures shall be used:

A. The total amount of initial funds to be deposited into the escrow account by FHS for design of the Transportation Mitigation improvements shall not exceed Five Hundred Thousand Dollars (\$500,000). The Developer shall eventually deposit with the City, in escrow, for use by the City the full amount of the design costs of the Transportation Improvements.

B. This Escrow Deposit shall be held in escrow by the City, in a federally insured account, and will only be paid and applied to payment of the cost of the design of the

Agreement has been terminated. This Agreement shall automatically terminate and be of no further force and effect as to residential or non-residential building and the lot or parcel upon which such building is located, when it has been approved by the City for occupancy.

D. Generally. Following the expiration of the term or extension thereof, or if sooner terminated, this Agreement shall have no force and effect, subject however, to post-termination obligations of the Developer or Landowner.

Section 8. Limited Vested Rights Applicable to Comp Plan Amendment.

Comprehensive Plan Amendments are not subject to the vested rights doctrine. However, because the City Council's consideration of the public health, safety and welfare under a Comprehensive Plan Amendment necessarily involves an evaluation of the available water, sewer capacity and transportation capacity for the Project, the City agrees that if the Developer applies for a preliminary plat application within two years of the anniversary date of this Development Agreement, and if the Developer does not change the scope or intensity of the Project as described herein, the Developer shall not be required to obtain a new concurrency evaluation for water, sewer or transportation. The Developer shall obtain no vested rights under any other codes, ordinances or regulations as a result of execution of this Development Agreement.


Section 9. Further Discretionary Actions. Developer acknowledges that the City's existing land use regulations, as well as any other land use regulations adopted by the City after execution of this Agreement, contemplate or will likely contemplate the exercise of further discretionary powers by the City, specifically with regard to future preliminary plat and building permit applications. These powers include, but are not limited to, review of these additional permit applications under SEPA. Nothing in this Agreement shall be construed to limit the authority or the obligation of the City to hold legally required public hearings, or to limit the discretion of the City and any of its officers or officials in complying with or applying existing land use regulations or any other land use regulations adopted in the future.

Section 10. Developer's Obligation to Design and Construct Transportation Mitigation Improvements; City's Assumption of Developer's Obligation.

A. Developer's Obligation. Developer agrees that as a condition of the City's approval of the Comp Plan Amendment, as well as approval of a subsequent preliminary plat application (consistent with the Comp Plan Amendment), that the Developer shall participate financially in the design and construction of the transportation mitigation improvements described in Exhibits C and D attached hereto, on or before the City's issuance of any occupancy certificates for the Project. The proportionate share of financial participation is set forth in Exhibit E, attached hereto.

B. Subsequent Agreement for Financial Contribution. The Developer agrees to pay its proportionate share of the cost of all of the Transportation Mitigation Improvements, as identified in Exhibits C, D and E, along with all the City design and construction engineering costs. The parties agree to negotiate an agreement on or before the City's final decision on the Developer's preliminary plat application that will establish the following: (a) the timing of the Developer's proportionate share of the initial payment for design costs; (b) the establishment of a set aside account at the Developer's bank for the Developer's proportionate share of the funds necessary to construct the Transportation Mitigation Improvements, using the forms approved by the City Attorney, so that the City can draw funds as needed for the construction; (c) the manner in which change orders increasing the cost of the Transportation Improvements will be handled; and (d) the manner in which disputes between the parties will be settled. The Developer acknowledges that failure to enter into an agreement with the City as set forth above will result in the City's decision not to construct the Transportation Mitigation Improvements, and may require the Developer to enter into an agreement with FHS and others in order to ensure construction of the Transportation Improvements.

The City's decision to construct these Transportation Mitigation Improvements as set forth herein shall not be interpreted to mean that the City (or the public in general) has any responsibility for the funding of the Transportation Mitigation Improvements. If the City receives the CERB grant, and if the grant covers any of costs paid by the Developer, the City agrees to reimburse the Developer for Developer's costs relating to the Transportation Mitigation Improvements that are listed in Exhibits C and D. However, the CERB grant, if received, will only cover a portion of the Transportation Mitigation Improvements. The Developer shall pay the City for its proportionate share of all costs relating to the City's construction of all Transportation Mitigation Improvements, including those not covered by the CERB grant, as shown in Exhibit E.

C. Additional Financing Methods. The Developer acknowledges that in order for the City to construct the Transportation Mitigation Improvements, the City must adopt some framework for the assessment and collection of funds from property owners for same (it is unknown whether the City will receive the CERB grant, and the CERB grant will not cover all of the Transportation Mitigation Improvements). Therefore, the City may create a street assessment reimbursement district pursuant to chapter 35.72 RCW, local improvement district or other means of financing the construction of the Transportation Mitigation Improvements. The City agrees to reimburse the Developer for the costs of any Transportation Mitigation Improvements that have been previously paid by the Developer, to the extent allowed by law. 

The Developer acknowledges that the Property legally described in Exhibit A would be specially benefited by the Transportation Mitigation Improvements and the mitigation described in Exhibit E. The Developer agrees to sign a petition for the formation of a LID or ULID for the Transportation Mitigation Improvements and/or the mitigation described in Exhibit E at such time as one is circulated and the Developer hereby



Sewer Capacity Available for Reservation

March 2010

Existing Sewer Treatment Capacity

	GPD	ERUs
Available WWTP Treatment Capacity (Aug 2007)	1,200,000	8,000
Current Flow to WWTP	(838,950)	(5,593)
Process/Outfall Improvements (June 2009)	22,500	150
Capacity Reserved Under Sewer CRC Process	(378,000)	(2,520)
Existing Available Capacity =	5,550	37

Additional Capacity Available with WWTP Phase 1 Improvements

	GPD	ERUs
Estimated Clarifier #4 Operational Milestone (Approx. May 2010)	127,500	850
Completion of WWTP Phase I improvements (Approx. Nov 2010)	250,000	1,667
Additional Capacity =	377,500	2,517

Developments Awaiting Capacity Under Alternative Processing Agreements

	Project Name	Est. GPD	Est. ERUs
1	Harbor Hill Residential (Olympic Property Group)	123,000	820
2	Evergreen Business Park	12,000	80
3	Safeway Redevelopment	15,000	100
Remaining Available Capacity =		233,050	1,554



Date: March 5, 2010

To: Mayor & City Council

From: Rob Karlinsey, City Administrator

Subject: Path Forward for Skansie/Jerisich Parks and the PROS Plan

See the proposed City Council meeting schedule below for Jerisich/Skansie and PROS plan decision making process. All of the dates below are Mondays. Note the special start time for the April 19 meeting.

Skansie/Jerisich Parks Plan:

April 19 Jerisich/Skansie Parks Council Workshop #2. *Start Time: 6:30 p.m. due to Volunteer Appreciation at 5:30 p.m.*
April 26 Jerisich/Skansie Parks Public Hearing
May 10 City Council Votes on the Jerisich/Skansie Parks Components

Parks, Recreation, and Open Space Plan:

May 17 PROS Plan Council Workshop
June 14 PROS Plan First Reading
June 28 PROS Plan Adoption



Pierce Conservation District

5430 66th Avenue East - P.O. Box 1057 - Puyallup, WA 98371
Phone (253) 845-9770 - Fax (253) 845-4569

February 1, 2010

Mayor Chuck Hunter
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Congratulations!

You have been chosen by the Pierce Conservation District as the recipient of the **2009 Municipal Partner Award**.

We would like to honor you at the District's annual meeting as part of the recognition ceremony for your efforts in supporting conservation and natural resource stewardship. We hope that you will be able to attend to accept the award.

The annual meeting will take place **Wednesday, February 24th from 5:00 p.m. to 7:45 p.m.** at the Pioneer Park Pavilion, located at 330 South Meridian, Puyallup, WA 98371. Doors open at 5:00 p.m. for gathering, viewing of partner displays, a slide show of accomplishments, and a light dinner. The presentation of 2009 awards will begin at 6:15 p.m. followed by guest speaker, Paul Stamets. An Olympia area local, Paul is a world renowned mycologist, author, and the founder of Fungi Perfecti.

Hope to see you there!

Sincerely,

Monty Mahan
Executive Director

2009
MUNICIPAL PARTNER
AWARD

Presented To

MAYOR CHUCK HUNTER

City of Gig Harbor



Pierce Conservation District

