

# **Gig Harbor City Council Meeting**

**May 10, 2010  
5:30 p.m.**



**AMENDED AGENDA FOR  
GIG HARBOR CITY COUNCIL MEETING  
Monday, May 10, 2010 – 5:30 p.m.**

**CALL TO ORDER:**

**PLEDGE OF ALLEGIANCE:**

**CONSENT AGENDA:**

1. Approval of the Minutes of City Council Meeting of April 26, 2010.
2. Receive and File: a) Jerisich / Skansie Parks Worksession Minutes of April 19, 2010; b) Boards and Candidate Review Committee Minutes of April 26, 2010; c) Finance Committee Minutes March 22, 2010; d) GH Police Department - First Quarter Report.
3. Correspondence / Proclamations: Kinship Caregiver Day.
4. Liquor License Action: a) Application – Bartell Drug; b) Assumption – Kinza Teriyaki; c) Discontinued – Gourmet Essentials; d) Withdrawal – Harbor Spirits; e) New Beer/Wine Tastings Endorsement.
5. Resolution No. 833 - Personnel Policy Amendment - Calculation of Overtime and Compensatory time.
6. Appointment to Gig Harbor Arts Commission.
7. Appointment to Gig Harbor Parks Commission.
8. Appointment to the Salary Commission.
9. Appointment to the Lodging Tax Advisory Committee.
10. Appointment to Planning Commission.
11. Resolution – Authorizing an Interfund Loan from Civic Center Debt Reserve Fund.
12. McCormick Creek Easement – Phase I Assessment.
13. 2010 Roadway Maintenance Project – Construction Contract and Materials Testing Contract Award.
14. Temporary Construction Easement Agreement – Conan Service Station LLC.
15. Approval of Payment of Bills for May 10, 2010: Checks #63552 through #63665 in the amount of \$856,36.15.
16. Approval of Payroll for the month of April: Checks #5674 through #5690 and direct deposit transactions in the amount of \$320,387.82.

**PRESENTATIONS:**

1. Representative Larry Seaquist – Legislative Update.
2. Gig Harbor Police Department Awards Presentation.

**OLD BUSINESS:**

1. Jerisich / Skansie Park Components.
2. Third Reading of Ordinance – Street Latecomers.

**NEW BUSINESS:**

1. Resolution – Increasing Business License Fee.
2. First Reading of Ordinance – LTGO Bond.

**STAFF REPORT:**

1. Affordable Housing Amendments to the Countywide Planning Policies.
2. 2010 Budget Update.
3. Boys & Girls Club Draft Agreement.

**PUBLIC COMMENT:**

**MAYOR’S REPORT / COUNCIL COMMENTS:**

**ANNOUNCEMENT OF OTHER MEETINGS:**

1. PROS Plan Workstudy – Mon. May 17th at 5:30 p.m.
2. Operations Committee – Thu. May 20th at 3:00 p.m.
3. Civic Center Closed Mon. May 31st for Memorial Day.

**ADJOURN:**

**MINUTES OF GIG HARBOR CITY COUNCIL MEETING – APRIL 26, 2010**

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

**CALL TO ORDER:** 5:34 p.m. Mayor Hunter introduced Attorney Zach Lell, filling in for City Attorney Angela Belbeck.

**PLEDGE OF ALLEGIANCE:**

**CONSENT AGENDA:**

1. Approval of the Minutes of City Council Meeting of April 12, 2010.
2. Receive and File: a) AWC RMSA Rebate Check Letter; b) First Quarter Financial Report.
3. Liquor License Action: a) New Application – Gig Harbor Spirits; b) Special Occasion Chamber of Commerce.
4. Kitsap County Jail Contract Renewal.
5. Resolution No. 829 Surplus Vehicle – 1996 Ford Taurus.
6. BB16 Interchange Supplemental Agreement No. 4/Sehmel Drive Right Turn Lane & IJR Document – H.W. Lochner & Associates.
7. Resolutions to Apply for RCO Grant Funds for Jerisich Dock and Cushman Trail Phase III.
8. Approval of Payment of Bills for April 26, 2010: Checks #63442 through #63551 in the amount of \$904,646.66.

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

**PRESENTATIONS:**

Senator Derek Kilmer thanked the City Council, the Mayor and the City Staff for keeping him advised of city priorities and concerns. He gave an overview of the highlights of the latest legislative session and stressed how valuable it is to have input from the city and Chamber of Commerce during the process.

**OLD BUSINESS:**

1. Public Hearing – Jerisich / Skansie Parks Components. Mayor Hunter explained that Council would accept testimony during the public hearing and then make a decision at the May 10th Council meeting. He opened the public hearing at 5:46 p.m.

John Moist – 3323 Harborview Drive. Mr. Moist voiced disappointment that only one recommendation has come to fruition from the many studies, volunteer committees and citizen input over the past ten years. He asked Council to regard each individual recommendation on its merits; approve a project and then put it on hold if the funds are not available at this time. Mr. Moist discussed the Ad Hoc Committee recommendation

to utilize the Skansie House as a Visitor Center which now appears isn't going to occur because the Chamber wants to take over that function at the Judson Street location. He praised the work and dedication of the city's Marketing Department and voiced concern for what will happen, asking that Council support a collaborative effort between the Marketing Department, the Chamber and all important groups downtown. He talked about the suggestion to use the Skansie House for a live-in Harbor Master, questioning the need. He stressed that the Skansie House is an ideal location for a Visitor's Center, citing the ability to make Skansie Park the hub of the historic downtown. He asked Council to honor the Skansie Ad Hoc Committee recommendations.

Guy Hoppen – 8402 Goodman Drive. Mr. Hoppen voiced support of the 2003 and 2008 Skansie Ad Hoc Committee recommendations that ask for public access and some kind of visitor information center. He spoke against the idea of a Harbor Master explaining that this position is typically tied to maritime facilities that presently don't exist and charging moorage fees at Jerisich Dock to fund such a position is premature. He applauded the Mayor and Council for the acquisition of the Stutz property and asked that the idea of a Maritime Pier at Skansie Park be tabled until the new property purchase is complete and the ability to build a pier at this site is assured. Mr. Hoppen discussed public access to the bay at Skansie Park, suggesting that if Jerisich Dock is extended, the first 70 feet be reserved for events and activities. He voiced support of a partnership between the Gig Harbor Commercial Fisherman's Club and Maritime Heritage Organizations with tenancy at the Skansie Net Shed. He suggested that prior to the creation of a Harbor Master position, building a Maritime Pier, or any other over-water facilities, that Council consider the creation of a permanent Waterfront Facility Advisory Group that would be tasked with developing policy for Council consideration.

Paul Ancich – 3320 Lewis Street. Mr. Ancich spoke in favor of the Mayor's recommendations.

Jim O'Donnell – 4220 35th Ave NW – Mr. O'Donnell made several recommendations: 1. Restoring the Skansie Netshed is the number one priority; 2. Furniture in storage by the Historical Society can be used to furnish the Skansie House for the 1900's look; 3. Modernize upstairs room, bath and kitchen to allow occupancy; this would reduce the risk of vandalism; 4. Leave the grounds as they are retaining the existing trees and pruning the shrubs; 5. Consider all parks in one plan; 6. A pier at this site would obstruct the historic view, would only be used by a small portion of the community, and could present a hazard; 7. The property by the Tides is a no-brainer for a fisherman's pier. Mr. O'Donnell offered his written recommendations to be copied for Council.

Jack Bujacich – 3607 Ross Avenue. Mr. Bujacich voiced excitement that it's been over 60 years that the citizens have tried to build a fisherman's dock. The local fishermen attended every meeting at the Port of Tacoma trying to get funding which resulted in \$25,000 for testing drill holes at the Scofield site. He said that the Shell property is an ideal location for the dock and should cost one-third of the amount to build at the Skansie site. He then said he supported the Mayor's recommendations; at least the ones he read.



There were no further public comments and the public hearing closed at 6:02 p.m. Councilmember encouraged anyone who had additional comments to submit them before the next meeting for consideration.

2. Second Reading of Ordinance – Street Latecomer’s. Senior Engineer Emily Appleton presented the background information on this ordinance establishing a process for Street Latecomer’s Agreements.

Councilmember Malich asked for clarification on the SEPA precedence.

Councilmember Franich voiced concern that there is no mechanism to ensure that the affected property owners have input at the beginning of the process and no way to revisit the assessment if a property is not developed to its highest use. After discussion, Attorney Lell and Ms. Appleton were directed to develop language to add to the ordinance to be considered at an additional reading of the ordinance.

3. Second Reading of Ordinance – Extending the Sewer Concurrency Reservation Alternative Process and Allocation of Limited Sewer Capacity Process. City Engineer Steven Misiurak briefly presented the background for this ordinance and offered to answer questions.

**MOTION:** Move to adopt Ordinance No. 1187 as presented.  
**Conan / Ekberg** – unanimously approved.

4. Second Reading of Ordinance – 2010 Stormwater Manual Revisions. City Engineer Misiurak then presented the information on this ordinance.

**MOTION:** Move to adopt Ordinance No. 1188 as presented.  
**Conan / Ekberg** – unanimously approved.

**NEW BUSINESS:**

1. Ballot for Pierce Transit Board Member. Mayor Hunter explained that Pierce Transit requested a nomination from the member cities, but due to the conflict in meeting times none of our Councilmembers were able to commit. He said that Council is now being asked to cast a vote for one of the nominations. The Boards and Commission Candidate Review Committee considered the applicants and because Bonney Lake it is similar in circumstances to Gig Harbor, they are making a recommendation to appoint Neil Johnson from Bonney Lake.

**MOTION:** Move to cast a vote for Neil Johnson, City of Bonney Lake, to serve as a member of the Board of Commissioners for Pierce Transit for a three-year term.  
**Ekberg / Kadzik** – unanimously approved.

2. Public Hearing and Resolution – McCormick Creek Plat Agreement. Planning Director Tom Dolan presented the background information for this development agreement that would allow the developer to record the final plat in four separate phases and vest approval for a period of up to 20 years with Council approval. In addition the development agreement also requires the dedication of two wetland and public use easements and payment of \$100,000 to be used for a site assessment of the easements. If the easements are accepted by the city, fee ownership would be granted to the city. If the easements are not accepted due to information from the assessment, the developer would pay an additional \$27,665 towards construction of the Cushman Trail. He addressed Council's questions regarding the easements.

City Administrator Rob Karlinsey added that the easement is across the entire parcels and at the time of final plat, it would be entirely deeded to the city.

Mayor Hunter opened the public hearing at 6:43 p.m. No one came forward to speak and the hearing closed.

**MOTION:** Move to adopt Resolution No. 832 and authorize the Mayor to sign the Development Agreement.  
**Conan / Ekberg** – unanimously approved.

3. Street Naming – Jasmine Plat. Building / Fire Safety Director Dick Bower presented this request to name a private cul-de-sac serving the Jasmine Plat residential development Jasmine Lane. The development is located in the historic name area. City code states that all proposed streets within this area shall come from a list submitted by the Gig Harbor Historical Society or other lists as approved by Council. Council discussed the policy and determined the size of a street should not determine whether or not a historical name should be used.

**MOTION:** Move to deny the naming request and direct the developer to come back with a proposed name from the Historical List.  
**Ekberg / Kadzik** – unanimously approved.

4. Lodging Tax Advisory Committee Proposal. Marketing Director Laureen Lund briefly introduced this request for additional funding from the Lodging Tax Reserve Fund for two new programs. She explained that ten to twenty thousand would go towards a marketing media planning campaign and another \$7000 for public relations for the opening of the new History Museum. She introduced members of the Lodging Tax Advisory Committee.

Councilmember Young explained that economic times are not good for the hotel industry and so they have developed a plan to attract small groups and events. He also talked about the public relations support for the Grand Opening Event for the History Museum, a really important of the heritage tourism part of their agenda.

Wade Perrow – 1991 No. Harborview Drive. Mr. Perrow said he is representing The Inn at Gig Harbor, The Maritime Inn and the Wesley Inn. He explained the challenges facing the lodging industry and how the reserve funds would allow them to market Gig Harbor as a destination for small meeting and group businesses. Laureen Lund can market Gig Harbor as a destination to come and meet, eat, and sleep which dovetails into the opening of the new History Museum and programs such as those at the Boatshop. He said that a marketing plan takes time; time to get funding then to identify the sources to bring the program together through a collaborative effort between the lodging properties and the Marketing Department. He responded that they expect results from this effort in the second quarter of next year as they are marketing the “shoulder season business” for October through May.

Sue Braaten – 8802 Randall Drive. Ms. Braaten explained that the Lodging Tax Advisory Committee has had many discussions and agree that this is something they really need at this time.

Laureen Lund further explained that they were not successful in obtaining the grant from the Pierce County Tourism Promotion Area because their proposal only benefitted the hotels in Gig Harbor; not the entire Pierce County. She also explained that they may not use all the funds that they are requesting.

**MOTION:** Move to approve the use of up to \$27,000 from the Lodging Tax Reserve Fund for Meeting Planners Marketing Plan and Public Relations for museum and heritage tourism.  
**Kadzik / Ekberg** – unanimously approved.

5. Cushman Trail – Environmental Permitting Consultant Services Contract. City Administrator Rob Karlinsey first recommended that Council not approved the contract at this time. He explained that this may come back for approval at a later date, but at this time the opportunity to obtain Federal Funding to complete the Cushman Trail doesn't look positive. He then said that the project may have an upcoming opportunity for the funds filtered through the Pierce County Regional Council. He then added that the revenues for the General Fund are lower than projected which is another consideration for not expending the funds at this time.

Councilmember Franich stressed that it would be more cost effective if staff performed some of the elements in-house. Mr. Karlinsey explained that staff is maxed out at this time but that might be a possibility for next year; presenting this now was an opportunity to explain what is needed if the funding becomes available sooner. He said that this consultant was selected because of their ability to move quickly and their experience with federal regulations.

**STAFF REPORT:**

Fire Inspections Update. Building / Fire Safety Director Dick Bower explained that the city has been working with the Fire Department and Chamber of Commerce to find a

way to split the cost of an annual fire inspection program but the savings weren't as low as hoped for. He presented the idea of a volunteer-based fire prevention inspection program for the city's commercial buildings. He described the program, explaining that he ran a similar and successful program in the 80's. He said the program would cost approximately \$5000 a year which could be funded through a \$10 increase in the business license fee.

Mr. Bower was commended for this idea and after further discussion of the program, he was asked to check with the city attorney and insurance pool regarding liability.

City Administrator Rob Karlinsey announced the upcoming Harborview Watermain Replacement Open House at the Civic Center on May 6th and the Marine Outfall Project Open House on June 15th. He then asked Councilmembers if they had voted on "Save the Skansie Netshed" today.

**PUBLIC COMMENT:**

Jim O'Donnell – 4220 35th Ave NW – Mr. O'Donnell presented an arborist book to the Mayor recommending that page 4 be copied for the Councilmembers. He reported on a recent workshop in Olympia regarding tall trees and urban forests and announced that at least 1/3 of the planted Cedar and Douglas fir trees at the YMCA site are dead. He suggested that if Gig Harbor wants to remain a "tree city" it needs to manage these forests. He said he is monitoring Eddon Boatyard and Donkey Creek which still have English Ivy, a serious and invasive pest and referred to the cost incurred by Mercer Island in an attempt to eradicate the vine. Mr. O'Donnell then suggested a reverse pump on the marine outfall in order to pull fresh water from the sound into the harbor during low tide to help clear pollution.

**MAYOR'S REPORT / COUNCIL COMMENTS:**

Mayor Hunter reported that Joe Stortini contacted him about putting together a baseball game to play against his 75 and older team during the dedication of Sehmel Park.

Warren Zimmerman, sitting in the audience, warned that the Stortini Team just won the National Championship.

Councilmember Ekberg thanked staff for utilizing the utility billing for sharing information. He said that it's a great use of the space.

Councilmember Malich asked for a status update on the Madison Shores property purchase. Mr. Karlinsey said that we are two weeks into the forty-five day closing period. He explained that the Phase I Environmental Assessment is in progress as well as the appraisal. Attorney Bill Joyce is reviewing the DNR and Tidelands assessment and staff will meet with Wanae Wright from the Department of Ecology to discuss the transfer of tideland leases.

Councilmember Malich then asked for information on ADA doors on the Council Chambers. Dick Bower explained that it is not a requirement but that doesn't preclude it from being installed. Budget constraints were mentioned.

**ANNOUNCEMENT OF OTHER MEETINGS:**

1. PROS Plan Worksession – Mon. May 17 at 5:30 p.m.
2. Operations Committee – Thu. May 20 at 3:00 p.m.
3. Civic Center Closed for Memorial Day – Mon. May 31st

**ADJOURN:**

**MOTION:** Move to adjourn at 7:36 p.m.  
**Ekberg / Franich** – unanimously approved.

CD recorder utilized: Tracks 1002 – 1036

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Charles L. Hunter, Mayor

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Molly Towslee, City Clerk



## GIG HARBOR CITY COUNCIL JOINT WORKSESSION MINUTES

**DATE:** April 19, 2010  
**TIME:** 5:30 p.m.  
**LOCATION:** Community Rooms A & B  
**SCRIBE:** Molly Towslee, City Clerk  
**MEMBERS PRESENT:** Mayor Hunter, Councilmembers Ekberg, Malich, and Kadzik.  
**STAFF PRESENT:** Rob Karlinsey, Peter Katich, Kristin Moerler, Lauren Lund and Molly Towslee.

Several members of the Community were present.

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### INTRODUCTION

After roll call, Mayor Hunter announced the public hearing on April 26th explaining that the goal of this meeting and the public hearing is to help Council determine clear direction for these parks in order to move forward and get to work.

The group discussed the following topics:

#### 1. Skansie / Jerisich Parks Re-design

- Clear out and clean up the front of the park
- New sign over Jerisich Dock
- Move the Fishermen's Memorial / addition of a water feature
- Coordinate all efforts with the installation of a new pump-out station
- Phasing these projects is good idea
- The Hedge – remove or leave it up. It was suggested that a good compromise would be to install broad steps in some section of the hedge which would both allow access from that portion of the park and maintain some confinement. This could be forwarded to the Parks Commission for further consideration.
- The hedge is overgrown blocking the house – remove and replant? Everyone agreed to forward this to a professional landscape architect to make suggestions. It was noted that staff member Jenn Kester has a background in landscape architect. Councilmember Kadzik to take this to the Gig Harbor Historic Waterfront Association for consideration.

#### 2. Restroom / Laundry Facility

- Other public piers have showers and laundry facilities - nice to have but not a priority
- Enhancing the existing restroom facility
- No power to the dock so Jerisich not a major public pier

- Difficult to maintain existing amenities with reduced staff
- No desire for a larger facility
- Don't want to encourage live-a-boards
- Labor intensive – Laundromats are problematic
- Need more sani-cans for large events - less expensive to bring in and leave all summer rather than just bring in for one event

3. Life Jacket Program Discussion:

- Already in place
- Raising funds to add more
- Problem with adult sizes not being returned
- Kids are really using these

4. Maritime Memorial Walk:

- Pavers along waterfront and by the netshed in the grass and/or
- Around the Memorial statue
- \$3500 in Fisherman's Memorial Fund for a project like this
- Brass plate with a name as a fundraiser
- Artwork and/or pavers in/around benches
- Ask GHWA to incorporate these ideas

5. Skansie Netshed:

- Grant process – VOTE to Save Skansie Netshed Contest to win \$125,000, ends May 12th
- Cultural Heritage
- \$51,000 presently in Budget for repairs to the Netshed – would require:
  - Shoreline permits
  - Engineering
  - Limited historic use wouldn't require re-engineering, only repairs
  - Phase repairs

6. Skansie House:

- Need to determine use
- Paul Ancich suggested a Harbormaster
- Mayor Gretchen Wilbert suggestion for pictures on wall and kiosk for brochures
- Open the building for public to view the history – need to have a daytime presence
- Harbormaster – worth exploring as a future use
  - Low cost to hire
  - Lower cost to repair house for residential use
  - Could direct visitors – let know about Eddon Boatyard and Museum

- Ties things together
- Living Room could be a satellite of visitor outreach with volunteers
- Supervisor for park
- Visitor Center presence good but not ideal for too many people
- Recommendation from Ad Hoc Committees is for a Visitor Center
- Location is ideal for a Visitors Center
- High foot traffic and occupancy could be a concern, parking not so much unless during summer months
- LTAC has money in a Reserve Fund to use to refurbish house; will go away if not used for a Visitor Center
- Choose best use for building then find a way to fund
- Higher use means higher cost to upgrade – residential remodel would be \$100 - \$150,000
- Concern with staffing with volunteers – just open up as a info kiosk or do both

A recommendation was made to add the idea of a Harbormaster to the public hearing for further consideration.

7. Temporary Floats and Jerisich Dock Extension:

- Add both for recreation boat use – space for non-motorized crafts
- No commercial use
- Extend mechanical for pump out
- Storage concerns for temporary floats
- Explore leasing extensions verses owning floats
- Reinstating moorage fees

8. Maritime Pier at Skansie & 9. Maritime Pier at Madison Shores (Stutz Property):

- Preference voiced for the Madison Shore / Stutz Property over Skansie site
- No negative comments received regarding the purchase of Madison Shores / Stutz Property and/or placement of pier at that location
- Wanted to hear
- Madison Shores / Stutz Property ideal location for pier and could serve many functions:
  - Fishing Pier
  - Downtown parking lot
  - Restroom
  - Room for kayak storage
  - Yacht Club Outreach Program
  - Possible fuel dock
- Fuel Dock at Madison Shores / Stutz location:
  - Vendor to run it
  - Permits required
  - Maneuverability



- Deep Water Moorage
- Used to be a fuel dock location
- City owns street end

Councilmember Malich said he would still vote for Skansie Park or could vote for the Madison Shore / Stutz Property for the location of a Maritime Pier. Councilmember Kadzik suggested he would like input from the Ad Hoc Committee to explore the new property as a location for a Maritime Pier. Councilmember Ekberg agreed this is an ideal location for a pier.

There was discussion on what will be expected at the public hearing on April 26th. Mayor Hunter reminded everyone that a vote won't be taken until the meeting of May 10th.

It was decided not to delay a decision until the Madison Shores / Stutz property could close; to go ahead and obtain input and then take a vote on the 10th.

Mark Hoppen said that the 30 feet easement on Skansie isn't encumbered by the RCO Grant. He then said if the Madison Shores site is chosen for the Maritime Pier then Council needs to set aside money to build the pier. He added that the property is a great acquisition because of the deep water.

There were no further comments; the worksession adjourned at 8:00 p.m.



## BOARDS AND COMMISSIONS CANDIDATE REVIEW COMMITTEE

**DATE:** April 26, 2010  
**TIME:** 4:10 p.m.  
**LOCATION:** Executive Conference  
**SCRIBE:** Molly Towslee, City Clerk  
**MEMBERS PRESENT:** Mayor Hunter, Councilmembers Ekberg and Kadzik.

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### New Business:

#### 1. Interview Candidates for the Planning Commission opening.

Mayor Hunter explained that we received a message from Pamela Hope Peterson this afternoon withdrawing from the process as she had just taken on a time-consuming obligation. Candidate Bob Frisbie is out of the country and a conference call couldn't be arranged.

The committee interviewed the third Candidate, Benjamin Coronado. Mr. Coronado was asked to give a brief background of his interest and qualifications for serving on the Planning Commission.

Mr. Coronado explained that has an Associates Business Degree and is working towards a Bachelor in Urban Studies; he is currently in his second quarter at the University of Washington Tacoma Branch on *The Dean's List*. He said he has lived in Gig Harbor for 25 years and would like to give back to his community. He continued to explain that his long-term goal is to work in the Transportation Planning field adding that his current focus is on a new program for sustainable development.

Mr. Coronado gave a brief overview of his current curriculum at the university which includes an Urban Planning Class and a Community Development Class. He said he is involved in a co-partnership for the Zenna Lenik Memorial Park project. He said he has always been interested in traffic and the Puget Sound Region is perfect to support light link and electric car infrastructure.

When asked how he views Gig Harbor future development, Mr. Coronado responded that he appreciates the way the city has preserved the history of the downtown. He said that a Maritime Pier is a great way to preserve open space and bring the people back to the downtown while preserving the Maritime Heritage of the downtown district.

Mr. Coronado was asked if he could meet the time commitment. He answered by saying both his work and school are very flexible. Part of the curriculum for his Urban Planning

Class is to attend Planning Commission meetings and so this would work well. The Mayor said that there are going to be extra meetings due to the Shoreline Master Plan Updates.

Councilmember Kadzik explained that the being a member of the Planning Commission is a big commitment; the Council relies on the Commission for in-depth research and development of policy recommendations for land use. He stressed the importance of the position. Mr. Coronado said that he has a definite interest in serving on the commission one reason being that his family is from here. He said that has two years left at the University of Washington and understands the commitment.

When asked what he likes to do in his spare time, he responded that he enjoys the mountains, kayaking in the harbor, biking Cushman Trail and spending time with family.

After the interview the review committee discussed the candidates' qualifications.

After discussion, a recommendation was made to the Mayor to appoint Ben Coronado, due to his qualifications, background and knowledge.

2. Pierce Transit Board Opening.

The commission discussed the brief bios submitted for the Board position. Mayor Hunter said that Councilmember Young has worked with Rob Cerqui of Fife, and Neil Johnson of Bonney Lake.

After discussion, a recommendation for Neil Johnson of Bonney Lake will be forwarded to the City Council citing the reason that Bonney Lake is similar in circumstances to Gig Harbor in respect to transit issues.

3. Review Candidates for five Gig Harbor Arts Commission openings.

Clerk Towslee explained that Ron Carson is moving away but wishes to attend the meetings in an advisory capacity. Karen Peck and Dale Strickland both submitted letters asking to be re-appointed and three other applications have been received.

The committee to forward a recommendation to re-appoint Ms. Peck and Mr. Strickland, and appoint Charlee Glock-Jackson and Juleen Murray Shaw to the two expired terms.

**Footnote:** Later that day an e-mail was sent to the Boards and Commission Candidate Review Committee asking that they consider appointment of applicant Mardie Rees to serve the remainder of the vacant position ending 3/3/11. Councilmembers concurred.

4. Review Candidates for one Parks Commission vacancy.

Jim Borgen moved out of the city limits effectively leaving a vacancy on the Parks Commission. One application was received from Robyn Denson.

A recommendation to appoint Ms. Denson to serve the remainder of the vacant three year term that will expire 3/31/12.

5. Review Re-Appointment of a Salary Commission Member.

Clerk Towslee explained that two terms had expired on the non-active Salary Commission. Harris Atkins has agreed to serve another term, but there was no response from the other member. She suggested re-appointment on Mr. Atkins, but to leave the other position vacant until the commission becomes active again.

This recommendation will be forwarded to Council at the May 10th meeting.

There were no further comments; the worksession adjourned at 4:43 p.m.

**CITY OF GIG HARBOR  
COMMITTEE OUTLINE MINUTES**

City of Gig Harbor Finance and Safety Committee  
(Council Committee Ekberg, Malich, and Conan)

Date: March 22, 2010

Time: 4:00 p.m.

Location: Executive Conference Room

Scribe: Jaci Auclair

**Commission Members and Staff Present:** Paul Conan, Steve Ekberg, Rob Karlinsey, Dave Rodenbach, Dick Bower, Kay Johnson, Patty McGallian, and Jaci Auclair. Ken Malich arrived at 4:20 p.m.

**Others Present:** Dave Trageser, D.A. Davidson & Co.; Nate Hulings, Peninsula Gateway Reporter

**Absent:**

Topic / Agenda Item	Main Points Discussed	Recommendation/Action Follow-up (if needed)
<b>NEW BUSINESS</b>		
1. Civic Center Bond Refunding Proposal	<p>Finance Director, David Rodenbach, announced the outstanding debt on the Civic Center bond originating in 2001 is approximately \$7.8 million. With interest rates currently lower, now may be a good time to refinance the debt. He introduced Dave Trageser, Senior Vice President of D.A. Davidson &amp; Co., to explain further. Mr. Trageser stated that back in 2001, bonds were issued at approx. 5.14%. The current rate is approx. 3.7% which could mean substantial savings on a \$7.8 million bond, approximately \$400K net present value. The term of the current bond goes until 2026; this term would remain the same and the savings would be approximately \$25K per year.</p> <p>According to Mr. Trageser, additional</p>	<p>At the recommendation of the committee, bring the Civic Center debt refinance proposal to the city council as a first reading.</p>

Topic / Agenda Item	Main Points Discussed	Recommendation/Action Follow-up (if needed)
	<p>scenarios include using some or all of the \$4 million Civic Center reserve fund to pay down the debt early. Possible advantages to shortening the term were discussed. City Administrator, Rob Karlinsey, reminded committee members that this will represent a policy shift; the original goal was to pay off the Civic Center debt in 2011, now the payoff will be no sooner than 2020. Councilmember Ekberg stated that the original policy position was to keep the financial condition of the city solid, which we have managed to do with the reserve funds. Councilmember Conan agreed that he likes the financial strength and security this nest egg provides.</p> <p>Committee members agreed to move forward with the pursuit of the refinance. Mr. Trageser presented a payment schedule for the committee's review and said a proposal could be ready for a first reading in May.</p> <p>Mr. Karlinsey presented two additional policy questions for council consideration: 1) with the refinance, will the funds still be considered a Civic Center reserve or become a Civic Center/Strategic reserve; and 2) although the refinance will only result in \$25K savings per year, will those funds be earmarked to go into capital (as it has been by going into the debt reserve) or will the funds go into operations?</p>	

Topic / Agenda Item	Main Points Discussed	Recommendation/Action Follow-up (if needed)
<p>2. Public Portal and Management Dashboard of InterLocking Software Proposal</p>	<p>Mr. Karlinsey asked staff to discuss the cost and merits of switching from the mybuildingpermits.com (MBP) interface to Paladin. Kay Johnson, Information Systems Manager, explained that mybuildingpermits.com allows the public to purchase and view the status of their building permits. Updates take 24 hours to occur. The cost of this system is \$5,300 for 2010, with incremental increases each year thereafter. The Paladin system offers greater capabilities and funds currently budgeted for MBP would be transferred to pay for Paladin. Ms. Johnson worked out a financing option at 5%, however, Finance Director, David Rodenbach, felt an outright purchase of the system would be preferable.</p> <p>Ms. Johnson clarified that the overall 2010 cost would be higher to purchase Paladin than staying with MBP because of the upfront cost of \$5K, however, it would be lower in subsequent years because of MBP's increases. When asked by the committee about timing the purchase in 1<sup>st</sup> Quarter 2010 versus waiting to see how tax revenues pan out, Ms. Johnson stated that the annual payment to MBP is due in April. The committee then asked about capabilities. Ms. Johnson stated that only in February did Paladin add the capability of doing online permits. Building &amp; Fire Safety Director, Dick Bower, and Permit</p>	<p>Committee recommends proposal be submitted to city council for approval.</p>

Topic / Agenda Item	Main Points Discussed	Recommendation/Action Follow-up (if needed)
	<p>Coordinator, Patty McGallian, indicated that advantages also include local control (owning systems allows modifications/ customization), extensive reporting capabilities in real time, and system access from laptops in the field. Staff is very supportive of this user friendly system, especially given 1<sup>st</sup> quarter building permit increases. Mr. Karlinsey stated this system allows a smaller staff to work smarter when efficiency matters more than ever.</p> <p>Upon recommendation by Mr. Rodenbach for the purchase of Paladin, committee members recommended a proposal be brought to city council for approval.</p>	
<p>3. Health Insurance Selection Process Update</p>	<p>Mr. Karlinsey reminded the committee that employees switched from AWC Plan A to a less expensive PPO plan. Administration gave employees a dollar amount with which to “shop” and left the choice of plan up to the employees. An insurance committee was formed including Executive Assistant, Laurelyn Brekke. Ms. Brekke went on to update the finance committee on the work accomplished thus far. In April, the president of Horizon Research Insurance will make a presentation to the insurance committee on their self-insurance plan and a conference call is scheduled this week with AWC to resolve some unanswered</p>	<p>None at this time.</p>



Topic / Agenda Item	Main Points Discussed	Recommendation/Action Follow-up (if needed)
	<p>questions (i.e. effects on LEOFF I retirees.) A committee decision will be presented to the Finance &amp; Safety Committee in May, 2010 to determine council support. An alternative may be a high-deductible plan with AWC, however, that would be a hard sell to the guild. The self-insurance plan sometimes sounds too good to be true – Plan A benefits at PPO price – but worth entertaining. Mr. Karlinsey asked council to consider the following with regard to self-insurance:</p> <ol style="list-style-type: none"> <li>1) a self-insurance plan may be less the first year, but what about subsequent years when annual contract prices are based on claims from the previous year(s);</li> <li>2) whether there is too much risk involved given the small size of our group and our ability to withstand the impact of major medical claims;</li> <li>3) the possible administrative costs to the city for having to administer their own program; and</li> <li>4) the possible loss of a price break or other detrimental effects for LEOFF I retirees.</li> </ol>	
4. Panhandlers Ordinance	Police Chief, Mike Davis, asked for council direction on the passage of a panhandlers' ordinance. Though the Chief stated he has not received a favorable response to legislation from conversations he's had with councilmembers, he passed out some	None at this time.

<b>Topic / Agenda Item</b>	<b>Main Points Discussed</b>	<b>Recommendation/Action Follow-up (if needed)</b>
	<p>comparative information for consideration. The Chief said his main intent is to educate the public by reminding them that they are giving money to folks who are engaged in criminal activity. Perhaps if the panhandlers' visits to Gig Harbor were not as lucrative, they would not come to our town from Lakewood to panhandle. A few complaints from citizens have come into the station, however, there is a great variety of opinions on the subject of panhandling.</p> <p>Committee members agreed that there are current laws on the books to handle any criminal behavior that may result and, therefore, as long as officers check in with the panhandlers periodically, there is no reason for this type of legislation at this time. Councilmember Malich asked Chief Davis to have concerned citizens contact their councilmembers in the future.</p>	
Meeting adjourned at 5:15 p.m.		

Next Meeting: June 21, 2010 at 4:00 p.m.



POLICE

TO: MAYOR CHUCK HUNTER AND CITY COUNCIL  
 FROM: CHIEF OF POLICE MIKE DAVIS  
 SUBJECT: 2010 1st QUARTER COUNCIL REPORT  
 DATE: MAY 10, 2010

DEPARTMENTAL ACTIVITIES SUMMARY

- 2010 1<sup>st</sup> quarter **calls for service** when compared to 2009 1<sup>st</sup> quarter **calls for service** show a decrease in calls for service of 78.
- 2010 1<sup>st</sup> quarter have had 44 fewer **reports written** by our officers than in the 1<sup>st</sup> quarter of 2009.
- **DUI arrests** in the 1<sup>st</sup> quarter 2010 were up by 3 compared to the 1<sup>st</sup> quarter of 2009. Our **traffic infractions** in the 1<sup>st</sup> quarter 2010 were down by 207 when compared to the 1<sup>st</sup> quarter of 2009; and our **criminal traffic citations** decreased by 29 in the 1<sup>st</sup> quarter 2010.
- Our **traffic accidents** in the 1<sup>st</sup> quarter 2010 decreased by 4 accidents when compared to the 1<sup>st</sup> quarter 2009.
- 1<sup>st</sup> quarter 2010 statistics show our **misdemeanor** arrests decreased by 26 and our **felony arrests** are down by 11 when compared to 1<sup>st</sup> quarter 2009.

Category	March 2010					
	March 2009	March 2010	Change	YTD 2009	YTD 2010	Change
Calls for Service	674	683	9	1924	1846	-78
General Reports	205	183	-22	578	534	-44
Criminal Traffic	17	17	0	95	66	-29
Infractions	123	47	-76	392	185	-207
Criminal Citations	30	23	-7	60	51	-9
Warrant Arrests	1	2	1	8	13	5
Traffic Reports	11	7	-4	35	31	-4
DUI Arrests	1	5	4	15	18	3
Misdemeanor Arrests	33	36	3	134	108	-26
Felony Arrests	10	4	-6	25	14	-11

**MARINE SERVICES UNIT:** The Marine Services Unit showed very little activity in the 1<sup>ST</sup> quarter 2010 due to winter weather conditions. The only operational activity was assisting the PCSO Dive Team for approximately 8 hours in identifying underwater hazards. This exercise was done in connection with the upcoming sewer outfall project.

- Two administrative hours were spent attending a “Water Rescue Exercise” planning meeting.
- Two administrative hours were spent in applying for a new 2010 - 2011 “Boater Safety” Grant.

**RESERVE UNIT:** Reserves Lori Myers, Ed Santana and Adam Blodgett have graciously continued to donate their time assisting our officers on patrol and other special details. We are preparing the backgrounds on two additional reserve office applicants. If they pass the screening process they will be attending the reserve academy sponsored by Fife PD in the fall.

Reserve Hours for the 1<sup>st</sup> quarter in 2010 were:

January:

Lori Myers—21

Ed Santana-25

Adam Blodgett-69

February:

Lori Myers—10

Ed Santana-23

Adam Blodgett-88

March:

Lori Myers—16

Ed Santana-10

Adam Blodgett-45

**EXPLORERS UNIT:** The Explorer Post has had 8 meetings the 1<sup>st</sup> quarter of 2010. Those meetings consisted of various training topics such as how to perform building searches, suspect handcuffing, traffic stops and felony traffic stops. The explorers also preformed mock scenes for social contacts, terry stops and probable cause type situations. The post took on 3 (three) more explorers bringing our total to 15, which is the maximum. There are currently 4 potentials applicants on a waiting list and there are still more applications coming in.

**C.O.P.S. (Citizens Offering Police Support):** Our volunteer force has taken on some additional responsibilities to assist the city in tough budget times, such as overtime moorage monitoring , sign code violations and disabled parking enforcement. The unit

currently has five members and is looking at accepting one more. One of our volunteers is hoping to complete the Reserve Police Officer academy this fall and join us as a reserve officer upon graduation. We have standardized our uniforms and the members of this unit look sharp! In the near future, the COPS Volunteers will be performing Home Security Surveys and Vacation Checks of residences that are unattended during the vacation months.

**NARCOTIC K-9 PROGRAM:** We are working on an agreement with the Peninsula School District to utilize our narcotics K9 Maher for drug sweeps in our local schools.

Demonstrations:

- Harbor Ridge Elementary School
- Chinese Exchange Students
- Goodman Middle School

11 Applications with 10 alerts and the following finds:

- 6 grams Meth
- 50 grams MJ
- 3 digital scales

\$ 200 Currency seized related to GHPD cases

\$1250 Currency seized related to outside agency cases

2 Used Drug Pipes

3 Vehicle Impounds – 2 GHPD, 1 outside agency

GHPD Response Times  
2010

	P1	P2	P3
January	3.97	6.58	9.54
February	7.72	8.35	9.94
March	5.06	7.4	8.8
April			
May			
June			
July			
August			
September			
October			
November			
December			
YTD Average	<b>5.58</b>	<b>7.44</b>	<b>9.43</b>

To the left are our officer response times for our Priority 1, 2 and 3 calls for 1<sup>st</sup> quarter 2010. Priority 1 calls are the most serious calls and usually involve an in-progress crime. Our goal is to respond to Priority 1 calls within 4 minutes 90% of the time. This goal has been increasingly hard to accomplish with recent staffing shortages. As we work toward being fully-staffed I will continue to monitor our response times.

Below are our 2010 1<sup>st</sup> quarter performance measures and workload indicators. We saw a increase in our overall response times. I will be tracking this through the next quarter to determine whether the increase is just an anomaly associated with how we are currently calculating these times. All workload figures are showing a slight decrease which is not necessarily a bad thing.

**2010 1<sup>st</sup> Quarter  
Performance Measures**

	2009 1 <sup>st</sup> Qtr	2010 1 <sup>st</sup> Qtr	2009 Actual	2010 Estimate
% 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	2.2	1.5
UCR Property crimes per 1000 population	n/a	n/a	68.8	45
Average police emergency response time in minutes	6.90	<b>7.48</b>	6.67	7.0

**Workload Measures**

	2009 1 <sup>st</sup> Qtr	2010 1 <sup>st</sup> Qtr	2009 Actual	2010 Estimate
Number of dispatched calls for service	1924	1846	8206	8500
Number of office walk in requests for service	576	548	2311	2192
Number of cases assigned for follow-up	79	70	242	280
Number of police reports written	578	534	2088	2200

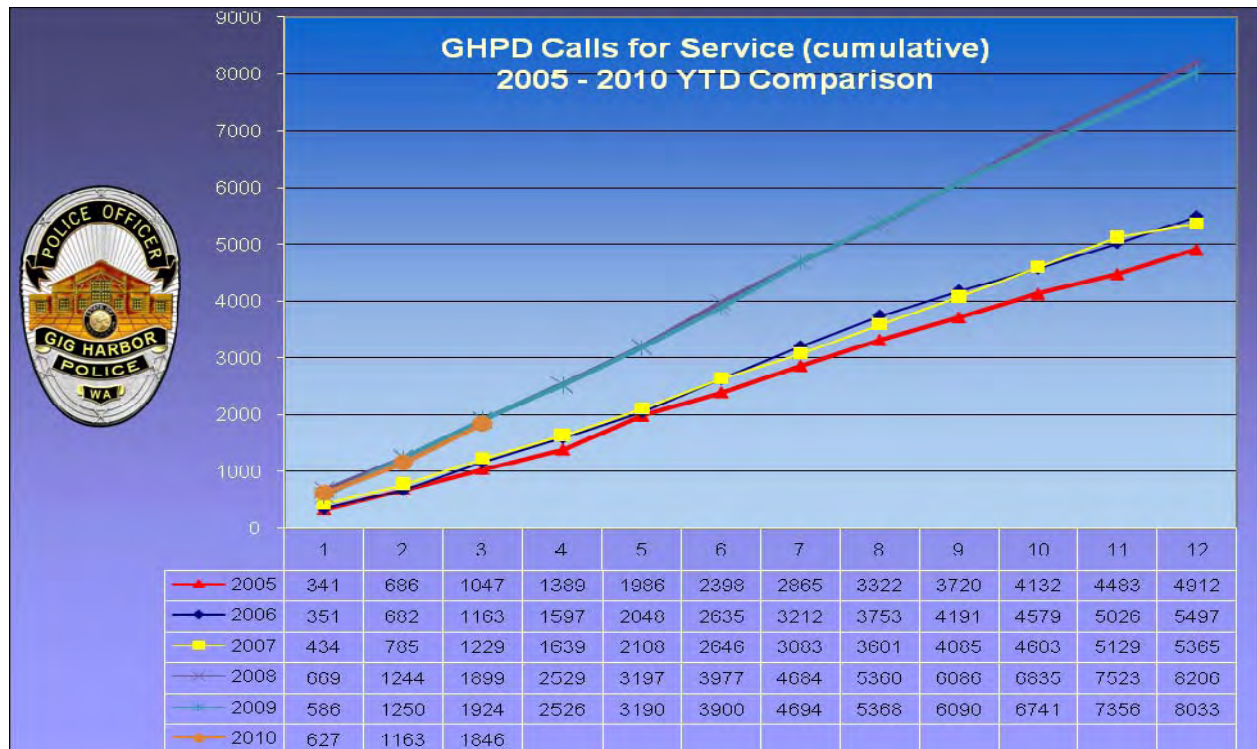
Note: UCR stats are published yearly. 2009 rates will be published in June 2010.

Below you will find the reported traffic accidents for the 1st quarter of 2010-- out of the 52 accidents during the 1st Quarter, 11 (eleven) involved injuries. The 4<sup>th</sup> quarter in 2009 had 61 accidents with only 3 (three) involving injuries. It will be interesting to see if this trend continues.

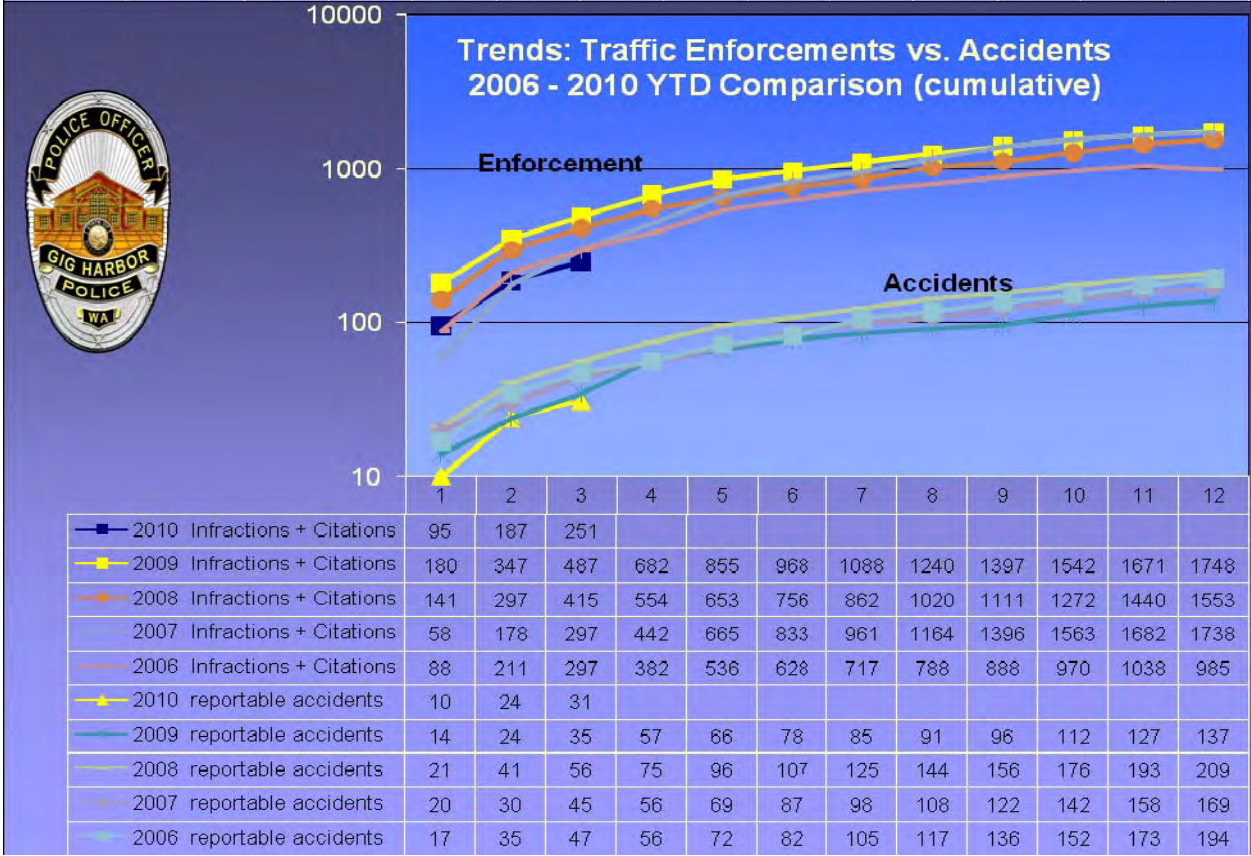
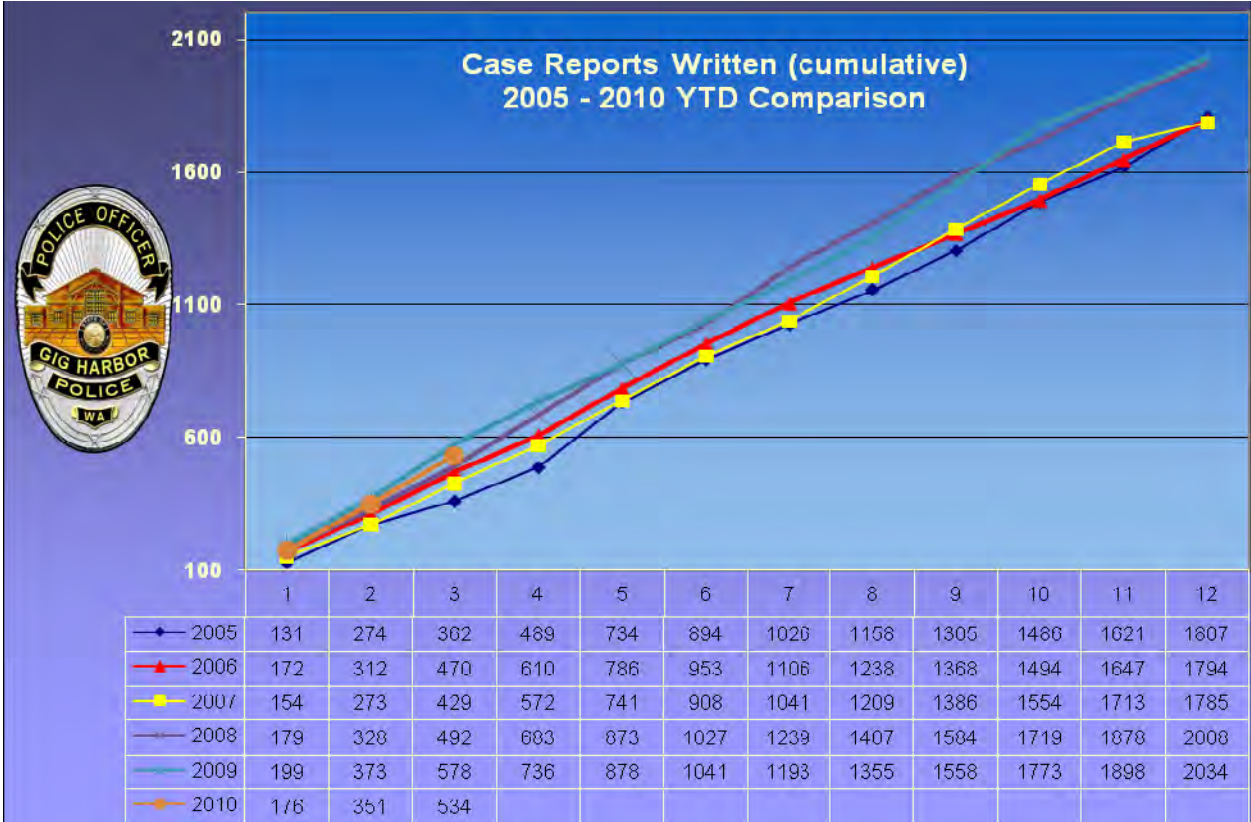
<b>TRAFFIC ACCIDENTS FOR 1st QUARTER 2010</b>					
<b>DATE</b>	<b>TIME</b>	<b>LOCATION</b>	<b>CROSS STREET</b>	<b>TYPE</b>	<b>INJURY</b>
1/1/2010	19:34	Wollochet	SR16		N
1/8/2010	17:17	Wollochet	SR16,WB on Ramp		N
1/8/2010	17:06	Pioneer Way	Stinson Ave.	Failed To Yield To Ped.	Y
1/9/2010	11:30	Harbor Hill Dr.	10550		N
1/13/2010	1:51	Pt. Fosdick Dr.	56th St.	H&R - Neg.Driving	N
1/14/2010	2:10	Pt. Fosdick Dr.	5114	DUI / DWLS / Ins	N
1/15/2010	20:01	Burnham Dr.	4309		N
1/16/2010	0:01	Olympic Dr.	5100 blk	DUI	N
1/16/2010	18:08	Pt. Fosdick Dr.	5200 blk	Fail To Yield	N
1/17/2010	11:23	Olympic Dr.	Pt. Fosdick Dr.	No Ins. / FTY / NVOL	N
1/18/2010	9:10	N. Harborview Dr.	9000 blk		Y
1/20/2010	7:09	Borgen Blvd.	SR16		N
1/24/2010	13:06	Olympic Dr.	5000 blk		N
1/27/2010	18:59	Pt. Fosdick Dr.	41st St.	Inattention To Driving	Y
1/29/2010	21:55	36th Ave. #B102	5320		N
1/29/2010	13:45	Borgen Blvd.	51st. Ave.	Fail To Yield	Y
1/29/2010	15:00	Olympic Dr.	5500	reported 3 days later	N
2/2/2010	11:00	Pt. Fosdick Dr.	5114		N
2/3/2010	11:30	Olympic Dr.	5501		N
2/3/2010	13:24	Borgen Blvd.	Sehmel Dr.		N
2/4/2010	10:05	Canterwood Blvd.	11200 blk	Motorcycle involved	Y
2/5/2010	13:20	Pt. Fosdick Dr.	4900 blk	Inattention To Driving	Y
2/5/2010	20:10	Hunt St.	38th Ave.	Inattention To Driving	N
2/9/2010	20:10	Olympic Dr.	Pt. Fosdick Dr.	Failed To Yield	N
2/10/2010	18:25	N. Harborview Dr.	Harborview Dr.	Failed To Yield	N
2/12/2010	18:41	Burnham Dr.	Borgen Blvd.		N
2/14/2010	16:20	Vernhardson St.	Peacock Hill Rd.	Improper Lane Travel	N
2/14/2010	18:05	Pt. Fosdick Dr.	4800	Fail To Yield	Y
2/17/2010	12:48	56th St. Ct.	Olympic Dr.	Fail To Yield	N
2/19/2010	16:30	N. Harborview Dr.	8809		
2/19/2010	0:00	Access Road	45th St. NW		N
2/20/2010	9:35	Borgen Blvd.	51st Ave.	Hit & Run Attended	Y
2/22/2010	7:20	Hunt St.	4100	Hit & Run Attended	
2/23/2010	12:20	Peacock Hill Dr.	Borgen Blvd.		N
3/1/2010	18:00	Pt. Fosdick Dr.	Olympic Dr.	Fail To Yield	N
3/1/2010	12:00	51st Ave.	11330		N 5

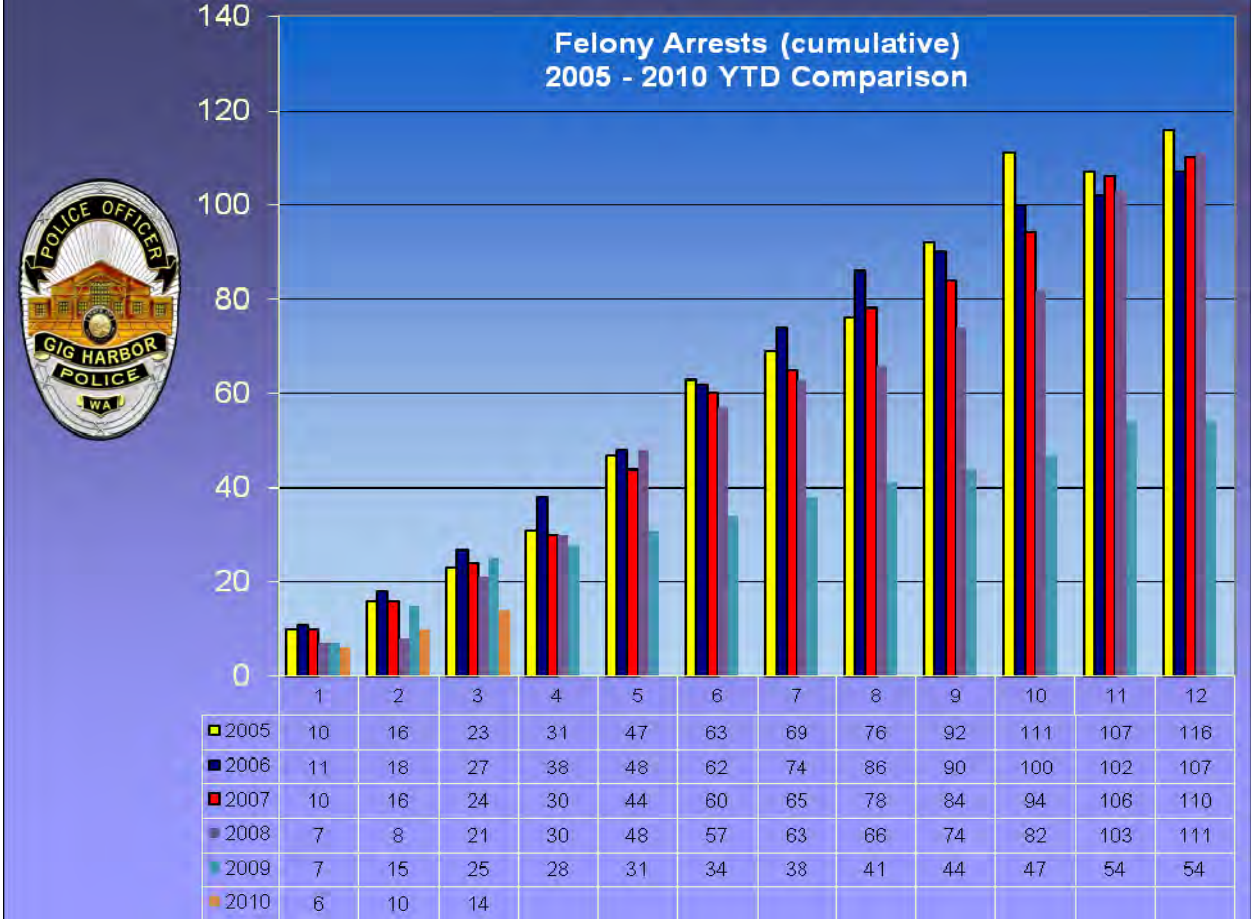
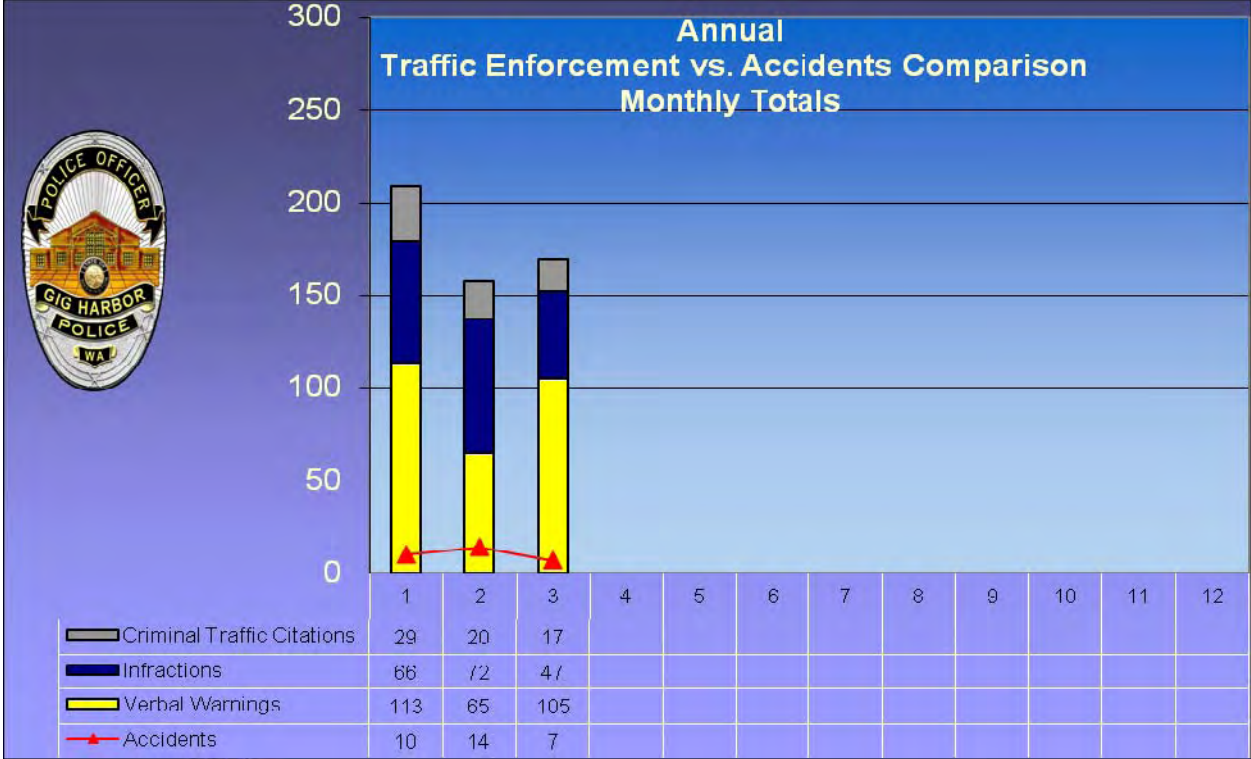
TRAFFIC ACCIDENTS FOR 1st QUARTER 2010 (CONT)					
DATE	TIME	LOCATION	CROSS STREET	TYPE	INJURY
3/9/2010	16:00	Olympic Dr.	5000 blk	overpass, rear end	N
3/12/2010	16:00	Olympic Dr.	5000	DUI, rear end	Y
3/15.2010	17:15	Olympic Dr.	51st Ave.	roundabout	N
3/20/2010	16:15	56th St. Ct.	Harbor Hill Dr.	roundabout	N
3/23/2010	5:36	Olympic Dr.	Stinson Ave.	rear end	N
3/24/2010	9:00	Harbor Hill Dr.	5500	parking lot, H&R	N
3/29/2010	0:00	Kimball Dr.	5500	parking lot, H&R	N
3/31/010	16:00	Peacock Hill Dr.	3200 blk	rearend	N
3/9/2010	16:00	Olympic Dr.	6200 Blk	one vehicle. Off road	N
3/12/2010	16:00	Olympic Dr.	4900 blk	rearend	N
3/15.2010	17:15	Olympic Dr.	56th St.	H&R, parked vehicle	N
3/20/2010	16:15	56th St. Ct.	56th St.		Y
3/23/2010	5:36	Olympic Dr.	11500 blk	left turn	N
3/24/2010	9:00	Harbor Hill Dr.	6200	Vehicle backing, parking lot	Y
3/29/2010	0:00	Kimball Dr.	11400 blk	PCSO jurisdiction	N
3/31/010	16:00	Peacock Hill Dr.	11500 blk	merging	N

Last of all I would like to provide a graphical rendition of our major workload indicators.

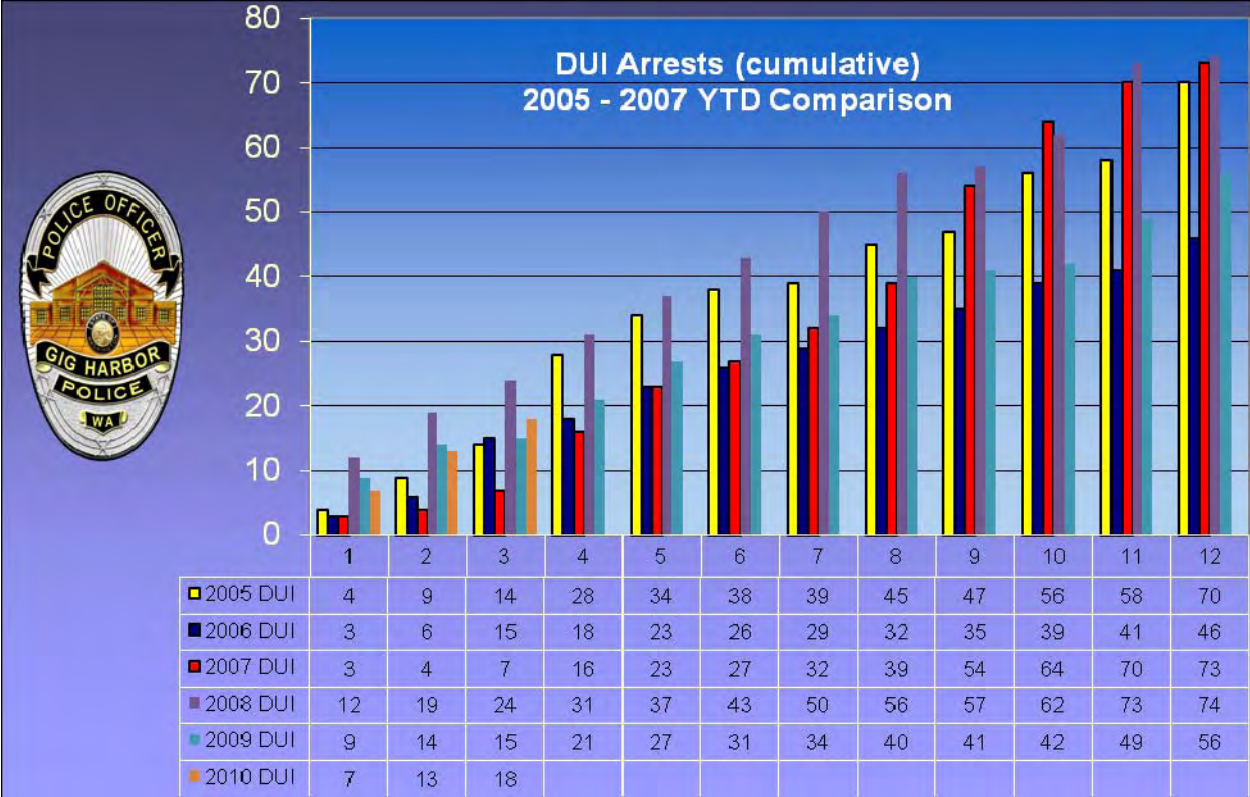
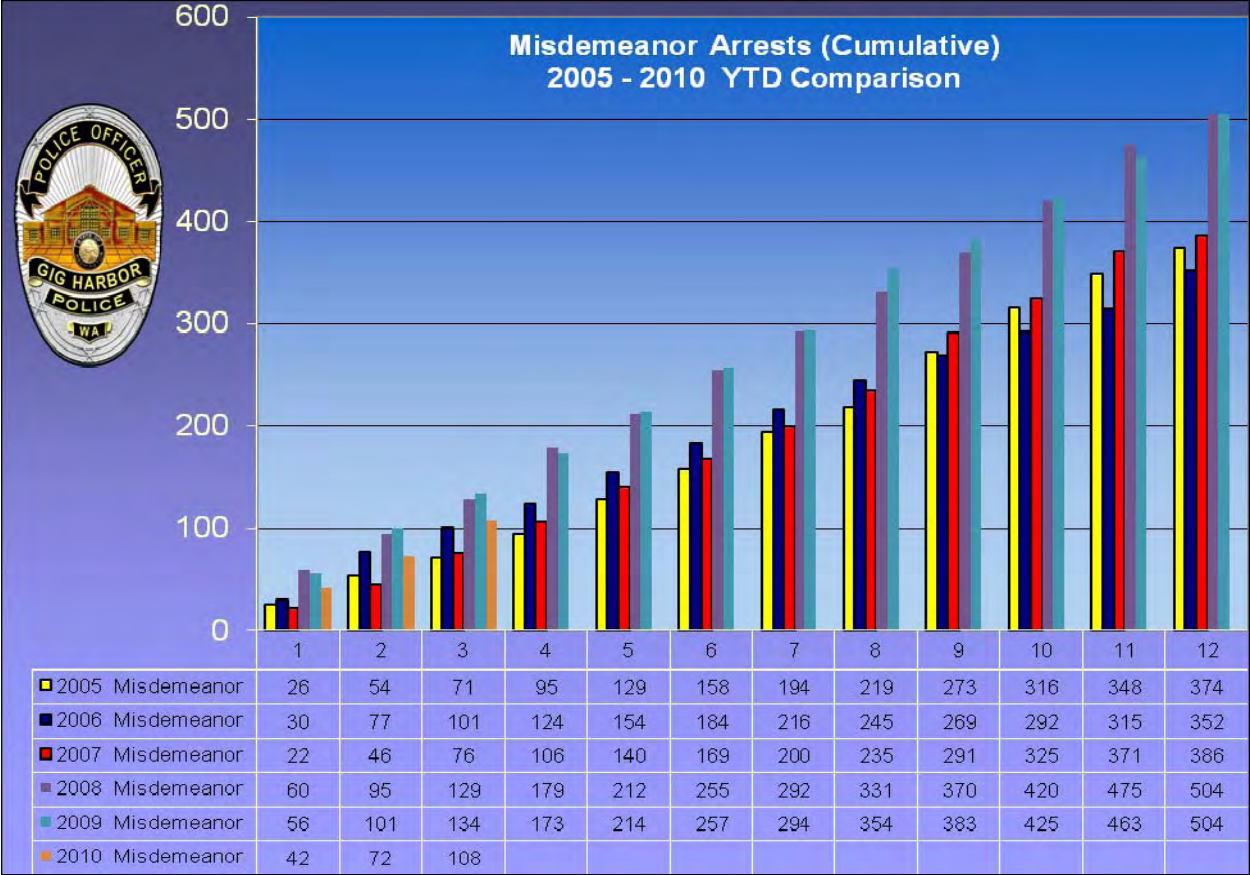


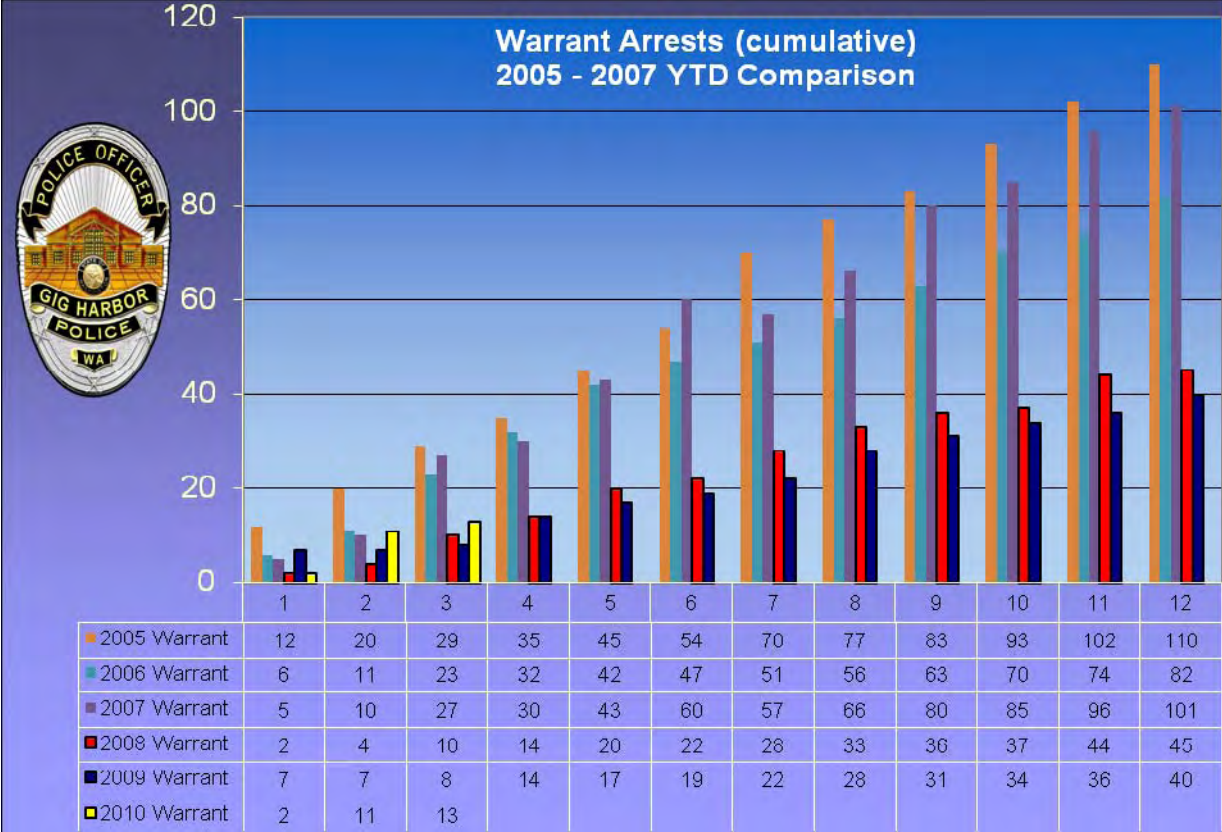












1<sup>st</sup> Quarter Crime Report

Year-to-date (through March 2010) there were **247 incidents** within the city of **Gig Harbor**. Over all we saw a 27% decrease in reported crime the 1 quarter of 2010 when compared to the same period in 2009. This seems to be in alignment with our reduction in workload indicators.

Kidnap/Child Lure					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<a href="#">Child Luring</a>	1	0	1	1	0%
<a href="#">Kidnapping (restrain or abduct)</a>	0	0	0	0	0%
<b>Kidnap/Child Lure Total:</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0%</b>

Violent Crimes					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<a href="#">Aggravated Assault</a>	1	1	2	2	0%
<a href="#">Non Aggravated Assault</a>	1	1	7	5	-29%
<a href="#">Homicide</a>	0	0	0	0	0%
<i>Business Robbery:</i>	0	2	0	3	N/A
<i>Residential Robbery:</i>	0	0	1	0	-100%

<i>Street Robbery:</i>	2	0	3	0	-100%
<i>Other Robbery:</i>	0	0	1	0	-100%
<a href="#">Robbery</a>	2	2	5	3	-40%
<b>Violent Crimes Total:</b>	<b>4</b>	<b>4</b>	<b>14</b>	<b>10</b>	<b>-29%</b>

Property Crimes					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<i>Residential Arson:</i>	0	0	0	0	0%
<i>Non-Residential Arson:</i>	0	0	0	0	0%
<a href="#">Arson</a>	0	0	0	0	0%
<a href="#">Motor Vehicle Theft</a>	0	3	4	5	25%
<i>Gas Station Runouts:</i>	0	0	0	2	N/A
<i>Mail Theft:</i>	0	0	1	1	0%
<i>Shoplifting:</i>	6	3	20	14	-30%
<i>Theft from Vehicle:</i>	16	11	28	21	-25%
<i>Trailer Theft:</i>	0	0	0	1	N/A
<i>Boat Theft:</i>	1	0	1	0	-100%
<i>Other Theft:</i>	4	4	13	13	0%
<a href="#">Theft</a>	27	18	63	52	-17%
<i>Residential Burglary:</i>	3	3	6	9	50%
<i>Non-Residential Burglary:</i>	8	9	11	19	73%
<a href="#">Burglary</a>	11	12	17	28	65%
<i>Residential Vandalism:</i>	14	10	33	26	-21%
<i>Non-Residential Vandalism:</i>	0	0	1	1	0%
<a href="#">Vandalism</a>	14	10	34	27	-21%
<b>Property Crimes Total:</b>	<b>52</b>	<b>43</b>	<b>118</b>	<b>112</b>	<b>-5%</b>

Drug Crimes					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<a href="#">Drug Possession (Methamphetamine)</a>	0	1	1	2	100%
<a href="#">Drug Sale/Manufacture (Methamphetamine)</a>	0	0	1	0	-100%
<a href="#">Drug Possession (Other)</a>	6	6	13	20	54%
<a href="#">Drug Sale/Manufacture (Other)</a>	2	1	4	5	25%
<b>Drug Crimes Total:</b>	<b>8</b>	<b>8</b>	<b>19</b>	<b>27</b>	<b>42%</b>

Warrant Arrests, Fraud, Traffic, and Other Incidents					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<a href="#">Weapons Violations</a>	2	0	5	0	-100%

<a href="#">Warrant Arrests</a>	5	3	21	9	-57%
<a href="#">Fraud or Forgery</a>	4	5	24	15	-37%
<a href="#">Criminal Traffic</a>	26	15	117	53	-55%
<a href="#">Liquor Law Violations</a>	4	1	8	8	0%
<a href="#">Telephone Harassment</a>	1	0	2	5	150%
<a href="#">Intimidation</a>	3	0	5	1	-80%
<a href="#">Possession of Stolen Property</a>	3	0	3	2	-33%
<b>Warrant Arrests, Fraud, Traffic, and Other Incidents Total:</b>	<b>48</b>	<b>24</b>	<b>185</b>	<b>93</b>	<b>-50%</b>

<b>Other Crimes</b>					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<a href="#">Criminal Trespass</a>	0	1	1	4	300%
<a href="#">Failure to Register/Sex Offender</a>	0	0	0	0	0%
<a href="#">Simple assaults</a>	0	0	0	0	0%
<a href="#">Trafficking in Stolen Property</a>	0	0	0	0	0%
<b>Other Crimes Total:</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>300%</b>

<b>Totals</b>					
	March 2009	March 2010	Year-To-Date (through Mar 2009)	Year-To-Date (through Mar 2010)	Year-To-Date Percent Change
<b>Grand Total:</b>	<b>113</b>	<b>80</b>	<b>338</b>	<b>247</b>	<b>-27%</b>



## PROCLAMATION OF THE MAYOR OF THE CITY OF GIG HARBOR

***WHEREAS***, the family is the cornerstone of our communities, state and nation and children are the future of society; and

***WHEREAS***, the care, protection and nurturing of children has traditionally been the responsibility of biological parents with support from the community; and

***WHEREAS***, grandparents, uncles, aunts, cousins and siblings are stepping forward in ever-increasing numbers to assume full responsibility for children whose parents are unable or unwilling to appropriately parent; and

***WHEREAS***, these kin face day-to-day living challenges as well as emotional, financial and legal obstacles, often alone and without support; and

***WHEREAS***, their commitment to these children is to provide a healthy, safe and happy childhood; and

***WHEREAS***, the significance of the care and nurturing of these children by their kin deserves to be recognized;

***NOW, THEREFORE***, I, Charles L. Hunter, Mayor of the City of Gig Harbor, do proclaim May 19, 2010, as

### ***KINSHIP CAREGIVER DAY***

and invite all citizens of Gig Harbor to join me in the special observance being celebrated across our Country.

---

Charles L. Hunter, Mayor

---

Date



RECEIVED  
APR 15 2010  
CITY OF GIG HARBOR

April 12, 2010

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

Dear Mayor Hunter:

I am writing this letter on behalf of the relative headed families in your community, requesting your city recognize Wednesday, May 19, 2010 as KINSHIP CAREGIVER DAY in your city. Governor Gregoire has issued and signed a state proclamation and I am enclosing a copy for your use. Most towns and cities in our county adopt the proclamation at a scheduled council meeting. I can arrange for a representative to attend a council meeting and receive the proclamation if you would like. I may be reached at 253-565-4484 ext 105 or emailed at [eowen@hopesparks.org](mailto:eowen@hopesparks.org) with the date, time and location of the council meeting. Otherwise, when the proclamation is signed, please return it to me and we will display it in our office.

In 2009, 962 Pierce County relative headed families were served with the majority of caregivers being from 55 to 74 years of age. The average age of these children was 10.53 years of age. In 2009, Pierce County Relatives Raising Children Program provided financial support for basic needs in the amount of \$ 129,379.00. In addition a clothing closet, Easter baskets, holiday gifts and summer camp opportunities were utilized.

The staff of Pierce County Relatives Raising Children Program is available to meet with community groups to learn of the concerns and issues of relative caregivers and provide information.

On behalf of the relative headed families and the children they are raising in your community, thank you for issuing this proclamation.

Sincerely,

Edith Owen, Coordinator  
Pierce County Relatives Raising Children



# The State of Washington



## Proclamation

**WHEREAS**, the family is the cornerstone of our communities, state, and nation, and children are the future of society; and

**WHEREAS**, the care, protection, and nurturing of children has traditionally been the responsibility of biological parents, with support from other family members and the community; and

**WHEREAS**, grandparents, uncles, aunts, cousins, and siblings are stepping forward in ever-increasing numbers to assume full responsibility for children whose parents are unable or unwilling to appropriately parent; and

**WHEREAS**, these kin face day-to-day challenges as well as emotional, financial, and legal obstacles, often alone and without support; and

**WHEREAS**, they are committed to providing these children with a healthy, safe, and happy childhood; and

**WHEREAS**, the significant contribution of the care and nurturing of these children by their relatives deserves to be recognized;

**NOW, THEREFORE**, I, Christine O. Gregoire, Governor of the state of Washington, do hereby proclaim May 19, 2010, as

### *Kinship Caregiver Day*

in Washington State, and I urge all citizens to join me in this special observance.

Signed this 25<sup>th</sup> day of February, 2010

A handwritten signature in blue ink that reads "Chris Gregoire".

Governor Christine O. Gregoire



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: 4/22/10

TO: MOLLY TOWSLEE, CITY CLERK  
RE: NEW APPLICATION

UBI: 178-003-963-001-0042

License: 077055 - 1U County: 27  
Tradename: BARTELL DRUG COMPANY #39  
Loc Addr: 5500 OLYMPIC DR WA 98335-1487  
GIG HARBOR

Mail Addr: 4727 DENVER AVE S WA 98134-2316  
SEATTLE

Phone No.: 206-763-2626 JOHN SULLIVAN

APPLICANTS:  
THE BARTELL DRUG COMPANY  
BARBER, JEAN L 1953-03-17  
BARTELL, GEORGE DAVID 1951-09-07

Privileges Applied For:  
GROCERY STORE - BEER/WINE

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

- |   | 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



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: 4/21/10

TO: MOLLY TOWSLEE, CITY CLERK

RE: ASSUMPTION  
From JU, SUN WOO  
DbA KINZA TERIYAKI

APPLICANTS:

KINZA INC

JU, NAN YI 1962-06-23  
JU, SUN WOO 1957-08-18

License: 077031 - 1U County: 27  
UBI: 603-008-097-001-0001  
Tradename: KINZA TERIYAKI  
Address: 6820 KIMBALL DR STE A1 WA 98335-5124  
GIG HARBOR

Phone No.: 253-359-4038 SUN JU

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



# Washington State Liquor Control Board

Consent Agenda - 4c  
Page 1 of 1

April 21, 2010

MAYOR OF GIG HARBOR

This is to notify you that:

GOURMET ESSENTIALS  
5500 OLYMPIC DR #I 102  
GIG HARBOR, WA 98335-1491  
LICENSE #078110 - 1U  
UBI 602-618-829-001-0001

discontinued sales and service of liquor at the above location on APRIL 12, 2010 .

This is for your information and records.

Lori Goodwin  
Customer Service Specialist  
(360) 664- 1661

cc: TACOMA ENFORCEMENT  
FILE





# Washington State Liquor Control Board

April 29, 2010

GIG HARBOR SPIRITS INC  
C/O TRACEY SCHNERINGER  
1109 14TH AVE  
FOX ISLAND WA 98333-9692

RE: LIQUOR AGENCY #608 GIG HARBOR SPIRITS  
4904 BORGES BLVD NW STE A  
GIG HARBOR WA 98332-5723  
License No. 406424- 1U  
UBI# 603 002 291 001 0001

Type of Liquor Application: NEW APPLICATION

Privilege applied for: BEER/WINE SPECIALTY LIQUOR AGENCY

Reason for Refund: WITHDRAWN

Fee submitted to Liquor Control Board.....\$	111.00
Fee Required for Liquor License.....\$	
Liquor License Application Processing Fee.....\$	75.00
Amount of Refund Due.....\$	36.00

cc: Molly Towslee, City Clerk  
File





Washington State  
Liquor Control Board

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May 3, 2010

Dear Local Authority

Subject: New Beer/Wine Tastings Endorsement

The 2010 Legislature created a new license endorsement for Grocery Store licensees with Substitute Senate Bill #6329. This new endorsement allows a Grocery Store licensee to offer beer and wine tastings and takes effect June 10, 2010. You have received this letter because it is our intention to notify your department of these applications and there is likely to be a significant number of them in the first few months. We want you to be prepared for this as well as be available for any questions you may have. Below are the details regarding the new endorsement.

QUALIFICATIONS

- The licensee must have retail sales of grocery products for off-premises consumption that are more than 50 percent of the licensee's gross sales, or the licensee is a membership organization that requires members to be at least 18 years of age;
- The licensee must operate a fully enclosed retail area encompassing at least 9,000 square feet. (The board may issue an endorsement to a licensee with a retail area encompassing less than 9,000 square feet if the board determines that no licensee in the community the licensee serves meets the square footage requirement).
- The licensee meets operational requirements established by the board by rule.
- The licensee has not had more than one public safety violation within the past two years. Public Safety Violations are violations such as sales to minors and over service.

Additional Requirements:

1. Employees of licensees whose duties include serving during tasting activities must hold a class 12 alcohol server (MAST) permit;
2. Wineries and breweries may provide personal services such as pouring at a grocery store holding a beer and wine tasting endorsement. The cost of sampling may not be borne, directly or indirectly, by the brewery or winery; and
3. A licensee may advertise tasting events only within the store, on a store website, in store newsletters and flyers, and via e-mail and mail to customers who have requested notice of events.

TASTINGS MUST BE CONDUCTED UNDER THE FOLLOWING CONDITIONS

- Samples must be 2 ounces or less, up to a total of 4 ounces per customer during any one visit to the premises;
- The licensee must have food available for the tasting participants;
- Customers must remain in the service area while consuming samples; and

- The service area and facilities must be located within the licensee's fully enclosed retail area. The retail area must be of a size and design so that the licensee can observe and control persons in the area to ensure that persons under 21 years of age and apparently intoxicated persons do not possess or consume alcohol.

Grocery stores meeting the above qualifications and desiring to obtain this endorsement must:

- Complete and submit an Application for Added Endorsement (LIQ 756-50), to the Liquor Control Board, License Division. The fee for this added endorsement is \$200 and the form may be found on-line at our website address of [www.liq.wa.gov](http://www.liq.wa.gov).
- The local authority is notified of your application and is allowed 20 days to respond, therefore, the expected processing time will be 30 to 60 days.
- Although it is our expectation that we will not be ready to accept applications until on or near the effective date of June 10, 2010, we may be ready earlier. Please check our website at the above address for the latest updates.

If you have any questions regarding this new endorsement, you may contact our customer service staff at (360) 664-1600.

Sincerely,

Alan E. Rathbun

Director Licensing and Regulation Division



**Subject: Personnel Policy Amendment - calculation of Overtime and Compensatory time.**

**Proposed Council Action:**

Amend the City's Personnel Policies to reflect changes made in the Employee Guild Contract.

**Dept. Origin:** Administration

**Prepared by:** Rob Karlinsey

**For Agenda of:** April 26, 2010

**Exhibits:** Amendment

Initial & Date

**Concurred by Mayor:**

CLH 4/29/10

**Approved by City Administrator:**

ROK

**Approved as to form by City Atty:**

by email 4-29-10

**Approved by Finance Director:**

OR 4/10

**Approved by Department Head:**

\_\_\_\_\_

Expenditure Required	Amount Budgeted	Appropriation Required
n/a		

**INFORMATION / BACKGROUND**

The current Employee Guild Contract changed the way overtime and compensatory time are calculated. Rather than overtime and comp time being triggered by working more than eight hours in a day as it was in the past, overtime and compensatory time are now based on the work week (working more than 40 hours in the work week).

One employee, the City Clerk, is not covered under the guild contract, and is still subject to the Personnel Policies, which trigger overtime and comp time after eight hours in a day. The attached proposed change in the Personnel Policies brings the overtime and comp time calculation in line with the guild contract.

**FISCAL CONSIDERATION**

This amendment should result in reduced overtime and comp time costs to the City.

**BOARD OR COMMITTEE RECOMMENDATION**

This recommendation was discussed at the Finance & Safety Committee in early/mid 2009.

**RECOMMENDATION / MOTION**

**Move to:** Amend the Personnel Policies as attached.



RESOLUTION NO. 833

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING AN AMENDMENT TO THE 2006 PERSONNEL REGULATIONS MANUAL RELATED TO CALCULATION OF OVERTIME AND COMPENSATORY TIME.**

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**WHEREAS**, the City of Gig Harbor Personnel Regulations Manual is updated on an as-needed basis; and

**WHEREAS**, the current Employee Guild Contract changed the way overtime and compensatory time are calculated; and

**WHEREAS**, rather than overtime and comp time being triggered by working more than eight hours in a day as it was in the past, overtime and compensatory time are now based on the 40-hour work week; and

**WHEREAS**, an amendment to the manual is needed to provide to bring the overtime and compensatory time calculation in line with the guild contract; and

**WHEREAS**, the inclusion of this minor policy adjustment in the manual is chiefly necessary for the efficient operation of the City; now, therefore,

**THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

Section 1. The City Council hereby adopts an amendment to the 2006 City of Gig Harbor Personnel Regulations, attached hereto as Exhibit A and incorporated herein by this reference.

RESOLVED by the City Council this 10th day of May, 2010

APPROVED:

\_\_\_\_\_  
Charles L. Hunter, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Molly M. Towslee, City Clerk

Filed with the City Clerk: 04/28/10  
Passed by the City Council: 05/10/10  
Resolution No. 833

Exhibit A

**PERSONNEL REGULATIONS AMENDMENT  
5/10/10**

**I. HOURS OF WORK**

Except as otherwise specifically provided for, the normal work week for full-time employees, ~~other than sewer treatment employees,~~ shall consist of forty hours; five consecutive days Monday through Friday at eight hours. The eight-hour day does not include a -30 minute meal period. The eight-hour day does include a fifteen (15) minute break in the morning and the same in the afternoon.

~~According to FLSA,~~ Except as otherwise specifically provided for, the normal work week for full-time, regular employees, ~~other than sewer treatment employees,~~ shall consist of a fixed and regularly recurring period of 168 hours, seven consecutive 24-hour periods and it need not coincide with the calendar week. (The typical work week begins 12:00 midnight on Sunday and continues through Saturday). In addition, when authorized by the collective bargaining agreement of MOU, other flexible work schedules may be developed for uniformed police officers eligible for Section 7 (K) work periods. The normal work week for sewer treatment employees shall consist of forty hours worked of five consecutive days of eight hours exclusive of a 30 minute meal period on the employees' own time unless mutually agreed by all parties. Concurrent schedule approval by the City Administrator, department director, and the employee must occur before flextime may be authorized.

**N. OVERTIME**

1. Except as otherwise specifically provided for in collective bargaining unit agreements, when approved by a department director, overtime shall be paid for each hour worked beyond ~~eight (8) hours a day or~~ forty (40) hours a week. The rate of pay shall be one and one half times the normal hourly rate of pay. Overtime pay shall be calculated to the nearest half hour interval.
2. Department directors shall receive pay for overtime when the following conditions exist:
  - a. A paid overtime employee is not available;
  - b. The work performed is non-supervisory; and
  - c. The work must be accomplished immediately.

The rate of pay shall be one and a half times the averaged pay rate for the position normally required to perform the work.



**Subject: APPOINTMENTS TO GIG HARBOR ARTS COMMISSION**

**Proposed Council Action:**

A motion to re-appoint Karen Peck and Dale Strickland to serve three-year terms, to appoint Charlee-Glock Jackson and Juleen Murray Shaw to three year terms, and Appoint Mardie Rees to complete the term ending March 31, 2011.

**Dept. Origin:** Administration

**Prepared by:** Boards/Commission Review Committee

**For Agenda of:** May 10, 2010

**Exhibits:** Application Packages

Initial & Date

**Concurred by Mayor:** CLH 4/29

**Approved by City Administrator:** PB/K

**Approved as to form by City Atty:** N/A

**Approved by Finance Director:** N/A

**Approved by Department Head:** \_\_\_\_\_

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

**INFORMATION / BACKGROUND**

Last fall a member of the Gig Harbor Arts Commission resigned, leaving a vacancy. An ad was placed on the web and in the paper, but there was no response. The deadline was extended. In March four members' terms expired leaving five openings on the Commission.

Karen Peck and Dale Strickland, who have both served one term, submitted letters asking to be re-appointed. We received three other applications. The committee reviewed the candidates' qualifications.

**FISCAL CONSIDERATION**

N/A

**BOARD OR COMMITTEE RECOMMENDATION**

The following recommendation came from the review process.

**RECOMMENDATION / MOTION**

**Move to:** A motion to re-appoint Karen Peck and Dale Strickland to serve three-year terms, to appoint Charlee-Glock Jackson and Juleen Murray Shaw to three year terms, and Appoint Mardie Rees to complete the vacated term ending March 31, 2011.



## City of Gig Harbor Arts Commission

ADDRESSES AND PHONE NUMBERS ARE EXEMPT FROM PUBLIC DISCLOSURE PER RCW 42.56.250

Name/Address	Phone:	Term:	Appointed:
Robert Sullivan, Chair 9360 Milton Avenue Gig Harbor, WA 98332 <a href="mailto:Rsulli8090@aol.com">Rsulli8090@aol.com</a>	857-4102 (hm) 549-8778 (cell)	3/31/12	2006 – 1 <sup>st</sup> Term 2009 – 2 <sup>nd</sup> Term
Tracy von Trotha, Vice Chair 5212 25 <sup>th</sup> Avenue NW Gig Harbor, WA 98335 <a href="mailto:tvontrotha@hotmail.com">tvontrotha@hotmail.com</a>	509-0308	3/31/11	2008 – 1 <sup>st</sup> Term
Michael Jones 4620 Bear Creek Lane Gig Harbor, WA 98335 <a href="mailto:mhjonesdvm@aol.com">mhjonesdvm@aol.com</a>	858-6084	3/31/10	2007 – 1 <sup>st</sup> Term
Summer Lane Landry 12808 Pt. Richmond Dr. NW Gig Harbor, WA 98332 <a href="mailto:summer@lanelandry.com">summer@lanelandry.com</a>	858-0801	3/31/11	2009 – 1 <sup>st</sup> Term
Ron Carson PO Box 609 1021 Paha View Drive Fox Island, WA 98333 <a href="mailto:rdcss@comcast.net">rdcss@comcast.net</a>	549-7551	3/31/10	2007 – 1st Term
Karen Peck 8601 Goodman Drive Gig Harbor, WA 98332 <a href="mailto:PeckK@Peninsula.wednet.edu">PeckK@Peninsula.wednet.edu</a> or <a href="mailto:pecks@harbornet.com">pecks@harbornet.com</a>	858-6087	3/31/10	2007 – 1 <sup>st</sup> Term
Dale Strickland 4411 80 <sup>th</sup> Avenue NW Gig Harbor, WA 98335 <a href="mailto:kdstrick@centurytel.net">kdstrick@centurytel.net</a>	265-2019	3/31/10	2007 – 1 <sup>st</sup> Term
VACANT POSITION		3/31/11	2008 – 1 <sup>st</sup> Term
Carola Filmer PO Box 1553 Gig Harbor, WA 98335 <a href="mailto:carola@blackwatertrading.com">carola@blackwatertrading.com</a>	851-2551	3/31/11	2008 – 1 <sup>st</sup> Term
Lita Dawn Stanton (support staff) Special Projects Coordinator City of Gig Harbor 3510 Grandview St. Gig Harbor, WA 98335 <a href="mailto:stantonl@cityofgigharbor.net">stantonl@cityofgigharbor.net</a>	853-7609 (desk)		

Towslee, Molly

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From: Stanton, Lita  
Sent: Monday, March 15, 2010 9:59 AM  
To: Towslee, Molly  
Subject: FW: Arts Commission

Below is Commissioner Karen Peck's request to continue serving on the Arts Commission.

She is on the subcommittee for the Outdoor Gallery Program. With so few meeting dates (4) each year, it would be very difficult for a brand new Commissioner to pick up the ball and complete the project.

-----Original Message-----

From: Karen Peck [mailto:pecks@harbornet.com]  
Sent: Sunday, March 14, 2010 3:33 PM  
To: Stanton, Lita  
Subject: Arts Commission

8601 Goodman Drive NW  
Gig Harbor ,Wa. 98332

March 13, 2010

To: Lita Dawn Stanton

Re: Gig Harbor Arts Commission

I have served on the Gig Harbor Arts Commission since April of 2007 and am requesting an extension to continue to serve for another three year term.  
Thank you,  
Karen Peck

4411 80th Ave. NW  
Gig Harbor, WA 98335  
March 25, 2010

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

Dear Mayor Hunter,

As of March 31, 2010, my first term as a City of Gig Harbor Arts Commissioner will be completed. My education and professional career had been in the field of arts education, and since my retirement I have tried to be a spokes person for the arts in our community.

It is with this spirit that I submit this letter to express my interest in serving on the Gig Harbor Arts Commission for a second term.

I welcome the opportunity to serve the community of Gig Harbor. Thank you for your consideration.

Sincerely,



Dale H. Strickland

Rec'd

MAR 26 2010



# Application for City of Gig Harbor Commissions, Boards or Committees

(Additional information and/or a resume may be submitted with this application)

Name CHARLEE GLOCK-JACKSON  
Physical Address 8450 SE WILLOCK RD Phone (253) 857-5601  
Mailing Address \_\_\_\_\_  
City OLALLA State WA Zip Code 98359

How long have you resided in Gig Harbor? 30 years  
Are you a resident of the City Limits? Yes  No  How long? \_\_\_\_\_

What is your interest/objective in serving on this Board or Commission? I have many years experience in promoting the arts - artists, events, artistic opportunities, etc. Have a keen personal interest in the Arts.

What is your educational background?  
College - (philosophy/music)

Do you have other civic obligations and/or memberships in professional organizations (please list office held, duties, and term of office)?

OLALLA Blues/Jazz Festival (founder/PR director)  
OPEN STUDIO TOUR (PR director)

What previous experience do you have serving on a board, committee or commission?

see above; have also been Board member at Broadway Ctr for the Performing Arts (Tacoma) Project Sound Councils of Campfire; Wintergrass & many others

Where are you currently employed (job title, employer, dates, supervisor, phone)?

Self employed marketing consultant. Freelance writer/journalist

### Boards, Committees and Commissions Interest

Please indicate which Boards, Committees or Commissions you would be interested in serving on.

- Arts Commission
- Building Code Advisory Board
- Design Review Board
- Lodging Tax Advisory Board
- Parks Commission
- Planning Commission
- Volunteer \_\_\_\_\_

Please return completed application to:

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

Applicant Signature

(Over)

Date 22 March 10



REFERENCES (Please list a minimum of three (3) references).

Name	Address	Business	Phone Number
CAROL VALSTYN	Cromwell Dr., G.H.	Past President, Peninsula Art League	265-8139
JIM VALLEY	_____	internationally-known children's entertainer	265-3758
ED. JOHNSON	Wrena	Empirex photo-wrap, Express Transport	857-7272
Jo Simms	Artondale	Registered Nurse	858-7287

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

I have many years' experience in creating and promoting art events - I was Marketing & Education Director at The Breuninger Center for the Performing Arts for several years; then was a member of their Board of Directors for two years.

I was Marketing Director for First Night - Tacoma/ Pierce County for four years (secured live coverage from two Seattle TV stations for the 2000 & 2001 Celebrations). I founded and continue to co-manage The Olalla Bluegrass Festival (now in its 19th year!) and co-founded the Wintergrass Bluegrass Festival.

For the past two years I have done publicity/PR for The Greater Seabeck Peninsula Open Studio Tour (my husband, a metal sculptor, was a founding participant and ~~is~~ is still participating).

I regularly cover the arts (as a reporter) for Seabeck Harbor Life.

I'm a passionate advocate for the arts & have lobbied in Olympia for arts support.

I'm a volunteer for Peninsula Art League and my husband & I create the promotional materials for their Summer Art festival.





# Application for City of Gig Harbor Commissions, Boards or Committees

(Additional information and/or a resume may be submitted with this application)

Name JULEEN MURRAY SHAW  
Physical Address 4622 HOLLY LANE NW Phone 253-858-8891  
Mailing Address SAME  
City GIG HARBOR State WA Zip Code 98335

How long have you resided in Gig Harbor? 8 YEARS

Are you a resident of the City Limits? Yes  No  How long? \_\_\_\_\_

What is your interest/objective in serving on this Board or Commission?  
Coff REID DRIVE

Please see attached answer + attached BIO + Resumes (2)

What is your educational background? BA in SPEECH/THEATRE +  
Pursuing MA in Theatre

Do you have other civic obligations and/or memberships in professional organizations (please list office held, duties, and term of office)?  
/

What previous experience do you have serving on a board, committee or commission?  
SERVED ON SEATTLE SAG BOARD  
(SCREEN ACTOR'S GUILD)

Where are you currently employed (job title, employer, dates, supervisor, phone)?  
SELF EMPLOYED

**Boards, Committees and Commissions Interest**

Please indicate which Boards, Committees or Commissions you would be interested in serving on.

- Arts Commission
- Building Code Advisory Board
- Design Review Board
- Lodging Tax Advisory Board
- Parks Commission
- Planning Commission
- Volunteer \_\_\_\_\_

Please return completed application to:

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

Applicant Signature Juleen Murray Shaw Date 2.16.10  
(Over)

REFERENCES (Please list a minimum of three (3) references).

MANAGING ARTISTIC DIRECTOR

Name	Address	Business	Phone Number
SCOT WHITNEY	202 4 <sup>TH</sup> AVE E. OLYMPIA, WA 98501	HARLEQUIN PRODUCTIONS	email: scot@harlequin productions. org
MARY GLENN	1920 CLORINDI CIRCLE GIG HARBOR, WA 98335	HARBOR MONTESSORI	253-691-6756
TAMMY TAYLOR	3509 107 <sup>TH</sup> ST NW GIG HARBOR 98332	WELLS FARGO BANK	253-686-5805
Cathy Rich	2614 52 <sup>ND</sup> AVE NW GIG HARBOR 98335	ST. ANTHONY HOSPITAL	253-576-2757

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

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Please  
See  
Attached

**What is your interest/objective in serving on this Board or Commission?**

Serving on the Gig Harbor Arts Commission would fulfill my desire to bring continued awareness and involvement to the arts scene in Gig Harbor. There have been great strides made in the last decade, but, there is much more to do for the multitalented performing and fine artists in our community.

Great art is always created during difficult times. Writers, performers, painters, illustrators, filmmakers, and poets are able to give voice to the frustrations, lessons, and joys we experience when we are challenged by joblessness, financial hardship, war, and hopelessness. My desire is to help shine a light on the artists who surround us on a consistent basis. Not only is this a satisfying venture, but, it is fun as well and we all need a little more fun these days.

My other goal is to make sure that children are, not only exposed to the arts, but involved in the arts as well. When children take part in the arts they become creative thinkers, better problem solvers, and they are able to see the world from many different points of view.

I would be honored to serve on the Gig Harbor Arts Commission. I have vast experience in the performing arts and believe I would bring a unique perspective to the board.

Thank you in advance for considering my application and look forward to hearing from you soon.

Most Sincerely,

Juleen Murray Shaw

## BIO

**Juleen Murray Shaw, (Actress, Writer, Producer, Director)** – Has a BA in Speech/Theatre and has been working as a professional actress for 30+ years with deep credits in film, TV, and theatre. She also produced and starred in her own award winning short film *Dreamer* which has been seen in film festivals around the country and in China. Juleen starred in the hilarious short film *Sly Dog* that was recently on the film festival circuit.

In 2005 Juleen released her children's combo DVD/CD series entitled *Nursery Tap, Hip to Toe* for which she received a **George Foster Peabody Award**. This is the first time in Peabody history that a direct to home children's DVD/CD has been honored with this prestigious and coveted award that recognizes "*global excellence in electronic media*". *Nursery Tap, Hip to Toe* joins the likes of Howdy Doody, Captain Kangaroo, and Sesame Street as permanent residents at the **Museum of Television & Radio** in New York City as well as the **Peabody Archives** at the University of Georgia.

Along with the Peabody Award, *Nursery Tap, Hip to Toe, Volume One* has also been a recipient of 9 other national awards including; **A Parents' Choice "Recommended" Award, Oppenheim Toy Portfolio Award, iParenting Media Best Products 2005, Dr. Toy's Best Smart Play/Best Toy Product 2005, The Dove Foundation Seal of Approval Highest Rating-5 Doves, 2005 Telly Bronze Award, 2005 Top Creative Toy "Preferred Choice" Award, KIDS FIRST! Endorsement 2005 and Award of Excellence from review corner.com.**

*Nursery Tap Hip to Toe, Volume Two* was released late in 2006 and received **A Parents' Choice "Silver" Honor Award, Creative Child Magazine's DVD of the Year Award, iParenting Media Award, Scholastic Parent & Child Magazine Teachers "Best of 2006" and the Dove Foundation Seal of Approval's Highest Rating-5 Doves.**

Juleen continues to write and produce children's content in the form of books, plays, and recording books on CDs.

Juleen is also listed in *Who's Who in America, Who's Who Women in America, and Who's Who in the World.*

## **Juleen Murray Shaw**

---

4622 Holly Lane NW, Gig Harbor, WA 98335; juleen@nurserytap.com Tel: 253-380-8862

### **Objective: Gig Harbor Arts Commission**

#### **Relevant Experience Overview**

- Eight years actively writing original content for award winning *children's programming*
- Proven expertise in directing all phases of production including budget management
- Personable, energetic, and persuasive in communicating creatively with co-workers
- Proven skills in creative problem solving
- Self-motivated and confident in making independent decisions
- **Highly organized and able to meet deadlines**
- Proven *skills in TV/Radio/Newspaper interviews*
- **Complete understanding and implementation of successful national and regional publicity campaigns**

#### **Work Experience**

---

##### **Writer/Producer/Director of Award Winning Children's DVDs/CDs**

###### **Nursery Tap, LLC, (Owner) Gig Harbor, WA**

- Created innovative scripted content for nationally recognized and distributed DVDs/CDs
- Produced and budgeted shoot, gathered talent, designed all costumes & sets
- Directed all aspects of pre & post production
- Managed and co-wrote national publicity campaigns for product

###### **Achievements & Awards**

- **George Foster Peabody Award - Nursery Tap Children's DVDs/CDs. First time in history given to a direct to home children's DVD.**
- **Nursery Tap, Volume One is a permanent resident at the Museum of Television & Radio in New York City as well as the Peabody Archives at the University of Georgia.**
- **A Parents' Choice "Silver Honor" Award**
- **A Parents' Choice "Recommended" Award**
- **Creative Child Magazine "DVD of the Year" Award**
- **Creative Child Magazine "Preferred" Award**
- **iParenting Media Award (twice)**
- **Telly Award**
- **Kids FIRST! Endorsement**
- **Award of Excellence, review.com**
- **Teacher Picks, "Best of 2006" Scholastic Parent & Child Magazine**
- **Dove Foundation "Seal of Approval" (twice)**

###### **Professional Actress**

- Performed as a professional actress in major markets (LA, New York, & Northwest) racking up deep credits in TV, film, & theatre
- Performed in over 100 regional and national commercials

**Professional Associations**

- Member of **SAG** (Screen Actor's Guild)
- Member of **AFTRA** (American Federation of Television & Radio Artists)

**Head of Theatre Department**

St. Patrick School, Tacoma, WA

- Created and implemented middle school theatre department, teaching all aspects of performing arts
- Wrote, produced, and directed original content for all school assemblies
- Wrote, produced, and directed original Reader's Theatre script
- Directed all aspects of fully produced major Spring Musical—two completely separate casts totaling 40+ students to maximize participation opportunities with two performances per cast

**Achievements and Awards**

- **Fulcrum Foundation Grant Recipient**

**Owner/Director**

The Performance Place, Gig Harbor, WA

- Designed state of the art performing arts studio for children ages 3-18 & adults
- Designed complex class schedule that included all performing arts disciplines including; acting, ballet, jazz, tap, hip hop, and voice
- Wrote, produced, directed original content shows for over 120 performers

**Volunteer Experience**

- **Children's Literacy**
  - **Harbor Montessori**, Gig Harbor, WA. Actively read original and published work in performance style to all ages
  - **Co-Chair of St. Nicholas School Library**, Gig Harbor, WA. Created and implemented performance style reading program for entire school. Also implemented and directed **Reader's Theatre Program** and created, wrote, and directed original work for major productions
  - **St. Patrick School**, Tacoma, WA. Designed, implemented, and directed **Reader's Theatre Program**
  - **Seattle PI** – Created blog and reviewed children's books

**Education**

**Bachelor of Arts -Speech & Theatre/Moorhead State University, Moorhead, MN**

- Includes five summers as a resident company member with well known stock company working with Broadway choreographers, actors, and directors
- Leads in over 40 shows
- Assistant choreographer to major choreographers over 20 musical productions



Award-Winning Rhyming Sensation!

# Nursery Tap Hip to Toe

VOLUME TWO

## Nursery Tap Hip to Toe™ VOL. TWO



### Nursery Tap Hip to Toe™ VOLUME TWO

#### The Newest in the Award-Winning Series!

Like Volume One, Nursery Tap Hip to Toe, Volume Two™ DVD presents nursery rhymes with a twist...set to the toe-prancing, hip hop, tap dancing of dancer's feet! Traditional favorites like "Mary Had a Little Lamb," "Fiddle Dee Dee" & "Twinkle, Twinkle Little Star" are mixed with French and Chinese rhymes to give Volume Two a wonderful international flavor. These charming, funny and touching rhymes will introduce children to the performing arts through word play, rhythm, rhyming, and dance. Eye-catching costumes and sets will hold the attention of even the youngest of viewers as the visually exciting and creative images flash across the screen. Once again, children will be entranced with the creative dance adaptations of the world's most beloved rhymes.

Nursery Tap Hip to Toe Volume One™ is one of the most honored children's DVDs having received awards and accolades from prestigious organizations that recognize the best in children's products. It is the first children's DVD in history to win a George Foster Peabody Award and is a permanent fixture at the Museum of Television and Radio in New York City.

#### Nursery Tap Hip to Toe Volume Two DVD EXTRAS

- Basic Ballet Barre Positions
- Basic Tap Steps
- Report Fly
- Chapter Selections

Packaged with a FREE soundtrack CD!

Children Ages: 2 to 7  
Approximately 33-minute Delic-Not Rated DVD.  
©2006 Nursery Tap, LLC. All Rights Reserved.  
Package Design by Robins Design Studio.  
Printed in USA.

Children  
Ages:  
2 to 7  
DVD  
VIDEO

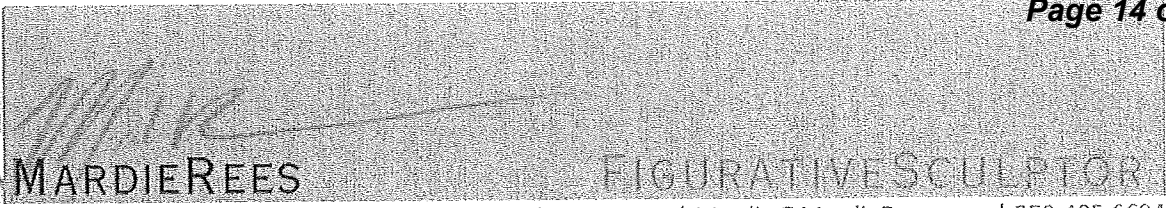
1-888-855-0545  
[www.nurserytap.com](http://www.nurserytap.com)

"An exquisitely imagined concept...  
this is a DVD from which to learn and treasure."

~Parents' Choice Foundation







Lives & Works in Gig Harbor, WA

MardieRees.com | Mardie@MardieRees.com | 253.405.6694  
| 5810 Sandin Packard Rd NW #A Gig Harbor, WA 98335 |

City of Gig Harbor  
ATTN: Mayor Chuck Hunter  
3510 Grandview Street  
Gig Harbor, WA 98335

4/14/2010

Dear Mayor Hunter,

How are you doing? I hope you are enjoying the Spring weather!

I am writing to be considered for the position available on the Gig Harbor Arts Commission. I have lived in Gig Harbor for twenty-two years and though I have been a professional artist for most of my life, I have not yet had the privilege to serve on a board related to my occupation. I would be honored to aid the Arts Commission and the City of Gig Harbor in making educated decisions related to public art and grants that would be beneficial to Gig Harbor residents. I feel my personal experience as a professional artist, as well as my education in the arts would be a great asset to the board.

My sincere thanks for your consideration.

All the best,

A handwritten signature in black ink that reads 'Mardie Rees'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mardie Rees





MARDIE REES

FIGURATIVE SCULPTOR

Lives & Works in Gig Harbor, WA  
Born: Tacoma, WA 1980

MardieRees.com | Mardie@MardieRees.com | 253.405.6694  
| 5810 Sandin Packard Rd NW #A Gig Harbor, WA 98335 |

#### Awards & Honors

- 2010 International Portrait Competition Finalist, Portrait Society of America, Portrait Bust "Truth Beloved", Art of the Portrait Conference & Banquet, Washington D.C.
- 2009 Sculpture Only Industry Award, Chavant Inc. for "Truth Beloved," Fall 2009
- 2009 *Sculptural Pursuit*, Sculpture Only Industry Award, Chavant Inc. for "Truth Beloved," Fall 2009
- 2008 Margaret K. Williams Award, for Excellence in the Arts in the "Career Category", Juried by Pierce County Arts Commission, Nominated by the Gig Harbor Rotary Club, Tacoma, WA
- 2000-2003 Portfolio Scholarship, Laguna College of Art & Design, Laguna Beach, CA
- 2002 President of Student Body, Laguna College of Art & Design, Laguna Beach, CA
- 1998 Certificate of Merit, Art I, II, III, IV, Academia Alianza, Quito, Ecuador

#### Clubs

- 2010 Portrait Society of America, Tallahassee, FL
- 2010 Allied Artist of America, New York, NY
- 2008-2010 Pacific Northwest Sculptors, Portland, OR
- 2009-2010 Seattle Sculptors Guild, Seattle, WA
- 2005-2010 Gig Harbor Rotary Club Member, Gig Harbor, WA
- 2005-2010 Artist Trust Member, Seattle, WA

#### Collections

- Franciscan Health Systems, St. Anthony Hospital, Main Lobby, Gig Harbor, WA
- City of Gig Harbor, Skansie Brothers Park, Gig Harbor, WA
- Rick & Debbie Oehmcke, Gig Harbor, WA
- Don & Sharon Castle, Sun Valley, ID
- Peter & Janet Stanley, Tacoma, WA
- Floyd & Sandra Olsen, Gig Harbor, WA

#### Selected Bibliography

- Steve Meltzer, "Struggling Toward the Light: Gig Harbor Sculptress Mardie Rees," *Westsound Home & Garden*, Summer 2009.
- Susan Schell, "St. Anthony Statue Comes Together," *Peninsula Gateway*, November 26, 2008.
- Gregg McClellan, "Sculptor Mardie Rees with her sculpture St. Anthony & Child being assembled at the Foundry," *C-RCC Pierce County News Channel 22*, November 20, 2008
- Gregg McClellan, "Margaret K. Williams Award Ceremony", *C-RCC Pierce County News 22*, November 13, 2008
- Susan Schell, "Sculptor Rees Wins Art Award," *Peninsula Gateway*, October 29, 2008.
- Susan Schell, "Mardie Has Created Life Size Statue of St. Anthony," *Peninsula Gateway*, October 15, 2008.
- Gale Robinette, "Original art to enhance Healing Environment at St. Anthony Hospital," *Franciscan Health!*, Summer, 2008.
- Mardie Rees, "Laguna College Alumna Mardie Rees Commissioned for Prestigious Hospital Sculpture," *Mission Viejo News Weekly*, August 22, 2008.
- Callie White, "Melding Art with History," *Peninsula Gateway*, April 19, 2006.
- Brent Champaco, "Is a Woman's Place in the Art?," *Tacoma News Tribune*, September 9, 2005.



Lives & Works in Gig Harbor, WA  
Born: Tacoma, WA 1980

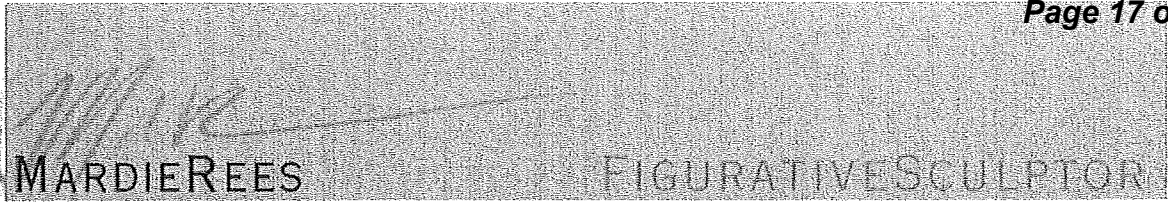
MardieRees.com | Mardie@MardieRees.com | 253.405.6694  
| 5810 Sandin Packard Rd NW #A Gig Harbor, WA 98335 |

### Commissions

- 2009 Private Sculpture Commission, Rick & Debbie Oehmcke, *Daughters: Candice & Jackie*, Portrait Bust, Bronze, Gig Harbor, WA
- 2008-09 Life Size Sculpture Commission, *St. Anthony & Child*, Bronze, St. Anthony Hospital Main Lobby, Franciscan Health System, Gig Harbor, WA
- 2007 Private Sculpture Commission, Don & Sharon Castle, *Father & Sons*, Bronze, Sun Valley, ID
- 2005-2006 Sculpture Commission for City of Gig Harbor, *Skansie Brothers Park Medallion*, WA

### Exhibitions

- 2010 International Portrait Competition Finalist, Portrait Society of America Conference, Portrait Bust "Truth Beloved," Hyatt Regency Reston, Washington D.C.
- 2010 RISE: Fine Art Exhibit, Seattle Design Center, EDGE Graduates Group Show & Benefit, Seattle, WA
- 2010 CVG Show, Collective Visions Gallery, Washington State Juried Art Competition, Bremerton, WA
- 2009 St. Anthony Hospital Grand Opening Celebration, Gig Harbor, WA
- 2009 CVG Show, Collective Visions Gallery, Washington State Juried Art Competition, Bremerton, WA
- 2009 Portland International Airport, PNW Sculptors, Juried Regional Arts & Culture Council, Portland, OR
- 2008 *Sotto Voce*, Fairhaven Mausoleum Art Exhibit, Juried LCAD Alumni, Santa Ana, CA
- 2008 Tacoma Art Museum Gala, Juried Art Sale, Tacoma, WA
- 2008 Gig Harbor Open Studio Tour, Gig Harbor, WA
- 2008 *Portal Party*, Real Carriage Door Company Open House & Art Show, Gig Harbor, WA
- 2007 Gig Harbor Open Studio Tour, Gig Harbor, WA
- 2006-07 *Dawn to Dawn*, Traveling Exhibit "Jacob's Struggle" Orange, Riverside, Capo Beach, Irvine, CA
- 2006 Showcase Tacoma, Live Sculpting, Tacoma, WA
- 2006 Pt. Defiance Flower & Garden Show, Juried Sculpture Garden, Tacoma, WA
- 2006 Skansie Brother's Park Medallion Dedication, Gig Harbor, WA
- 2006 *After the Edge*, EDGE Group Show, Works Gallery, Bellingham, WA
- 2005 Best of Northwest, Magnuson Park, Seattle, WA
- 2005 *Pacific Rim Miniature Show*, Lakewood Gallery, WA
- 2005 Puyallup Art & Wine Walk, Puyallup, WA
- 2005 *Lone Wolf Project*, Fine Art Exhibition and Open House Design-Built by Don Rees, Gig Harbor, WA
- 2004 *Seeing Red*, Lynwood Arts Commission Juried Art Show, Lynwood, WA
- 2004 Coast Hills Community Church, Solo Exhibition of "Jacob's Struggle", Aliso Viejo, CA
- 2003 Coast Hills Community Church, Annual Exhibition, Aliso Viejo, CA
- 2003 Richard MacDonald Gallery, First Thursdays Art Walk, Laguna Beach, CA
- 2003 *Shards of Imagination*, Saddleback Church Gallery, Lake Forest, CA
- 2003 *War & Peace*, Laguna College of Art & Design, Laguna Beach, CA
- 2003 Eckstrom Senior Show, Laguna Beach, CA
- 2000-03 Laguna College of Art & Design Gallery, Juried Show, Laguna Beach, CA
- 2002-03 Art Affair at Gallery 1951, Resident Artist, Laguna Beach, CA
- 2002 *Person, Place or Thing*, Open Studio Show, Gig Harbor, WA
- 2002 Laguna's Cliff Cottages, Laguna Beach, CA
- 2002 Laguna College of Art & Design Gallery, Juried Show, Best of Sculpture, Laguna Beach, CA
- 2000 Sculpture selected for NASAD Portfolio Day, Laguna College of Art & Design, Laguna Beach, CA



Lives & Works in Gig Harbor, WA  
Born: Tacoma, WA 1980

MardieRees.com | Mardie@MardieRees.com | 253.405.6694  
| 5810 Sandin Packard Rd NW #A Gig Harbor, WA 98335 |

"Artist Profiles," *Seattle Magazine*, October 2005.

Colleen McBrinn, "Designer Shares Passion for Modernistic Simplicity," *Seattle Times*, July 30, 2005.

Kalyn Kelly, "House is Home to Unique Design", *Peninsula Gateway*, July, 2005.

#### Education

2005 EDGE Program, Artist Trust, Seattle, WA

2003 Bachelor of Fine Arts Degree, Laguna College of Art & Design, Laguna Beach, CA



# Application for City of Gig Harbor Commissions, Boards or Committees

(Additional information and/or a resume may be submitted with this application)

Name Mardie Rees  
Physical Address 5810 Sandin Packard Rd NW #A Phone 253-405-6694  
Mailing Address   
City Gig Harbor State WA Zip Code 98335

How long have you resided in Gig Harbor? 22 years  
Are you a resident of the City Limits? Yes  No  How long? Just outside on Bothell Hunt

What is your interest/objective in serving on this Board or Commission? My primary ambition is to aid the city to make educated decisions with regard to public art that will be beneficial to Gig Harbor residents.

What is your educational background? Bachelor of Fine Arts Degree, Laguna College of Art & Design, Laguna Beach CA

Do you have other civic obligations and/or memberships in professional organizations (please list office held, duties, and term of office)?  
member of Gt Rotary Club (current)

What previous experience do you have serving on a board, committee or commission?

Where are you currently employed (job title, employer, dates, supervisor, phone)?  
Self employed - Sculptor / Artist

**Boards, Committees and Commissions Interest**

Please indicate which Boards, Committees or Commissions you would be interested in serving on.

- Arts Commission
- Building Code Advisory Board
- Design Review Board
- Lodging Tax Advisory Board
- Parks Commission
- Planning Commission
- Volunteer \_\_\_\_\_

Please return completed application to:

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

Applicant Signature Mardie Rees Date 9/13/2010

(Over)

REFERENCES (Please list a minimum of three (3) references).

Name	Address	Business	Phone Number
Bob Kratz	2521 48th Ave NW Big Harbor	(retired) Fundraiser for St. Anthony Hospital	253-265-6712
Duane Fister	7805 56th Ave Ct NW	Big Harbor Rotary President	home 253-853-5869
Sharon Castle	6722 Ford Dr. NW	Client - family Commissioner	home 253-268-0048
Don Lees	9003 44th Ave NW	Real Carriage Doors	253-853-3811

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

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**Subject: APPOINTMENT TO PARKS COMMISSION**

**Proposed Council Action:**

A motion for the appointment of Robyn Denson to serve the remainder of a three-year term on the Parks Commission.

**Dept. Origin:** Administration

**Prepared by:** Boards/Commission Review Committee

**For Agenda of:** May 10, 2010

**Exhibits:** Application Package

Initial & Date

**Concurred by Mayor:**

CLH 5/3

**Approved by City Administrator:**

RJK

**Approved as to form by City Atty:**

N/A

**Approved by Finance Director:**

N/A

**Approved by Department Head:**

\_\_\_\_\_

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

**INFORMATION / BACKGROUND**

We received one application from Robyn Denson for the vacancy left on the Commission when Jim Borgen moved from the city.

**FISCAL CONSIDERATION**

N/A

**BOARD OR COMMITTEE RECOMMENDATION**

Appointment of Robyn Denson to serve the remaining term on the Parks Commission.

**RECOMMENDATION / MOTION**

**Move to:** A motion for the appointment of Robyn Denson to serve the remainder of a three-year term on the Parks Commission.



Mayor Hunter  
City of Gig Harbor

Re: Parks Commission Vacancy


Dear Mayor Hunter:

I was thrilled to hear of the availability of a position on the Gig Harbor Parks Commission! As you know, I served with great pleasure on the Commission in 2008 and resigned given a temporary overseas research fellowship opportunity in New Zealand. I'm back in Gig Harbor now and am anxious to contribute to the City's good efforts to provide quality outdoor recreation opportunities to its residents through our park system.

As you may recall, I am a mother of two children and we frequent parks weekly; sometimes daily in fact given our proximity to City/Crescent Creek park. In addition to being an avid park-user, I also possess a substantial amount of governance experience having worked with, and served on, a number of committees and boards during my past work in non-profit management and with the State House of Representatives. My past experience also includes a great deal of constituent work as well which I am confident will be an asset to the Commission as we address resident concerns and suggestions.

I look forward to serving on the Parks Commission. You will find me an individual with great integrity and one who will continually and actively strive to listen to all resident concerns and interests and work with my fellow Commissioners to achieve the City's goals as related to parks and recreation.

Warm Regards,



Robyn Denson  
253-509-2912



# Application for City of Gig Harbor Commissions, Boards or Committees

(Additional information and/or a resume may be submitted with this application)

Name Robyn Denson (previously Robyn Dupuis)  
Physical Address 9520 Randall Dr NW Phone 253-509-2912  
Mailing Address Gig Harbor, WA 98332  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

How long have you resided in Gig Harbor? 6 years  
Are you a resident of the City Limits? Yes  No  How long? 5 years

What is your interest/objective in serving on this Board or Commission? I was a past commissioner & resigned because of an overseas commitment. Quality parks are very important to me as a community resident & as a mother of 2 small children.  
What is your educational background? B.A. U of Michigan

Do you have other civic obligations and/or memberships in professional organizations (please list office held, duties, and term of office)?  
not currently

What previous experience do you have serving on a board, committee or commission?  
I was a member of The Parks Commission in 2008

Where are you currently employed (job title, employer, dates, supervisor, phone)?  
Gig Harbor Academy, Director of Admissions & Marketing, Dec '09 - present, Vince Fragasso, 253-265-2150

**Boards, Committees and Commissions Interest**

Please indicate which Boards, Committees or Commissions you would be interested in serving on.

- Arts Commission
- Building Code Advisory Board
- Design Review Board
- Lodging Tax Advisory Board
- Parks Commission - this application
- Planning Commission
- Volunteer \_\_\_\_\_

Please return completed application to:

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

Applicant Signature Robyn Denson Date 4/13/2010

(Over)



**REFERENCES** (Please list a minimum of three (3) references).

Name	Address	Business	Phone Number
Rob Karlinsky		City of GH	351-672
Michael Perrow		Parks Commissioner	509-995-0495
Jacquie Goodwill		Parks Commissioner	777-7722

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

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**Subject: RE-APPOINTMENT TO SALARY COMMISSION**

**Proposed Council Action:**

A motion to re-appoint Harris Atkins to the Gig Harbor Salary Commission

**Dept. Origin:** Administration

**Prepared by:** Boards/Commission Review Committee

**For Agenda of:** May 10, 2010

**Exhibits:** Re-appointment Request

Initial & Date

**Concurred by Mayor:** CIA 5/3

**Approved by City Administrator:** RbK

**Approved as to form by City Atty:** NA

**Approved by Finance Director:** QR 5/3

**Approved by Department Head:** \_\_\_\_\_

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

**INFORMATION / BACKGROUND**

Two terms expired on the Salary Commission. Although the commission is inactive, a request was sent asking if these two members would be willing to serve another term.

Harris Atkins agreed to be re-appointed to a four-year term. A recommendation was made to leave the other position vacant until the time the commission becomes active.

**FISCAL CONSIDERATION**

N/A

**BOARD OR COMMITTEE RECOMMENDATION**

The following recommendation came from the Board and Commission Candidate Review Committee.

**RECOMMENDATION / MOTION**

**Move to:** Re-appoint Harris Atkins to serve a four-year term on the Salary Commission.

Towslee, Molly

From: Harris [harrisa@centurytel.net]  
Sent: Thursday, April 08, 2010 5:22 PM  
To: Towslee, Molly  
Subject: Re: Salary Commission  
Attachments: image003.png

Molly- I would be glad to.

Harris

----- Original Message -----

From: Towslee, Molly  
To: 'harrisa@centurytel.net'  
Sent: Thursday, April 08, 2010 4:49 PM  
Subject: Salary Commission

Dear Mr. Atkins,

I just realized that your two-year term on the Salary Commission expired on March 31<sup>st</sup>. Because the commission is basically "on hold" I was wondering if you would be willing to be re-appointed to a four-year term ending on March 31, 2014?

The economy doesn't show any signs of quick recovery and so the Salary Commission will continue its status until there is a more positive outlook.

Please let me know.

Molly Towslee, City Clerk  
253.853-7613 Direct Line

-----CONFIDENTIALITY NOTICE-----THIS MESSAGE AND/OR THE DOCUMENT(S) ACCOMPANYING THIS ELECTRONIC TRANSMISSION MAY CONTAIN PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF YOU ARE NOT THE INTENDED RECIPIENT, BE AWARE THAT ANY DISCLOSURE, COPYING, DISTRIBUTION OR USE OF THE CONTENTS OF THIS TRANSMISSION IS PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US BY TELEPHONE, MAIL OR ELECTRONIC MAIL, AND DESTROY THIS COMMUNICATION.

I just realized that your two-year term on the Salary Commission expired on March 31<sup>st</sup>. Because the commission is basically "on hold" I was wondering if you would be willing to be re-appointed to a four-year term ending on March 31, 2014?

The economy doesn't show any signs of quick recovery and so the Salary Commission will continue its status until there is a more positive outlook.

Please let me know.

Molly Towslee, City Clerk  
253.853-7613 Direct Line

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I just realized that your two-year term on the Salary Commission expired on March 31<sup>st</sup>. Because the commission is basically "on hold" I was wondering if you would be willing to be re-appointed to a four-year term ending on March 31, 2014?

The economy doesn't show any signs of quick recovery and so the Salary Commission will continue its status until there is a more positive outlook.



Subject: Appointments for LTAC

Proposed Council Action: Appoint Wade Perrow to fill Randy Fortier's position; appoint Jannae Jolibois to fill Janis Denton's position; and appoint new member Tom Drohan into the position vacated by Jannae Jolibois.

Dept. Origin: Administration - Marketing

Prepared by: Laureen Lund

For Agenda of: May 10, 2010

Exhibits: None

Initial & Date

Concurred by Mayor: [Signature] 5/3/10

Approved by City Administrator: [Signature] 5/3/10

Approved as to form by City Atty: N/A

Approved by Finance Director: N/A

Approved by Department Head: [Signature]

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

INFORMATION / BACKGROUND

The LTAC currently has 3 open positions and nominations were presented and a vote was taken at the April 15th LTAC Quarterly Meeting. It was determined that Randy Fortier will be replaced by Wade Perrow, Jannae Jolibois will replace Janis Denton, and Tom Drohan will replace Jannae Jolibois.

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

I recommend that the Council authorize and accept the nominations for the LTAC.

RECOMMENDATION / MOTION

Move to: Appoint Wade Perrow to fill Randy Fortier's position; appoint Jannae Jolibois to fill Janis Denton's position; and appoint new member Tom Drohan into the position vacated by Jannae Jolibois.



**Subject: Appointment to the Planning Commission**

**Proposed Council Action:**

A motion for the appointment of Ben Coronado to serve the remainder of a term on the Gig Harbor Planning Commission ending March 31, 2011.

**Dept. Origin:** Administration *CH*  
**Prepared by:** Mayor Chuck Hunter and The Board/Commission Review Committee

**For Agenda of:** May 10, 2010

**Exhibits:** Application Packages: Coronado and Frisbie

Initial & Date

**Concurred by Mayor:** *CH 5/5/10*  
**Approved by City Administrator:** \_\_\_\_\_  
**Approved as to form by City Atty:** *N/A*  
**Approved by Finance Director:** *N/A*

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

**INFORMATION / BACKGROUND**

Jeane Derebey recently submitted a letter asking of resignation from the Planning Commission. Her term expires June 2011. From the call for interested applicants, the city received three applications from Pamela Hope Peterson, Bob Frisbie and Ben Coronado. Ms. Peterson later withdrew her application from consideration.

**FISCAL CONSIDERATION**

N/A

**BOARD OR COMMITTEE RECOMMENDATION**

The Committee and Mayor Hunter interviewed one applicant, Ben Coronado. Mr. Frisbie was out of the country. After discussion, they made a recommendation to appoint Ben Coronado.

**RECOMMENDATION / MOTION**

**Move to:** A motion for the appointment of Ben Coronado to serve the remainder of a four-year term on the Planning Commission ending June 31, 2011.

February 27, 2010

Robert G. Frisbie  
9720 Woodworth Avenue  
Gig Harbor, WA 98332  
Phone: 253-224-3524  
Email: [bobfrisbie@foxinternet.com](mailto:bobfrisbie@foxinternet.com)

Honorable Mayor Chuck Hunter  
City of Gig Harbor, WA 98335  
3510 Grandview Street  
Gig Harbor, WA 98335

Subject: Planning Commission Opening

Dear Chuck:

I would like to apply for a position on the Gig Harbor Planning Commission. As a resident of the City for the past 31 years and a former City Council member for eight years I believe I would be able to contribute to the Planning Commission and its continuous work regarding growth management issues.

I have attached the City's application for your review and further handling. A number of the current City Council members know me including Jim Franich, Ken Malich, Steve Ekberg and Paul Kadzik.

If you have any questions or require additional information, please do not hesitate to contact me at the phone or email noted above.

Thank you,

  
\_\_\_\_\_  
Bob Frisbie



# Application for City of Gig Harbor Commissions, Boards or Committees

(Additional information and/or a resume may be submitted with this application)

Name Robert G. Frisbie Email: rbfrisbie@foxinternet.com  
Physical Address 9720 Woodworth Avenue Phone 253-224-3524  
Mailing Address 9720 Woodworth Avenue  
City Gig Harbor State WA Zip Code 98332

How long have you resided in Gig Harbor? 31 years  
Are you a resident of the City Limits? Yes  No  How long? 31 years

What is your interest/objective in serving on this Board or Commission? Develop laws/ordinances that serve the public needs and that are objective in nature so that people using them know what to expect during the permit process.  
What is your educational background? B.S. Civil Engineering, UW 1971 Registered Civil Engineer in Washington and Oregon.

Do you have other civic obligations and/or memberships in professional organizations (please list office held, duties, and term of office)?  
NONE At this time.

What previous experience do you have serving on a board, committee or commission?  
8 years) two term City of Gig Harbor Council Member

Where are you currently employed (job title, employer, dates, supervisor, phone)?  
Retired. Performing occasional consulting work related to the clean room and semi-conductor manufacturing

**Boards, Committees and Commissions Interest**

Please indicate which Boards, Committees or Commissions you would be interested in serving on.

- Arts Commission
- Building Code Advisory Board
- Design Review Board
- Lodging Tax Advisory Board
- Parks Commission
- Planning Commission
- Volunteer \_\_\_\_\_

Please return completed application to:

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

Applicant Signature [Signature] Date 2/27/10

(Over)

REFERENCES (Please list a minimum of three (3) references).

Name	Address	Business	Phone Number
Dick Allen	3663 Russ Avenue Gig Harbor 98332		253-851-2124
Jack Bajareich	Russ Avenue Gig Harbor WA		253-858-2542
Jim Fravich	Harborside Drive Gig Harbor, WA		253-858-2887

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

Previous to serving on the City Council, I served on the citizens committee during Ruth Rogner's term to recommend changes to the Shoreline Master Program now in effect.

I have a keen interest in the shoreline of Gig Harbor and have been attending all of the Planning Commission Meetings regarding the SMP being considered.





# Application for City of Gig Harbor Commissions, Boards or Committees

(Additional information and/or a resume may be submitted with this application)

Name Benjamin Nicholas Coronado

Physical Address 7305 46<sup>th</sup> ave NW Phone (253) 495-3231

Mailing Address \_\_\_\_\_

City Gig Harbor State WA Zip Code 98335

How long have you resided in Gig Harbor? 25 years

Are you a resident of the City Limits? Yes  No  How long? 20+ years

What is your interest/objective in serving on this Board or Commission? As an opportunity to give back to the people of my community, by becoming involved in the future planning and development of my community. While strengthening my experience and furthering my education.

What is your educational background? Associate in Business Degree

Currently enrolled at University of Washington in the Urban Studies-Bachelor of Arts Degree with a focus in Sustainable Development.

Do you have other civic obligations and/or memberships in professional organizations (please list office held, duties, and term of office)?  
\_\_\_\_\_  
\_\_\_\_\_

What previous experience do you have serving on a board, committee or commission?

Served as a Student Senator at Tacoma Community College

Where are you currently employed (job title, employer, dates, supervisor, phone)?

Guest Services Specialist, Tides Tavern, 05/2006 - Present,  
Kathy Davis, (253) 858-3982

### Boards, Committees and Commissions Interest

Please indicate which Boards, Committees or Commissions you would be interested in serving on.

- Arts Commission
- Building Code Advisory Board
- Design Review Board
- Lodging Tax Advisory Board
- Parks Commission
- Planning Commission
- Volunteer \_\_\_\_\_

Please return completed application to:

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

Applicant Signature B

Date 04/05/2010

(Over)

REFERENCES (Please list a minimum of three (3) references).

Name	Address	Business	Phone Number
Katie Doherty	7707 Pioneer Way Gig Harbor, WA 98335	Brix 25°	(925)-683-8909
Kathy Davis	2925 Harborview Dr. Gig Harbor, WA 98335	Tides Tavern	(253)-858-3982
Thad Lyman	7707 Pioneer Way Gig Harbor, WA 98335	Brix 25°	(510)-415-0024
Mary Graves	2300 S. Washington Tacoma, WA 98405	Financial Aid Specialist Bellarmine Preparatory	(253)-227-9902

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

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Subject: Resolution Authorizing an Interfund Loan from Civic Center Debt Reserve fund, no. 110 to the Park Development fund, no. 109 in the amount of \$909,000 and to the LTGO bond fund in the amount of \$312,000.

Dept. Origin: Finance
Prepared by: David Rodenbach
For Agenda of: May 10, 2010
Exhibits:

Proposed Council Action:
Pass this resolution

Concurred by Mayor: Initial & Date CLH 5/3/10
Approved by City Administrator: POK 5/3/10
Approved as to form by City Atty: by email
Approved by Finance Director: [Signature] 5/3/10

Table with 4 columns: Expenditure Required, Amount Budgeted, Appropriation Required, and a final amount of \$1,221,000.

INFORMATION / BACKGROUND

This is a resolution authorizing an interfund loan from the Civic Center Debt Reserve Fund to the Park Development Fund for the purchase of the Madison Shores property and to the LTGO Bond Fund for debt service on the bonds that will be issued to pay for the purchase.

The purchase costs are expected to be \$909,000. This amount we expect will be repaid within three months (our actual estimate is repayment by the end of June 2010) when it is included with the Civic Center Bond refunding.

Debt service for the years 2010 through 2012 is estimated to be \$312,000. This amount will be repaid in the four years after the Skansie Brothers Park debt is retired in 2012. Final repayment of the loan is expected by the end of 2017.

The total amount for the loan is \$1,221,000 (\$909,000 acquisition cost plus \$312,000 for debt service).

FISCAL CONSIDERATION

The Civic Center Debt Reserve Fund has \$3,975,980 available for investment as of March 31, 2010.

Since the City is refunding (refinancing) the Civic Center bonds, this balance is available for investment.

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

**Move to:** Pass this resolution.

RESOLUTION NO.

**A RESOLUTION OF THE CITY OF GIG HARBOR, RELATING TO A TEMPORARY INTERFUND LOAN, FROM THE CIVIC CENTER DEBT RESERVE FUND TO THE PARK DEVELOPMENT FUND AND LIMITED TAX GENERAL OBLIGATION BOND FUND, AND ESTABLISHING THE TERMS OF SUCH TEMPORARY LOANS, FOR THE PURPOSE OF PURCHASING PROPERTY LOCATED AT 3003 HARBORVIEW DRIVE IN GIG HARBOR**

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WHEREAS, the Washington State Auditor's Office's Budgeting, Accounting and Reporting (BARS) Manual allows the City to make interfund loans under certain limited circumstances; and

WHEREAS, the City has executed a purchase and sale agreement for property located at 3003 Harborview Drive in Gig Harbor; and

WHEREAS, the total costs of purchasing the property are expected to be Nine Hundred Nine Thousand Dollars (\$909,000); and

WHEREAS, the City is in the process of issuing a limited tax general obligation bond (LTGO) to purchase and improve the property; and

WHEREAS, the City anticipates the property purchase will close before LTGO bonds are sold; and

WHEREAS, the debt service for the years 2010 through 2012 is estimated to be \$312,000; and

WHEREAS, the Civic Center Debt Reserve Fund, No. 110 has funds in excess of current needs and which are legally available for investment; and

WHEREAS, the City Council plans to allow an interfund loan between the Civic Center Debt Reserve fund and the Park Development fund, which will be retired in part from issuance of LTGO bonds for costs of acquisition of the property; and the balance from the General Fund beginning in 2013 in four annual payments including interest; Now, Therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The Gig Harbor City Council does hereby approve a temporary interfund loan from the Civic Center Debt Reserve Fund, No. 110 to the Park Development Fund, No. 109. The terms of this loan are as follows:

1. The amount shall be \$909,000.

2. The term shall be three months from the date of passage of this Resolution.

3. The interest shall be 1.0% per annum, which shall be paid to the Civic Center Debt Reserve Fund No. 110.

Section 2. The Gig Harbor City Council does hereby approve a temporary interfund loan from the Civic Center Debt Reserve Fund, No. 110 to the Limited Tax General Obligation Fund, No. 208. The terms of this loan are as follows:

1. The amount shall be \$312,000.

2. The loan shall be repaid by December 31, 2017.

3. The loan will be a variable rate loan with interest for the remainder of 2010 being 1.0%. For the remainder of the loan the interest rate shall be one percent (1.0%) greater than the average monthly gross earnings rate of the Washington State Treasurer's Local Government Investment Pool for the prior year. The rate shall be set each January.

Section 3. The City Council hereby directs the Finance Director to maintain appropriate accounting records to reflect the balances of loans in every fund affected by such transactions.

Effective Date. This resolution shall take effect immediately upon passage.

RESOLVED by the City Council this \_\_\_th day of May, 2010.

APPROVED:

\_\_\_\_\_  
MAYOR, CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
CITY CLERK, MOLLY M. TOWSLEE

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





**Subject:** Robinson, Noble & Saltbush  
Consultants Contract for a Phase I  
Environmental Review of McCormick Creek  
Plat Wetland Tracts (near 10023 Burnham Dr.).

**Proposed Council Action:** Approve and  
authorize the Mayor to execute the  
agreement with Robinson, Noble & Saltbush  
for a Phase I Environmental Review of the  
parcel near 10023 Burnham Drive.

**Dept. Origin:** Planning

**Prepared by:** Tom Dolan   
Planning Director

**For Agenda of:** May 10, 2010

**Exhibits:** Consultants Contract  
and Exhibits

	Initial & Date
<b>Concurred by Mayor:</b>	<u>CLT 5/4/10</u>
<b>Approved by City Administrator:</b>	<u>RDK 5/5/10</u>
<b>Approved as to form by City Atty:</b>	<u>Approved by e-mail</u>
<b>Approved by Finance Director:</b>	<u>JP 5/4/10</u>
<b>Approved by Department Head:</b>	<u>TD 5/4/10</u>

Expenditure	Amount	** see fiscal	Appropriation
Required \$3,250	Budgeted	consideration below	Required

**INFORMATION / BACKGROUND**

On April 26, 2010 the City Council authorized the Mayor to execute a Development Agreement (DA) with McCormick Creek, LLC. As part of the DA, McCormick Creek, LLC. agreed to grant the City easements over two wetland tracts within the McCormick Creek Plat. The easements will allow the City to construct Cushman Trail through the wetland tracts at such time as money for the trail becomes available. The easements must be granted within 60 days of the signing of the agreement. The DA acknowledged the City's right to conduct necessary studies to determine the suitability of the wetland tracts for development of the Cushman Trail. The purpose of this contract is to conduct a Phase 1 environmental study of the wetland tracts.

**FISCAL CONSIDERATION**

The DA contained a clause that required the developer to grant funds in the amount of \$10,000.00 to the City. The purpose of these funds is to conduct an environmental review of the property and such other studies as deemed necessary by the City. The \$3,250 proposed in the attached contract will be taken from the \$10,000 granted to the City in the DA. \*\*

**BOARD OR COMMITTEE RECOMMENDATION**

n/a

**RECOMMENDATION / MOTION**

**Move to:** Authorize the Mayor on behalf of Council to approve the contract with Robinson, Noble for a Phase I Environmental Site Assessment on McCormick Creek Plat wetland tracts located near 10023 Burnham Drive not to exceed \$3,250.00.



**CONSULTANT SERVICES CONTRACT  
BETWEEN THE CITY OF GIG HARBOR AND  
ROBINSON, NOBLE & SALTBUSH, INC**

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

**RECITALS**

WHEREAS, the City is presently engaged in environmental services 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 three thousand two hundred fifty dollars and no cents (\$3,250.00) for the services described in Section 1 herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. The Consultant's staff and billing rates shall be as described in **Exhibit B – Schedule of Rates and Estimated Hours**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill at rates in excess of the hourly rates shown in **Exhibit B**, unless the parties agree to a modification of this Contract, pursuant to Section 18 herein.

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

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

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

**4. Duration of Work.** The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** immediately upon execution of this Agreement. The parties agree that the work described in **Exhibit A** shall be completed by June 1, 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 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:  
Robinson, Noble & Saltbush, Inc.  
ATTN: John Hildenbrand  
3011 S. Huson Street, Suite A  
Tacoma, WA 98409  
(253) 475-7711

City of Gig Harbor  
ATTN: Tom Dolan  
Planning Director  
3510 Grandview Street  
Gig Harbor, WA 98335  
(253) 853-7609

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

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

IN WITNESS WHEREOF, the parties have executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CONSULTANT

CITY OF GIG HARBOR

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor Charles L. Hunter

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney





ROBINSON™  
NOBLE

**General Fee Schedule**  
**April 1, 2009**  
**Exhibit B**

<b>Professional Position</b>	<b>Typical Duties</b>	<b>Fee Per Hour</b>
<b>Principal Hydrogeologist/ Environmental Scientist</b>	Service requiring the scientific expertise of company principals. Includes top-level project review and control, client liaison, and hydrogeologic analysis.	\$128 - \$170
<b>Senior Associate</b>	Senior Associate-level project management, client liaison, field services, project analysis, and report writing.	\$108 - \$150
<b>Associate Hydrogeologist/ Environmental Scientist</b>	Associate-level project management, client liaison, field services, project analysis, and report writing.	\$108 - \$128
<b>Senior Hydrogeologist/ Environmental Scientist</b>	Senior-level project management, client liaison, field services, data interpretation and analysis, and report writing.	\$96 - \$128
<b>Project Hydrogeologist/ Environmental Scientist</b>	Field services; data collection, reduction, interpretation and analysis; and report writing.	\$96 - \$108
<b>Draftsperson/Technician</b>	Technical illustration/CADD, production layout, technical aide.	\$75 - \$86

<b>Service Category</b>	<b>Typical Duties</b>	<b>Fee Per Hour</b>
<b>Legal Support/Testimony</b>	Expert witness services.	150% of above rates
<b>Administrative Services</b>	Contracts, technical specifications, administrative tasks, grammatical editing.	\$65 - \$75
<b>Typist/Clerical Support</b>	Word processing, report preparation or reproduction, general office tasks	\$60 - \$65
<b>Subcontracts/ Management Fee</b>	Professional Services Outside Laboratory Services Construction Subcontracts	Negotiated 15% 15%
<b>Other Costs</b>	Travel (Auto) Travel (Other) Per Diem Other Direct Expenses  Equipment Rental	\$0.62/mile Cost + 5% Prevailing State rates +5% Cost + 5%  See following pages

This fee schedule is subject to change according to contract or Professional Services Agreement conditions.

Hydrogeologic Equipment Rental Schedule  
April 1, 2009

<u>Equipment</u>	<u>Unit</u>	<u>Rate</u>
Water Level Transducer and Data Logger	First five days	\$80
	Each day thereafter	\$27.50
Field Laptop Computer	Per day	\$30
Electric Water Level Sounder(s)	0 to 300 ft	\$30
	over 300 ft	\$60
DC Submersible Purge Pump	Per pump	\$80
Double-Ring Infiltrometer	Per day	\$50
Schonstedt Gradient Magnetometer	Per day	\$75
Geonics EM-61 Metal Detector	Per day	\$500
Downhole Gamma/Resistivity/Temperature Logging Equipment (includes Draw Works)	Per day	\$1,100
Downhole Analog Caliper Logging Equipment	Per well	\$100
Draw Works	Per well	\$525
Mechanical Sieve Sample Equipment	Flat fee per well	\$50
2-inch Gasoline-powered Centrifugal Pump (includes hoses)	Per day	\$55
2-inch Submersible Pump + Controller	Per day	\$180
Generator	Per day	\$70
Survey Gear (laser level & rod)	Per day	\$85
FlowTracker Acoustic Doppler Velocimeter Stream Gaging Equipment	Per day	\$200
GPS	Per day	\$22.50
Other Equipment	Negotiated	Negotiated

This fee schedule is subject to change according to contract or Professional Services Agreement conditions.

**Environmental Equipment Rental and Consumable Schedule**  
**April 1, 2009**

<u>Equipment</u>	<u>Unit</u>	<u>Rate</u>
Water level transducer and data logger	Per day	\$100
Field Laptop Computer	Per day	\$50
Electronic Water Level Sounder	Per day	\$30
Electronic Interface Probe	Per day	\$75
DC Submersible Purge Pump	Per pump	\$80 first pump, \$40 each additional pump
DC-operated Peristaltic Pump	Per day	\$40
2-inch Gasoline-powered Centrifugal Pump	Per day	\$100
2-inch Submersible Pump + Controller	Per day	\$350
Generator	Per day	\$60
Low-Flow Bladder Pump	Per day	\$175
Photoionization Detector	Per day	\$75
Combustible Gas Indicator	Per day	\$65
Water Quality Meter	Per day	\$200
Teflon Water Bailer	Per day	\$30
Soil Sampling Equipment (manual)	Per day	\$25
Soil Sampling Equipment (power)	Per day	\$40
Mechanical Sieve Sample Equipment	Flat fee per project	\$25
Survey Gear (laser level & rod)	Per day	\$80
Soil Vapor Extraction System	Per Month	\$750
Atmospheric Condition Monitoring Unit	Per day	\$50
Other Equipment	Negotiated	Negotiated
<b><u>Consumable Items:</u></b>		
Polyethylene Purge/Sampling Tubing	Each 10 feet	\$2.50
Silicone Peristaltic Pump Head Tubing	Each foot	\$4.00
Bladders for Low-Flow Bladder Pump	Each	First 3 Free - \$5.00 each additional bladder
Water Sample Bailer	Each	\$10
Bailer Rope/String	Each 10 feet	\$1.00
Personal Protection Equipment	Per day per person	\$50

This fee schedule is subject to change according to contract or Professional Services Agreement conditions. □



ROBINSON  
NOBLE

April 30, 2010

EXHIBIT A

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

Subject: Scope of work and cost estimate for a Phase I Environmental Assessment located near 10023 Burnham Drive, Gig Harbor, Washington

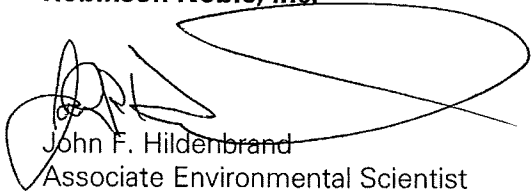
Dear Tom:

Robinson Noble would be pleased to complete a Phase I Environmental Site Assessment (Phase I) for the above-referenced site. The Phase I will be performed in accordance with the attached scope of services, which is based on standard industry practices and ASTM Standard E1527-05. Unless an item is specifically addressed in the noted scope of services and discussed herein, it should be assumed that it is not included in the scope of work for this project. Two hard copies of the project report will be provided. Additional hard copies or electronic copies of report will be provided at a cost of up to \$125 each.

Based on our understanding of the project, we estimate the cost of our services to be \$3,250. Should you decide to pursue some or all of the work discussed above, please provide us with your contract for our review and execution. Unless unexpected conditions are found to exist, the estimated completion time for the project is 20 working days following the return of the executed purchase order or contract, and provided submittal of site access authority documentation is received within five days of the contract execution. We understand a more detailed description of the property will be provided at the time of authorization to proceed.

We hope this scope of work and cost estimate is adequate for your needs. Please contact us if we can provide additional information or modify the scope of work to better assist you. If at any time prior to or during this project you identify a concern or problem with our work or progress that cannot be resolved by the assigned Robinson Noble project manager, please contact Joseph Becker, our company President, and he will make every effort to resolve the issue to your satisfaction.

Sincerely,  
**Robinson Noble, Inc.**



John F. Hildenbrand  
Associate Environmental Scientist  
Environmental Services Manager

**Exhibit A**  
**Phase I Environmental Site Assessment Scope of Services**

Phase I Environmental Site Assessments (Phase I ESA, also known as Level One ESA studies) are conducted to protect a property owner from assuming an unknown environmental risk. The assessment gathers available information regarding past or present site activities which have the potential to cause environmental contamination. Robinson, Noble & Saltbush performs Phase I ESA's generally following the format and content of ASTM Standard E-1527-05. For this project the Client has elected ASTM Standard E 1527-05. Depending on the nature of the site being evaluated and the requirements of the Client, additional elements beyond the scope of the ASTM standard may be included. Any additional scope of service items are detailed in the professional services agreement (PSA) to which this scope of service is attached. If an item is not indicated herein or in the applicable PSA, it is not included in the project.

- The standard components of the Phase I ESA will include:
- Identification of past and present site ownership and uses (as deemed relevant to evaluating the subject site).
- Inspection of the site and any structures for the presence of potentially hazardous substances. Any areas not inspected will be clearly noted in the project report.
- Description of site environmental characteristics; such as the size, layout, extent of development, natural features, etc.
- An assessment of hazardous material or waste storage, handling, or disposal practices as they pertain to evaluate the presence of an actual, and/or material threat of, a hazardous substance release. For the purposes of the Phase I ESA, a hazardous substance includes petroleum products.
- An assessment of nearby properties whose activities may have an environmental impact on the subject property.
- Conclusions regarding potential problems and recommendations for further action.

In performing the assessment Robinson, Noble & Saltbush, Inc. will utilize a review of selected available public records, historical research, an inspection of the site, and may conduct interviews with tenants, owners, and/or public agency officials to evaluate the potential environmental liabilities associated with a property.

**Records Review**

Review of public agency records can provide significant background information on the site, including ownership history; past uses; permits or inventories for hazardous materials or wastes; reported spills, releases or known contamination; or other regulatory actions. Agencies which may be contacted include local assessor's office, planning department, utility district, fire department, health department, agricultural commissioner, or air quality management district. State environmental protection agencies, such as the Washington State Department of Ecology, maintain databases of sites which have been investigated and may also be contacted. The U.S. Environmental Protection Agency also maintains databases of hazardous waste generators or sites with hazardous waste contamination. Robinson, Noble & Saltbush, Inc. will search applicable data bases using a data extraction and reporting firm. We may also conduct a physical review of agency files as deemed necessary.

**Historical Research**

In order to review past use of the property, documents such as title history, maps, building permits, or aerial photographs may be reviewed as appropriate. Maps, such as parcel, topographic and fire-insurance maps, will also be reviewed as applicable.

**Site Inspection**

A site inspection will be conducted to evaluate the subject for site activities or uses which pose a high potential for environmental contamination. These items include but are not limited to:

- storage tanks (underground and above ground)
- water wells (domestic, agricultural or industrial)

- waste water systems
- drums or chemical storage areas
- ponds or surface impoundments
- maintenance or shop areas
- sumps or storm drains
- stained soil or pavement
- transformers
- piles of waste or trash
- dead or dying vegetation
- unusual odors
- other observations that in the opinion of the field investigator indicate the possible presence of conditions of concern.

**Interviews**

In order to determine current and past site practices, interviews with persons familiar with the site may be conducted. This may be done in person, in writing or via telephone. Examples of the types of individuals that may be contacted include: property owners, site managers, former employees, neighbors, and/or local agency officials.

**Report**

The activities described above will be documented in a report. The report will present the findings of the assessment and any recommendations for further action, if necessary. Be advised that the Phase I ESA does not typically include the collection of environmental samples.






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

**Subject:** 2010 Roadway Maintenance Project – Construction Contract and Materials Testing Contract Award

**Proposed Council Action:** A. Award and authorize the Mayor to execute a Public Works Contract with Dumpman Construction, Inc., in an amount not exceed \$84,445.00 for the award of Schedules A and B of the Contract Documents and authorize the City Engineer to approve additional expenditures up to \$8,444.50 to cover any cost increases that may result from contract change orders.

B. Authorize the Mayor to execute a consultant services contract with Krazan & Associates, for materials testing services in an amount not to exceed \$1,925.93 and authorize the City Engineer to approve additional expenditures up to \$200 to cover any cost increases that may result from necessary changes in the scope of work.

**Dept. Origin:** Public Works/Engineering

**Prepared by:** Jeff Langhelm, Senior Engineer 

**For Agenda of:** May 10, 2010

**Exhibits:** Public Works Contract and Materials Testing Contract Scope, and Fee

**Concurred by Mayor:** CLH 5/4/10  
**Approved by City Administrator:** RJK 5/4/10  
**Approved as to form by City Atty:** APPROVED VIA EMAIL  
**Approved by Finance Director:** QR 5/10  
**Approved by Department Head:** Jim 5/4/10

Initial &  
Date

<b>Expenditure Required</b>	\$ 95,015.43	<b>Amount Budgeted</b>	\$ 300,000	<b>Appropriation Required</b>	\$0
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**INFORMATION/BACKGROUND**

Each year the City of Gig Harbor budgets for the maintenance of existing roadways throughout the City. This year's roadway maintenance projects were designed in-house by City Engineering Staff and, due to the limited budget in 2010, include only two roadways, Uddenberg Lane and 38<sup>th</sup> Avenue. The Uddenberg Lane maintenance will provide for the placement of new asphalt pavement along Uddenberg Lane and will include a concrete ribbon gutter along the south edge of Uddenberg Lane to collect stormwater runoff and to delineate the roadway from the adjacent parking lots. This work is defined in the contract documents as Bid Schedule A and is part of the larger project as defined in the 2010 budget under the Streets Division – Capital (Objective No. 4).

The 38<sup>th</sup> Avenue maintenance will provide for the roadway preparation work along 38<sup>th</sup> Avenue (from just south of 56<sup>th</sup> Street to the City Limits near Goodman Middle School) in anticipation of summer chip sealing of 38<sup>th</sup> Avenue by the Pierce County Public Works Crew. The roadway preparation work will primarily consist of pavement repair where sections of roadway are failing. This work is defined in the contract documents as Bid Schedule B and is part of the larger project as defined in the 2010 budget under the Streets Division – Capital (Objective No. 2).

Finally, the City requested a scope and fee from Krazan & Associates for materials testing services for this project.

### **BID RESULTS**

The 2010 Roadway Maintenance Project was bid using the City's Small Works Roster Process (Resolution No. 797). The Engineer's Opinion of Probable Cost for Schedules A and B were \$130,395.00. A total of six bids were received by the City of Gig Harbor on April 20, 2010. Bid results of the lowest three bids are summarized below:

<b>BIDDER</b>	<b>BID AMOUNT</b>
1. Dumpman Construction, Inc.	\$ 84,445.00
2. Woodworth & Co.	\$ 94,675.00
3. Asphalt Patch, Inc.	\$ 105,729.00

### **FISCAL CONSIDERATION**

The 2010 City of Gig Harbor Budget includes funding for this work in the Street Division Capital budget. The budget summary for this item is provided in the table below:

2010 Budget for Street Division Capital, Objective No. 4 (Uddenberg)	\$ 175,000
2010 Budget for Street Division Capital, Objective No. 2 (38 <sup>th</sup> Avenue)	\$ 125,000
Anticipated 2010 Expenses:	
Schedule A – Uddenberg Lane	(\$ 51,511.00)
Schedule B – 38 <sup>th</sup> Avenue Pavement Repair	(\$ 32,934.00)
Change Order Authority for Public Works Contract	(\$ 8,444.50)
Materials Testing Contract	(\$ 1,925.93)
Change Order Authority for Materials Testing Contract	(\$ 200.00)
<b>Remaining 2010 Budget =</b>	<b>\$204,984.57</b>

### **BOARD OR COMMITTEE RECOMMENDATION**

N/A

### **RECOMMENDATION/MOTION**

Staff recommends approval of proposed council action A and B above.

**2010 ROADWAY MAINTENANCE PROJECT, CSP-1004**  
**PUBLIC WORKS CONTRACT WITH**  
**DUMPMAN CONSTRUCTION, INC.**

THIS AGREEMENT, made and entered into, this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between the City of Gig Harbor, a Non-Charter Code city in the State of Washington, hereinafter called the "City", and Dumpman Construction, Inc., organized under the laws of the State of Washington, located and doing business at PO Box 2352, Gig Harbor, Washington 98335 hereinafter called the "Contractor."

**WITNESSETH:**

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

The Contractor shall, for Schedules A and B only, do all of the work and furnish all of the labor, materials, tools, and equipment necessary for the repair to existing asphalt concrete pavement, construction of concrete valley gutter, and placement of hot mix asphalt, and shall also include application of paving fabric, planing of existing asphalt concrete pavement, raising or planing around structures, street cleaning, application of tack coat, placement of pavement markings, and other work all in accordance with the Contract Documents entitled "**2010 Roadway Maintenance Project, CSP-1004**," which are by this reference incorporated herein and made a part hereof; and agrees to accept payment for the same in accordance with the said contract documents, including the schedule of prices in the "Proposal," the sum of Eighty Four Thousand Four Hundred Forty-Five Dollars and no cents (\$84,445.00), subject to the provisions of the Contract Documents, the Special Provisions, and the Standard Specifications.

1. The Notice to Proceed will be given within 21 days after the contract has been executed BY BOTH PARTIES. The Contractor shall commence construction activities on the project site within ten working days of the Notice to Proceed date, unless otherwise DIRECTED BY THE OWNER in writing. Contract time shall begin on the first working day following the Notice to Proceed Date. Work shall be completed no later than June 30, 2010.
2. The Contractor agrees to pay the City for liquidated damages incurred according to the Special Provisions 1-08.9 per day for each and every day all work remains uncompleted after expiration of the specified time, as liquidated damages.
3. The Contractor shall provide for and bear the expense of all labor, materials, tools and equipment of any sort whatsoever that may be required for the full performance of the work provided for in this Contract upon the part of the Contractor.
4. The term "Contract Documents" shall mean and refer to the following: "Invitation to Bidders," "Bid Proposal," "Addenda" if any, "Specifications," "Plans," "Contract," "Performance Bond," "Maintenance Bond," "Payment Bond," "Special Provisions," "Notice to Proceed," "Change Orders" if any, and any documents referenced or incorporated into the Contract Documents, including, but not limited to the Washington State Department of Transportation's "2010 Standard Specifications for Road, Bridge, and Municipal Construction," including the American Public Works Association (APWA) General Special Provisions.

- 5. The City agrees to pay the Contractor for materials furnished and work performed in the manner and at such times as set forth in the Contract Documents.
- 6. The Contractor for himself/herself, and for his/her heirs, executors, administrators, successors, assigns, agents, subcontractors, and employees, does hereby agree to the full performance of all of the covenants herein contained upon the part of the Contractor.
- 7. It is further provided that no liability shall attach to the City by reason of entering into this Contract, except as expressly provided herein.

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

CITY of GIG HARBOR:

CONTRACTOR:

\_\_\_\_\_  
 Charles L. Hunter, Mayor                      date  
 City of Gig Harbor

\_\_\_\_\_  
 Print Name: \_\_\_\_\_ date  
 Print Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
 City Clerk    date

APPROVED FOR FORM:

\_\_\_\_\_  
 City Attorney    date

**2010 ROADWAY MAINTENANCE PROJECT CSP-1004**

**Schedule A: Uddenberg Lane**

ITEM	DESCRIPTION	UNIT	BID QUANTITY	Dumpman Constr Unit Prices	Dumpman Constr Totals
A-1	Mobilization	LS	1	\$2,700.00	\$2,700.00
A-2	Flaggers and Spotters	HR	112	\$48.00	\$5,376.00
A-3	Traffic Control Supervisor	HR	56	\$50.00	\$2,800.00
A-4	Other Temporary Traffic Control	LS	1	\$1,350.00	\$1,350.00
A-5	Roadway Excavation, Incl. Haul	CY	45	\$18.00	\$810.00
A-6	Cement Conc. Gutter	LF	360	\$20.00	\$7,200.00
A-7	HMA CL. 1/2 Inch, PG 64-22	TON	170	\$96.00	\$16,320.00
A-8	Pavement Repair	SY	180	\$33.50	\$6,030.00
A-9	Planing Bituminous Pavement	SY	140	\$20.00	\$2,800.00
A-10	Paving Fabric	SY	1,150	\$2.50	\$2,875.00
A-11	Adjust Utility Casting	EA	2	\$150.00	\$300.00
A-12	Paving Markings	LS	1	\$2,500.00	\$2,500.00
A-13	Maintenance Bond	LS	1	\$450.00	\$450.00
	<b>SUB TOTAL</b>				<b>\$51,511.00</b>

**Schedule B: 38th Avenue**

ITEM	DESCRIPTION	UNIT	BID QUANTITY	Dumpman Constr Unit Prices	Dumpman Constr Totals
B-1	Mobilization	LS	1	\$1,700.00	\$1,700.00
B-2	Flaggers and Spotters	HR	48	\$48.00	\$2,304.00
B-3	Traffic Control Supervisor	HR	24	\$50.00	\$1,200.00
B-4	Other Temporary Traffic Control	LS	1	\$1,350.00	\$1,350.00
B-5	Pavement Repair	SY	780	\$33.50	\$26,130.00
B-6	Maintenance Bond	LS	1	\$250.00	\$250.00
	<b>SUB TOTAL</b>				<b>\$32,934.00</b>

**SUB TOTAL SCHEDULE A  
SUB TOTAL SCHEDULE B**

<b>\$51,511.00</b>
<b>\$32,934.00</b>
<hr/> <b>\$84,445.00</b>

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

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

**RECITALS**

WHEREAS, the City is presently engaged in inspection and testing services for the 2010 Roadway Maintenance 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 One Thousand Nine Hundred Twenty-Five Dollars and Ninety-Three Cents (\$1,925.93) 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 July 30, 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,

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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:	City of Gig Harbor
Krazan & Associates, Inc.	ATTN: George Flanigan,
ATTN: Jeff Bowers, T/I Operations Manager	Construction Inspector
1230 Finn Hill Road NW	3510 Grandview Street
Poulsbo, WA 98370	Gig Harbor, WA 98335
(360) 598-2126 (360) 598-2127 FAX	(253) 851-6170 (253) 853-7597 FAX

**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 C** attached hereto and incorporated herein by this reference as if set forth in full.

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

IN WITNESS WHEREOF, the parties have executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CONSULTANT

By:   
Its: DEPUTY MANAGER

CITY OF GIG HARBOR


By: \_\_\_\_\_  
Mayor Charles L. Hunter

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

 **Krazan & ASSOCIATES, INC.**

GEOTECHNICAL ENGINEERING • ENVIRONMENTAL ENGINEERING  
CONSTRUCTION TESTING & INSPECTION  
FORENSIC INVESTIGATION

March 30, 2010  
Revised 4/8/2010

KA Proposal No. P10-049Pr1

Mr. Stephen Misiurak, PE  
CITY OF GIG HARBOR  
3510 Grandview Street  
Gig Harbor, Washington 98335

Tel: (253) 851-6170  
email: [misiuraks@cityofgigharbor.net](mailto:misiuraks@cityofgigharbor.net)

**RE: Proposal for Special Inspection & Testing Services**  
**2010 Roadway Maintenance Project**  
Various locations  
Gig Harbor, Washington

Dear Mr. Misiurak,

Krazan & Associates, Inc. appreciates the opportunity to submit this proposal for testing and inspection for **The 2010 Roadway Maintenance Project** in Gig Harbor, Washington.

Krazan & Associates, Inc. is certified by the Washington Association of Building Officials (WABO), Oregon Building Officials Association (OBOA) and accredited by the International Accreditation Services (IAS) with in house geotechnical and environmental engineering capabilities. Our testing/inspection capabilities in conjunction with our geotechnical engineering capabilities allow us to provide our client a single source for inspection and consulting needs.

Krazan & Associates, Inc. takes pride in our ability to provide quality service to our clients. We feel you will be greatly pleased with the selection of our firm. On the following pages we present our anticipated scope of work, hourly fees, an estimate of the cost of our services, general conditions, and contract. Again, we appreciate the opportunity to provide you with services on this project. If you have any questions, or if we can be of further assistance, please do not hesitate to call our office at (360) 598-2126

Respectfully submitted,

**KRAZAN & ASSOCIATES, INC.**



Jeffrey M. Bowers  
T/I Operations Manager

JSM  
Enclosures

**Offices Serving The Western United States**

1230 Finn Hill Road NW • Poulsbo, Washington 98370 • (360)598-2126 • Fax (360)598-2127  
p10-049p 2010 roadway maintenance project



---

## PROJECT DESCRIPTION

The project as we understand it consists of 140 tons of HMA asphalt repair/overlay over 800 sy. In addition concrete sampling and testing will occur on the valley gutter.

## SCOPE OF WORK

The Scope of Work listed below is based on our review of the plans provided by the client. Geotechnical inspections and recommendations to be provided by others.

**Asphalt Compaction Testing** – The inspector will continuously witness placement of hot mixed asphaltic concrete to verify adherence to project specifications for each type of asphalt used. The inspector will record ambient and asphalt temperature and results of in place compaction testing using a nuclear densometer. Samples of the asphaltic concrete will be taken every 400 tons of asphalt placed or at least one sample per day for laboratory testing. Laboratory testing will include maximum theoretical density (rice value) and extraction / gradation.

**Reinforced Concrete Inspection** – The inspector will monitor placement of cast in place concrete to verify adherence to project specifications. Each load, as required, will be checked for proper mix design and adherence to slump requirements. Air content testing is available upon request. Concrete specimens will be cast, transported, and cured as per applicable ASTM requirements. Four (4) cylinders will be cast for each 150 cubic yards of each separate mix design of concrete, or fraction being placed each day..

**Project Management** – The project manager assigned to this project will track inspection data and costs and provide the project design team with status reports when requested. The project manager will oversee and direct all phases of inspections and supervise and direct all Krazaan and Associates, Inc. personnel associated with this project.

## FEE STRUCTURE

We will perform the services listed above on a time and material basis in accordance with our 2010 standard rate schedule. Based on the scope of work described in this proposal and our experience with similar projects, Krazaan and Associates' estimates the costs for testing and inspection services to be about \$1994.07. A detailed breakdown of this cost estimate is attached as Attachment B. Costs for construction testing and inspection services are highly dependent on contractors schedule; weather, overlapping of work, additional inspections required by the building official and other factors. Krazaan & Associates does not control the work or production rate. Actual costs will vary due to the frequency of scheduling by others. Therefore the quantities listed in our cost estimate should be considered approximate. Consistent with good engineering practice, we will work with the contractor to keep inspection costs at a minimum. If provided with a construction schedule this cost estimate can be further refined and quantified.

## COORDINATION

The above scope of services will be performed when scheduled by the General Contractor or the client's designated representative. Proper scheduling is imperative to the success of the special inspections program. Krazaan & Associates cannot take responsibility for work that has not been inspected if we have not been scheduled nor can we take responsibility for delays due to insufficient lead-time in scheduling inspections. We recommend that the person scheduling the inspections contact our office prior to the job starting to discuss required inspection and scheduling procedures.

Exhibit A – Scope of Work  
(continued)

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**CONDITIONS**

1. Additional services requested outside of our stated scope of work will be billed in excess of the estimated amount at our current rates. A price list for these services will be provided upon request.
2. Inspections which are canceled with less than twenty-four (24) hours notice, or after an inspector has been dispatched to the project site, will be charged the minimum fee associated with the type of inspection or testing requested.
3. All concrete samples will be cast in 4-inch diameter x 8-inch high molds unless otherwise agreed.
4. Additional samples for contractor convenience testing and/or field cure samples are not included in this estimate.
5. Contractor will provide curing facilities in accordance with ASTM requirements for initial curing (the first 24 hours after specimens are cast) and protection of concrete test specimens on site.

Exhibit B – Schedule of Rates  
and Estimated Hours

**Attachment B**

Special Inspection and Testing Services  
**2010 Roadway Maintenance Project**  
Uddenberg Land, 38th Avenue & Briarwood Lane  
Gig Harbor, Washington

DESCRIPTION	VISITS	UNITS	RATE	COST
Asphalt Compaction Testing	2	10 hours	\$52.00	\$520.00
Extraction-gradation & Rice Value	n/a	2 each	\$300.00	\$600.00
Nuclear Densometer Rental	n/a	4 each	\$15.00	\$60.00
Concrete Inspection	2	4 hours	\$52.00	\$208.00
Compression Samples	n/a	8 each	\$20.00	\$160.00
Sample Pickup (2 hr min)	1	2 hours	\$45.00	\$90.00
Trip Charge (15 miles round trip)	n/a	105 each	\$0.39	\$40.43
Report Preparation	n/a	3 hours	\$45.00	\$135.00
Project Manager	n/a	1.5 hours	\$75.00	\$112.50
			<b>TOTAL</b>	<b>\$1,925.93</b>

**NOTES:** This cost estimate is based on the scope of work and assumptions outlined in our proposal number P10-049P dated March 30, 2010 which are inclusive by reference. Travel time and mileage will begin at Kitsap-Pierce County line and back. Costs for construction testing and inspection services are highly dependent on contractors schedule; weather, overlapping of work and other factors. Therefore the quantities listed in our cost estimate should be considered approximate. Krazan & Associates does not control the work or production rate. Therefore, the estimate provided above does not imply a lump sum fee, not-to-exceed fee or guaranteed maximum price. This cost estimate does not include overtime, retests, or change in conditions or schedule.



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

**Subject:**  
Temporary Construction Easement Agreement  
Grantor – City Of Gig Harbor  
Grantee – Conan Service Station, LLC

**Proposed Council Action:**  
Approve the Temporary Construction Easement Agreement, in substantially the form presented to Council, and authorize the Mayor to approve such minor revisions and/or modifications as may be deemed necessary or appropriate in the Mayors discretion.

**Dept. Origin:** Public Works  
**Prepared by:** Willy Hendrickson  
Engineering Technician  
**For Agenda of:** May 10, 2010  
**Exhibits:** Temporary Construction Easement Agreement

	Initial & Date
<b>Concurred by Mayor:</b>	_____
<b>Approved by City Administrator:</b>	<u>RAK</u>
<b>Approved as to form by City Atty:</b>	via phone
<b>Approved by Finance Director:</b>	N/A
<b>Approved by Department Head:</b>	<u>5/10/10</u>

<b>Expenditure Required</b>	0	<b>Amount Budgeted</b>	0	<b>Appropriation Required</b>	0
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**INFORMATION/BACKGROUND**

As a result of bore sampling within the Conan Service Station, some petroleum excedences were detected resulting in further bore sampling to be taken. This includes three boring samples to be taken within the City's Austin Estuary Park. As a condition of the Shoreline Permit associated with this project, the City is requiring approval of a Temporary Construction Easement Agreement from Conan Service Station to perform this work. The City's Environmental Attorney in conjunction with the City Attorney have reviewed the proposed agreement and recommend approval as to form.

**FISCAL CONSIDERATION**

None with this action

**BOARD OR COMMITTEE RECOMMENDATION**

N/A

**RECOMMENDATION/MOTION**

Approve the Temporary Construction Easement Agreement, in substantially the form presented to Council, and authorize the Mayor to approve such minor revisions and/or modifications as may be deemed necessary or appropriate in the Mayors discretion as presented.



## TEMPORARY CONSTRUCTION EASEMENT AGREEMENT

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the CITY OF GIG HARBOR, a Washington municipal corporation (the "City"), and Conan Service Station, LLC, a limited liability company organized under the laws of the State of Washington (the "Grantee").

### RECITALS

WHEREAS, the City owns real property commonly known as Austin Estuary Park located at 4009 Harborview Drive (Tax Parcel Number 0221064039) (the "Property"); and

WHEREAS, the Grantee requires a Temporary Construction Easement over the Property in order to drill three additional test borings in connection with the Conan Unocal Service Station and investigation of possible plume conditions in groundwater within the Austin Estuary Park (the "Project").

WHEREAS, the City has agreed to grant a Temporary Construction Easement to the Grantee, which easement is legally described in **Exhibit "A,"** attached hereto and by this reference incorporated herein , for the Project; and

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

### AGREEMENT

Section 1. Grant of Temporary Construction Easement. The City hereby grants a nonexclusive Temporary Construction Easement for the purpose necessarily and reasonably related to the three additional test borings of the Austin Estuary Park, along, in, upon, under and over the City's Property as the easement is legally described in **Exhibit "A"** and as depicted in a drawing attached hereto and incorporated herein as **Exhibit "B"**.

Section 2. Conditions. The Temporary Construction Easement is subject to and conditioned upon the following terms and covenants, which all parties agree to faithfully perform:

A. The Grantee (or its representative) shall repair all 2" Diameter borings along path with dirt backfill of similar material.

B. The Grantee (or its representative) shall provide the City with a copy of all completed investigation results and reports within 7 days of receipt. Data provided shall include all soil and groundwater data along with boring logs and field notes, as applicable. In addition, the Grantee (or its representative) shall provide copies of any

related correspondence to or from the Washington State Department of Ecology ("Ecology"). Any required permits or notifications are the responsibility of the Grantee.

C. The Grantee will be responsible for any damage to City property at Austin Estuary Park caused by the Grantee (or its representative) during access to and use of the park. Any trees, shrubs or plants located in the park that are damaged by the project shall be replaced within 30 days unless otherwise authorized by the City.

D. The Grantee (or its representative) will perform the bore samplings during a falling tide. The Grantee shall provide tide information with a proposed start date to the City's Construction Inspector for preapproval before the sample boring work begins.

E. Within sixty (60) days of receiving the results of the site investigation covered by this temporary easement, the Grantee (or its representative) shall seek an opinion letter from Ecology, through the Grantee's current enrollment in Ecology's Voluntary Cleanup Program, concerning the adequacy of the site investigation as required by the Model Toxics Control Act (RCW 70.105 D and its implementing regulations). Following completion of the approved site investigation, Grantee will evaluate various remedial action alternatives for the site and will seek an opinion from Ecology through the Voluntary Cleanup Program that the selected remedial action is sufficient to meet applicable MTCA regulatory requirements.

F. The Grantee shall pay ongoing reasonable technical and legal oversight costs for this temporary easement. This reimbursement obligation shall not exceed \$2,500.00 for the City's review and oversight of the investigation activities authorized under this temporary easement.

G. The Grantee shall pay past attorneys' fees for this temporary easement in the amount of \$1,200.00.

H. The Grantee shall pay Construction Inspection fees in accordance with the City's standard fee schedule as identified in **Exhibit "C"**. A preconstruction meeting or teleconference shall be held between the Grantee (or its representative) and the City's Construction Inspector at least 48 hours before the sample boring work begins.

I. Following completion of the approved site investigation, Grantee will evaluate various remedial action alternatives for the site and will seek an opinion from Ecology through the Voluntary Cleanup Program that the selected remedial action is sufficient to meet applicable MTCA regulatory requirements.

Section 3. Duration. This Temporary Construction Easement shall take effect upon execution and remain in effect for the duration of the Project, but not later than August 20, 2010, unless extended upon the mutual agreement of the parties. This Easement shall run with the land for the duration of its term and shall be binding upon the parties, their heirs, successors and assigns.



Section 4. Jurisdiction/Venue. This Agreement shall be construed in accordance with the laws of the State of Washington and jurisdiction of any litigation arising out of this Agreement shall be in Pierce County Superior Court. The prevailing party in any litigation brought to enforce the terms of this Agreement shall be entitled to its reasonable attorney's fees and costs.

Section 5. No Waiver. No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented.

Section 6. Severability. Any invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity of any other provision.

Section 7. Entire Agreement. Other than the documents attached to this Agreement as exhibits, there are no other verbal or written agreements that modify this Agreement, which contains the entire understanding of the parties on the subject.

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

**PROPERTY OWNER:**

\_\_\_\_\_

By: \_\_\_\_\_

Its \_\_\_\_\_  
(Owner, President, Managing Member)

**ACCEPTANCE:**

CITY OF GIG HARBOR

By: \_\_\_\_\_  
City Engineer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

[Notary blocks on following page.]

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

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

DATED: \_\_\_\_\_

\_\_\_\_\_  
Printed: \_\_\_\_\_  
Notary Public in and for Washington  
My appointment expires: \_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF PIERCE )

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

DATED: \_\_\_\_\_

\_\_\_\_\_  
Printed: \_\_\_\_\_  
Notary Public in and for Washington  
My appointment expires: \_\_\_\_\_

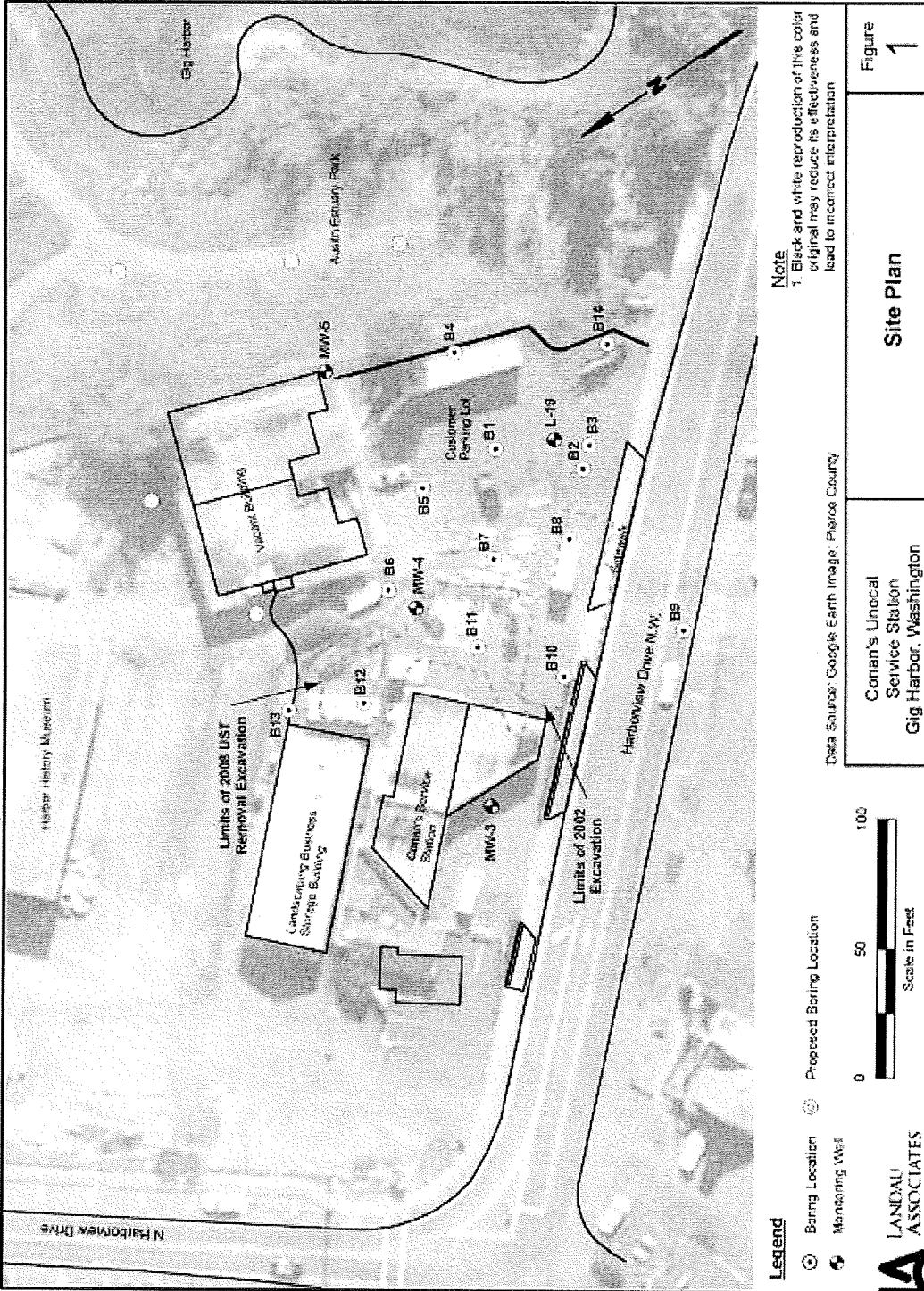
EXHIBIT A

**TEMPORARY CONSTRUCTION EASEMENT DESCRIPTION**

Section 06 Township 21 Range 02 Quarter 41 : PARCEL "A" OF DBLR 97-01-03-0284  
DESC AS FOLL COM AT NW COR OF GOVT LOT 2 TH S ALG W LI OF SD LOT  
96.95 FT TO C/L OF BURNHAM DR TH ALG SD C/L S 45 DEG 53 MIN 15 SEC E  
572.73 FT TO A PT ON SLY EXT OF ML TH N 16 DEG 35 MIN 45 SEC E 33.83 FT TO  
NLY R/W LI OF HARBORVIEW DR & POB TH CONT N 16 DEG 35 MIN 45 SEC E  
139.38 FT TO MC TH ALG ML N 16 DEG 35 MIN 45 SEC E 172.59 FT TO LI OF  
ORDINARY HIGH TIDE TH S 35 DEG 23 MIN 24 SEC E 27.92 FT TH S 72 DEG 31  
MIN 18 SEC E 50.72 FT TH S 06 DEG 53 MIN 20 SEC E 17.04 FT TH S 44 DEG 17  
MIN 19 SEC E 18.07 FT TH S 64 DEG 41 MIN 55 SEC E 78.35 FT TH S 00 DEG 14  
MIN 26 SEC E 24.33 FT TH S 45 DEG 52 MIN 15 SEC W 20.25 FT TH S 83 DEG 15  
MIN 41 SEC W 81.74 FT TH S 40 DEG 33 MIN 04 SEC W 24.80 FT TH S 45 DEG 59  
MIN 32 SEC E 50.03 FT TH S 05 DEG 50 MIN 43 SEC W 28.91 FT TH S 58 DEG 37  
MIN 46 SEC W 40 FT TH S 38 DEG 03 MIN 42 SEC W 83.81 FT TO NWLY LI OF SP  
8609030191 TH S 62 DEG 52 MIN 54 SEC W 40.06 FT TO NLY R/W LI OF  
HARBORVIEW DR TH N 45 DEG 53 MIN 15 SEC W 54.32 FT M/L TO POB  
DC6/19/97JU

**EXHIBIT B**

**TEMPORARY CONSTRUCTION EASEMENT DRAWING**



**EXHIBIT C**

**CITY OF GIG HARBOR CONSTRUCTION INSPECTION FEE SCHEDULE**



CITY USE ONLY  
APPROVED BY PW DEPT.: \_\_\_\_\_  
DATE: \_\_\_\_\_  
\* Must be approved prior to payment of fees

**CITY OF GIG HARBOR  
PUBLIC WORKS DEPARTMENT  
CONSTRUCTION INSPECTION FEES**

DATE OF APPLICATION: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

APPLICANT: \_\_\_\_\_ TELEPHONE NO: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

PROJECT OWNER: \_\_\_\_\_ Street \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

TELEPHONE NO: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

Street \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**CONSTRUCTION INSPECTION FEES**

	Total
Water: No. of Feet _____ (\$300.00/1st 150' + \$1.63/LF thereafter)	\$ _____
Sewer: No. of Feet _____ (\$300.00/1st 150' + \$1.63/LF thereafter)	\$ _____
Sewer - Step System (Residence) \$210.00 for each residence	\$ _____
Street: No. of Feet _____ (\$300.00/1st 150' + \$1.20/LF thereafter)	\$ _____
Curb, Gutter & Sidewalk: No. of Feet _____ (\$300.00/1st 150' + \$1.20/LF thereafter)	\$ _____
Storm: No. of Feet of Pipe _____ (\$145.00 each detention/retention area plus \$.60/LF pipe)	\$ _____
Lighting: No. of Poles _____ (\$145.00 + \$16.48/Pole)	\$ _____
Signals: (\$1,140.00/Intersection)	\$ _____
Right-of-Way Access:	
Overhead: No. of Feet _____ (\$320.00/1st 150' + \$.08/LF thereafter)	\$ _____
Underground: No. of Feet _____ (\$320.00/1st 150' + \$.17/LF thereafter)	\$ _____
<b>TOTAL CONSTRUCTION INSPECTION FEES*</b>	<b>\$ _____</b>

\* Construction Inspection Fees must be paid to the City of Gig Harbor before project work can begin.  
If change orders are required during construction which result in increased construction inspection fees based on the job parameters identified above, the project owner will be required to pay the additional inspection fees.

It is understood that the project owner shall apply for and obtain an Encroachment Permit from the City of Gig Harbor to work within the public Right-of-Way. Application to the City shall be made in ample time in advance of construction so the permit is in the Contractor's possession at least 48 hours prior to start of construction.

It is understood that the project owner shall coordinate the project schedule with the City and with other public agencies, including but not limited to: Pierce County, U.S. Post Office, Fire Department, Schools, Water Districts, Power Company, Natural Gas Company, Cable TV, phone company, and the Gig Harbor Police Department.

The project owner shall be fully responsible to the City for all work, all acts and omissions of the contractors and subcontractors, and persons either directly or indirectly employed by subcontractors working within the scope of the project.

The project owner shall be fully responsible for compliance with all city, county, state and federal laws and or permit requirements that may apply to this project.

The project will ensure that no work shall be back-filled without timely notice to the City Inspector of its readiness for inspection, and such inspection has been completed and backfilling approved. Should any work be backfilled without approval or comment by the City, it must be uncovered for examination by the City inspector at the contractor's expense.

The City inspectors are present on the work site to observe the progress of the work and the manner in which such work is being accomplished. Failure of the Inspector to call to the attention of the Contractor faulty work or deviations from the plans or specifications shall not constitute acceptance of the work.

X \_\_\_\_\_  
Signature of Project Owner Date

X \_\_\_\_\_  
Signature of Project Applicant Date

APPROVED BY

X \_\_\_\_\_  
Signature of Public Works Department, City of Gig Harbor Date



**Subject:** Recommendations for Jerisich and Skansie Brothers Parks Components

**Proposed Council Action:**  
Vote on the proposals for the various Components.

**Dept. Origin:** Administration

**Prepared by:** Mayor Hunter *CH*

**For Agenda of:** May 10, 2010

**Exhibits:** Mayor's Recommendations; Skansie Ad Hoc Committee Recommendations; Public Comments

Initial & Date

**Concurred by Mayor:** *CH 5/5/10*

**Approved by City Administrator:** *RJK 5/5/10*

**Approved as to form by City Atty:** \_\_\_\_\_

**Approved by Finance Director:** \_\_\_\_\_

**Approved by Department Head:** \_\_\_\_\_

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

**INFORMATION / BACKGROUND**

In 2008, the Skansie Brother Park Ad Hoc Committee presented recommendations for proposed uses at Jerisich and Skansie Parks to City Council. Over the past several months, the City council has held two study sessions and one public hearing on this topic. The Ad Hoc Committee Recommendations, along with the Mayor's Recommendations are included with this Agenda Bill.

**FISCAL CONSIDERATION**

N/A

**BOARD OR COMMITTEE RECOMMENDATION**

N/A

**RECOMMENDATION / MOTION**

**Move to:** A motion to Vote on the proposals for the various Components.



## Skansie Brothers Park - Mayor's Recommendations - April 2010

### JERISICH PARK

**2008 Ad Hoc:** Recommends cleaning up the clutter and relocating utilities, trash receptacles, etc. at street face for improved open areas for the public.

**Mayor's Recommendation:** Move forward with GHHWA's design and work as resources allow.

---

### RESTROOMS, SHOWER AND LAUNDRY FACILITIES

**2008 Ad Hoc:** Recommends that the City study the feasibility of restroom expansion to add more stalls and a shower facility. Consider providing 1 or 2 laundry machines for public use.

**Mayor's Recommendation:** Because of lack of space and labor intensive nature of these types of improvements, reject.

---

### LIFE JACKET PROGRAM

**2008 Ad Hoc:** Motion to send the Youth Life Jacket program forward for further consideration and recommend that the placement should be on the east wall of the restrooms. Check to see if Port of Tacoma can fund this program.

**Mayor's Recommendation:** Program completed last season; provide additional life jackets this season.

---

### MARITIME MEMORIAL WALK

**2008 Ad Hoc:** Collaborate with Fishermen's Club to develop a maritime vessel walk within the park in conjunction with the Judson-Harborview Sidewalk Project.

**Mayor's Recommendation:** Incorporate in GHHWA plan for Jerisich uplands.

---

### SKANSIE NET SHED

**2008 Ad Hoc:** Recommends that the City preserve the net shed by applying the following treatments: register, stabilize and rehabilitate the structure. We also recommend that the structure be used for programming representing local commercial fishing heritage.

**Mayor's Recommendation:** Move forward to register and make incremental repairs as resources become available; program as described above in 2008 Ad Hoc recommendation.

### **SKANSIE HOUSE**

**2008 Ad Hoc;** Recommends that the house be registered as a historic site and used as a visitor center with historic interpretive displays. We also recommend that the basement be used for storage and that the interior integrity of the structure be maintained.

**Mayor's Recommendation:** The requested action on this item is to approve a program that will allow staff to pursue grant funding to end the structure's eight-year vacancy. Register the house; limit remodeling to restoration of single family house with concentration of work on main level. Second floor perform minimum work to maintain structure (not for public use). Utilize the front room on the main level as informational area using volunteers to distribute information and brochures. Place pictures and/or artifacts in the front room to depict the history of the site; first floor bath to be made as accessible as allowed by space and configuration. Utilize first floor for shared use by groups such as cultural, environmental or other nonprofit organizations.

---

### **JERISICH DOCK EXTENSION**

**2008 Ad Hoc;** Recommends that the City investigate the feasibility to obtain all applicable permits and DNR leases required to lease and install two, 160-foot temporary floats in an "ell" configuration to serve as additional moorage at Jerisich Dock from June 1<sup>st</sup> through September 30th each year until such time as the Maritime Pier is constructed. In addition, install three stabilizing piles for the temporary floats, which will be removed at such time as the Maritime Pier is constructed. In addition, investigate the feasibility of constructing an extension to the end of the existing Jerisich Floats. Both studies to be reviewed by the Maritime Pier Funding Resource Acquisition Team.

**Mayor's Recommendation:** Move forward to secure grants and permitting for a 70 foot extension for future construction to extend Jerisich float. Review options for temporary seasonal floats as funding allows.

---

### **LANDSCAPING AND VEGETATION**

**2008 Ad Hoc:** The hedge is expendable and can be removed. Allow the Judson-Harborview Sidewalk Project consultant to coordinate the sidewalk design and present something to the City.

**Mayor's Recommendation:** investigate hiring a landscape architect/arborist to make recommendations for cutting back/thinning plantings around the Skansie House. Remove the hedge and replace with a low fence and low vegetation.

---

### **MARITIME PIER**

**2008 Ad Hoc:** Recommends the construction of a maritime pier at Skansie Brothers Park as proposed by the 2003 Skansie Brother's Park Ad-Hoc Committee. We further recommend the formation of a Funding Resource Acquisition and Permitting Team by the 2008 Skansie Brother's Park Ad-Hoc Committee. The recommended membership of the Committee shall include: John McMillan, Guy Hoppen, Paul Ancich, John Moist and Gregg Lovrovich.

**Mayor's Recommendation:** Explore locating a Maritime Pier at the Madison Shores (old Stutz Dock) site to accommodate the Gig Harbor Fishing Fleet and tour boats.

**From:** Hunter, Chuck  
**Sent:** Tuesday, April 27, 2010 3:22 PM  
**To:** Towslee, Molly  
**Subject:** FW:  
**Attachments:** SkansiePublicStatement.doc

Molly

Can you incorporate this information into last night's meeting notice.

Thanks

Chuck

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**From:** arabellas@harboret.com [mailto:arabellas@harboret.com]  
**Sent:** Tuesday, April 27, 2010 9:05 AM  
**To:** Hunter, Chuck  
**Subject:**

April 27, 2010

From: John Moist  
To: Gig Harbor City Council/Mayor Hunter

Re: Additional comments Jerisich/Skansie Parks Components

Gentleman,

Thank you for the opportunity to express my opinions and concerns last evening. I have a couple of additional remarks that time did not permit.

1. After reading through the Mayor's recommendations, I agree with most of them except his proposed use of the house as evidenced by my public statement.
2. I would like the opportunity to research and provide you with the information regarding what it would cost to bring in temporary floats each year for three or four months. This will take me about a month to put the information together.

I propose that the "L" configuration that I have used the past five years for the Antique and Classic Yacht Festival and Thunderbird Rendezvous remains the best option. Boats longer than 22 feet would not be allowed to moor on the temporary dock that is parallel to the bulkhead. These low profile boats would leave the view corridor open. The existing portion of Jerisich Dock from the intersection of the temporary float (parallel to bulkhead run) to the shore could be used for kayaks and dinghies as well as the shore side (inside) of the parallel run of temporary float. The portion of the "L" that run perpendicular to the bulkhead could be used for larger vessels.

3. It is rumored that the City is going after a recreational grant or Alea Grant to build the 70' extension to Jerisich Dock. If this is the case we will be unable to use the extension for commercial purposes; for example Tom Drohan would not be able to pick up and drop off sightseeing customers, cruise ships would be unable to

bring guest to the Harbor for a day of shopping. At best, it will take a few years before a dock at Madison Shores is complete. This leaves entrepreneurs like Tom and our local downtown businesses out in the cold. If the downtown is to survive, the City must do everything in its power not to contribute to things that would lead to its demise. Don't hold this project hostage, like the rest of the dock is held hostage to any commercial use.

4. Skansie Park needs to be opened up on the South end along the sidewalk. Don't get hung up with hiring more consultants we cannot afford. The City has a fine landscape crew and arborist. Use our local resources!
5. I have enclosed my prepared remarks form last evening.

Respectfully submitted,  
John R. Moist

My name is John Moist - 3323 Harborview Drive

*Old Business - 1*

*Page 6 of 9*

April 26, 2010 Council Meeting Public Statement re: Jerisich/Skansie Parks Components

Over the past ten years council has authorized the expenditure of tens of thousands of dollars and has involved a great many concerned citizens with a number of different studies and committees each with the idea of improving the quality of life in Gig Harbor. With that said, I can only think of one recommendation out of hundreds that has come to fruition. It has been disappointing to volunteer hundreds of hours on projects that went nowhere.

As a member of the 2008 Skansie Ad Hoc and the Maritime Pier Feasibility Committees I have been outspoken about honoring the committee's recommendations and the overwhelming public support we have received. When considering the recommendations, I ask Council to regard each element on its own individual merit. If funds are not available don't throw the baby out with the bathwater, simply approve the project and put it on hold until such time as funds are available.

It appears that Madison Shores has eliminated the Maritime Pier location controversy and Coastal Heritage Alliance takes care of the net shed. This leaves the House. The Ad Hoc committee recommended the house be used as the Visitor Center. Now it appears that this won't happen because the Chamber of Commerce wants to take over the Visitor Center duties at its Judson Street location, with free rent. Where does this leave the City Marketing Department? I hope you put as much value on the marketing department's work as the community does. I have worked closely with Laureen for the past eight years and she is dedicated to the future of our City. She has done a superior job of promoting the historic downtown and Gig Harbor in general. If the decision is made not to have a visitor center at Skansie, I hope the city will support a collaborative effort between the current marketing department, the Chamber and all other important groups downtown, which only, in this scenario, your Marketing Director has the ability to make cohesive.

Another group wants the House for a live in Harbor Master. To do what, babysit Jerisich Dock for which no moorage fee is charged? The COPs program already handles this. To eliminate the need for a change in use permit from residential to public?

I am a harbor master. I manage a business that brings over 2,500 boats and 5 to 6,000 visitors to the Harbor each year. The Visitor Center located at the Skansie House is not only ideal it is essential if we want to make Skansie Park the hub of the historic downtown. And it is the recommendation of both Skansie committees as well as several consultants.

So why are you considering a whole new option for the house at this point in the game?

Honor the Skansie recommendations and DO NOT ALLOW them to meet the same going nowhere fate.

# Memorandum

To: Skansie Brothers Park Ad Hoc Committee

From: Jim O'Donnell, resident of Gig Harbor

Date: 5/1/2008

\* recycled on April 26 2010

Re: Skansie Park Proposed Fishermen's Dock.

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The combined setting of Jerisich dock, pavilion, public restroom, Fishermen's memorial, flagpole, Skansie house and net shed make for an uncluttered, well-used scenically beautiful centerpiece for the Maritime City of Gig Harbor.

Making the Skansie house into a gathering place for townspeople old and new as well as tourists, the restoration of the property would greatly enhance the area and increase visitor's numbers.

As tribute to the fishing history of the town it would be great to see the Skansie house transformed into a fisherman's house and garden from circa 1900, with garden and bocce ball. As such it could also be a starting point for participants and guides to begin a tour of the waterfront. (See Gig Harbor Waterfront Historic Walk.) \* information center

The overall planning for downtown parking and parks should be comprehensive and should include Austin, Donkey Creek, historical properties, Eddon boatworks, Jerisich dock, the Harbor Historical Museum and the Skansie park.

## Restoration of Skansie Park:

1. Restoring the net-shed is a #1 priority. The pilings need to be replaced after which the net-shed, with care, could be made accessible to visitors without changing the exterior or its surroundings.
2. Furniture stored by the Historical Society could furnish several rooms downstairs for the 1900's look.
3. Modernize room and bath upstairs, with kitchen, for occupancy by a person who could live in a piece of history in return for cozy quarters (this would reduce the risk of vandalism). In this case the upstairs would not be available to public access..
4. Grounds: leave the apple tree, magnolia, monkey puzzle tree, camellia, holly trees, cedar tree and Scotch pine. Have certified arborists determine if the cherry tree is safe (for

\* 5. While shoring up the foundation ask the Kayak & Canoe Club community if they would like to store their craft in celler and change configuration to fit if needed.  
\* add ons 4/26/2010

May 1, 2008

children). Plant a vegetable garden ( with master gardeners and food bank collaborating, and volunteers tending).

5. Remove portions of the hedge to make user friendly by pruning shrubs: this only to be done after plan is complete.

Currently the southern lawn is not heavily used except for Blessing of the Fleet, Gig Harbor Days, and special events at pavilion. The reason for the lack of use is the red plastic warning fence around the house and all of the Canada geese droppings on that side. There should be an effort made by the city to chase the geese away from the park as their droppings can be a health hazard, or clean up after them daily.

Once the plan is adopted for the house, volunteers and historians could gather here and provide guides for walking tours of the Harbor. The guides could give presentations not only in English, but in many other languages, based on my observation that many Gig Harbor-ans are multilingual.

A bocce ball court could be laid out on the south side of the property, and fishermen and San Franciscans could have fun and entertain the walkers on the sidewalk.

An enlarged, wall-sized map of Croatia and surroundings (Yugoslavia) in the 1920s could be placed at the fisherman's house and keyed to Gig Harbor's early pioneers.

#### Observation on Maritime Dock.

Fishing or shellfish gathering should not take place because of the pollution of the sediment in the harbor (check out Eddon boat works), and parents with young children should not be encouraged to eat fish caught in the area.

The placement of the pier will obstruct the view that we currently and historically have to the opposite shore.

A modern-day concrete pier with room to turn trucks around is not in keeping with the historic nature of the site. Even though the pier will only be used by a small portion of the Gig Harbor fleet for approximately 20 days in June and November, it will be an eyesore and maritime hazard as well as a tempting place for private boats to tie up for overnight, repairs, or partying, etc.

The Blessing of the Fleet could no longer be done as it has since 2002.

And, most important, public funds should not be spent on private business ventures, particularly where it concerns a public-owned park.

~~Environmentalist~~  
or  
Forester/Wildlife Biologist



May 1, 2008

My suggestion is that there is a very dilapidated dock at Eddon boat works which needs repair or replacement. The fishermen could unload their nets there after the boat works is up and running. The access to the harbor is much better there, and a pier would not obstruct the water view, since that is already been done by the boat works and the house.

No matter what happens, once this area is restored, a traffic light of round-about will be needed on the intersection of Harborview and Stinson.

Three other locations may also work and should be seriously considered are:

1. the 60' right-of-way by the Tides tavern
2. the Anchor pier that is currently used, and
3. the county boat launch on the east side of the bay.

Thank you for your interest.

Jim O'Donnell

\* Another idea!

When The new sewer line extension is put in, Put in 10" pipe (welded) <sup>on larger outflow</sup> to bring water to the back of the Harbor so the marina life can return

or

install 2 way Pump on line so treated sewage could be pumped out into Commencement bay, and the pump <sup>or other</sup> be reversed and after tide change (Time frame) ~~fresh~~ clean water could be pumped into Harbor. — Technology is available in The Netherlands

## Hunter, Chuck

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**From:** Karlinsey, Rob  
**Sent:** Monday, May 10, 2010 4:59 PM  
**To:** Conan, Paul; Ekberg, Steve; Franich, Jim; Hunter, Chuck; Ken1barb@harbornet.com; Paul Kadzik; Payne, Tim; Young, Derek  
**Subject:** FW: Mayor's Skansie Recommendations (corrected for typos)

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**From:** Mark Hoppen [mailto:hoppenm@gmail.com]  
**Sent:** Monday, May 10, 2010 3:55 PM  
**To:** Karlinsey, Rob  
**Subject:** Fwd: Mayor's Skansie Recommendations (corrected for typos)

----- Forwarded message -----

**From:** **Mark Hoppen** <hoppenm@gmail.com>  
**Date:** Mon, May 10, 2010 at 3:45 PM  
**Subject:** Mayor's Skansie Recommendations  
**To:** "Karlinsey, Rob" <karlinseyr@cityofgigharbor.net>

With respect to the Skansie park proposals, I support the Mayor's recommendations with three defining suggestions:

- 1) Planning provision should be made to eventually restore the full Skansie House to historic standards. The Grulich Study explains in depth how to do this; it was the primary purpose of the study and suggests cost parameters. I would appreciate public statement of this intent.
- 2) Especially if the hedge is to be removed, a built pedestrian-only access should be planned for the southern end of the property. Once the hedge is removed, the high foundation wall on the adjacent property will become a visual feature that will detract from the ambiance of the park. Aside from access convenience, a built pedestrian-only access could mitigate the high foundation wall that will be highly visible otherwise. I suggest a brick treatment that would be ADA accessible along the foundation wall (hiding the bulk of the concrete at the high end of the wall) and would have steps from a rounded viewing promitory. Of course, none of this would be appropriate unless the Stutz property is acquired for a pier.
- 3) I suggest that the end of the proposed Jerisich Dock improvements not utilize any State recreational dollars to preserve the maximum public use of the dock. I would appreciate public commitment to this multiple public use.

Thank you for taking steps to acquire the Stutz Property. The City tried before to acquire this property, but was in effect out-bid because the purchaser did not take clean-up cost into account, which the City would have been required to perform. The time is propitious to acquire the Stutz now.

Please share this note with Mayor Hunter and with all members of the City Council prior to the meeting.  
Thanks.

Sincerely,  
Mark Hoppen



**Subject:** Third Reading of an Ordinance establishing a process for Street Latecomer's Agreements

**Proposed Council Action:** Adopt an Ordinance of the City Council relating to the establishment of a process for Street Latecomer's Agreements; adding Chapter 12.20 "Latecomer Agreements for Street Improvements" to the Gig Harbor Municipal Code.

**Dept. Origin:** Public Works/Engineering  
**Prepared by:** Emily Appleton, P.E. *EA*  
**Senior Engineer**  
**For Agenda of:** May 10, 2010  
**Exhibits:** Proposed Ordinance

**Concurred by Mayor:** *Initial & Date*  
**Approved by City Administrator:** *CAH 5/5/10*  
**Approved as to form by City Atty:** *approved via email*  
**Approved by Finance Director:** *QR 5/5/10*  
**Approved by Department Head:** *EA for STM 5.5.10*

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, consistent with state law, which provides the general framework for an application process and criteria for approval of Latecomer Agreements for Street Improvements.

The proposed ordinance (and the corresponding RCW's) requires that the methodology, benefit area and pro-rata share in the Latecomer Agreement meet the following requirements:

- Property is adjacent to the street improvements
- Each assessed property owner would be required to construct similar improvements if not already constructed
- Share is proportional to the benefit received by the property owner
- Approved land use permits would be exempt under this Ordinance
- Nothing in this Ordinance requires the City to enter into a Latecomer's Agreement

The state statute and the proposed ordinance require that the benefit be determined upfront. If there is anticipated change in the benefit due to the methodology used, it is best addressed by the latecomer agreement itself. It is during the evaluation of each specific latecomer agreement where the details of the proposed methodology, benefit area and pro-rata share would be defined. The latecomer agreement is either approved or not by the council. If the council wasn't in agreement with the details, it would not approve the latecomer agreement.

In response to comments heard at the second reading, a new paragraph (12.20.050.C) was added that requires the City to mail a Notice of Application and summary to the affected property owners and record the same with the Pierce County Auditor (at applicant's expense). This will give affected property owners earlier notice that a Latecomer Agreement for Street

Improvements may impact their property and provide additional opportunity to comment and participate in the evaluation and development of such an agreement prior to its presentation to council and before they would need to file a formal appeal.

The street latecomer agreement is recorded against a property and reimbursement is due in the event of future development. There is an appeal process defined in the proposed code (section 12.20.070) and RCW 35.72.040. To appeal, 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 last fall. The committee's concerns 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.

There was also a concern voiced regarding fairness. The proposed ordinance (and the corresponding RCW's) require that the property be adjacent to the improvements; each assessed property owner would be required to construct similar improvements if they weren't already constructed, and; the share is proportional to the benefit received by the property owner. It is during the evaluation of the latecomer agreement itself where the specifics of the proposed methodology, benefit area and pro-rata share would be reviewed. If the council wasn't satisfied on fairness issues, it would not approve the latecomer agreement.

### **RECOMMENDATION / MOTION**

**Move to:** Adopt an Ordinance of the City Council relating to the establishment of a process for Street Latecomer's Agreements; adding Chapter 12.20 "Latecomer Agreements for Street Improvements" to the Gig Harbor Municipal Code.

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.

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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 Three Thousand Dollars (\$3,000.00);
- 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. Within 10 days of the city engineer's determination that the application is complete, the city will prepare and mail to affected property owners, via certified U.S. mail, at the applicant's expense, a Notice of Application and summary. The same shall be recorded with the Pierce County Auditor at the applicant's expense within 30 days of the city engineer's determination that the application is complete. The Notice of Application shall contain a brief description of the Latecomer Agreement process and City of Gig Harbor staff contact information. The application summary shall contain at least the following: project description, name of applicant, legal descriptions for each of the properties within the proposed benefit area together with a statement of intent to collect the proposed allocation of costs of construction to each property. The application summary shall include the following language:

*This application summary shall have no further force or effect nor shall it constitute an enforceable obligation against any of the properties described herein upon the recording of a latecomer reimbursement agreement made as to the property herein described.*

D. 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 latecomer 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 contact 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 owed 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

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Mayor Charles L. Hunter

ATTEST/AUTHENTICATED:

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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:



**Subject: Resolution Increasing Business Licenses**

**Proposed Council Action:**

Adopt the Attached Resolution that Increases the Yearly Business License Fee from \$20 to \$30.

**Dept. Origin:** Administration  
**Prepared by:** Rob Karlinsey  
**For Agenda of:** **May 10, 2010**  
**Exhibits:** Resolution

Initial & Date

**Concurred by Mayor:** CLH 5/3  
**Approved by City Administrator:** RJK 5/3  
**Approved as to form by City Atty:** VIA email 5/3  
**Approved by Finance Director:** QR 5/3  
**Approved by Department Head:** RJK

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

**INFORMATION / BACKGROUND**

The current yearly business license fee of \$20 was set in May of 1980. Since then the City's operating costs, including the cost of licensing, assisting, and regulating its businesses has gone up. Meanwhile, General Fund operating revenues have plunged in recent years, hampering the City's ability to continue to subsidize its business licensing and regulating functions.

In addition, city administration wishes to continue a commercial building fire prevention inspection program by taking this program on in-house. Doing so will incur costs that the City has not budgeted, and a revenue source is needed to fund this added cost as well as the increased costs of licensing and regulating businesses in general.

**FISCAL CONSIDERATION**

An increase in the yearly business license fee from \$20 to \$30 should generate approximately \$15,000 to \$20,000 in additional revenue per year.

**BOARD OR COMMITTEE RECOMMENDATION**

A proposed business license fee increase was proposed and discussed during Staff Report at the April 26, 2010 City Council meeting.

**RECOMMENDATION / MOTION**

**Move to:** Adopt the Attached Resolution that Increases the Yearly Business License Fee from \$20 to \$30.

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF GIG HARBOR, WASHINGTON  
SETTING FEES FOR BUSINESS LICENSES, REPEALING RESOLUTION  
NO. 502, AND ESTABLISHING AN EFFECTIVE DATE OF JULY 1, 2010.**

---

**WHEREAS**, the City of Gig Harbor requires a yearly business license fee which was first established in May of 1980 (Ordinance No. 343); and

**WHEREAS**, Gig Harbor Municipal Code Section 5.01.080 requires the City Council to establish a fee schedule for business licenses by resolution; and

**WHEREAS**, the City Council last established such fee schedule in September of 1997 in Resolution No. 502; and

**WHEREAS**, the yearly fee for business licenses has not been adjusted since 1980; and

**WHEREAS**, because of increasing costs and decreasing operating revenues, the City's ability to subsidize the licensing and regulation of businesses, including commercial building fire prevention inspections, has been diminished; and

**WHEREAS**, the City's assistance to and regulation of its businesses, including the commercial building fire prevention inspection program, is important to the health, safety, general welfare, and economic prosperity of the City and its citizens; and

**WHEREAS**, the City desires to establish an in-house commercial building fire inspection prevention program; and

**WHEREAS**, a revenue source is needed to help fund the establishment and operation of such a program also to keep pace with the City's increasing costs of business licensing, regulation, and assistance in general; and

**WHEREAS**, the City Clerk has prepared a schedule of fees that relates to licensing of businesses within city limits; NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council hereby repeals Resolution No. 502 and adopts the "Schedule of License Fees" attached as Exhibit A and incorporated herein by this



reference as if set forth in full, as the official schedule of fees for licensing of businesses for the City of Gig Harbor.

Section 2. Effective Date. This resolution shall take effect on July 1, 2010.

PASSED by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2010.

APPROVED:

\_\_\_\_\_  
MAYOR, CHARLES L. HUNTER

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
CITY CLERK, MOLLY M. TOWSLEE

APPROVED AS TO FORM;  
OFFICE OF THE CITY ATTORNEY:

\_\_\_\_\_  
ANGELA S. BELBECK

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

Exhibit 'A'

**BUSINESS LICENSE FEE SCHEDULE**  
**FOR THE CITY OF GIG HARBOR**  
\_\_\_\_\_, 2010

Business License - Yearly	\$30.00
Renewal Fee	\$30.00
Temporary Business License (Each person doing sales is required to be licensed)	\$20.00 per day, Or \$400 per year
Adult Entertainment Business License	\$500 original application \$100 renewal
Adult Entertainer/Manager	\$100 per year

**Karlinsey, Rob**

---

**From:** Angela S. Belbeck [abelbeck@omwlaw.com]  
**Sent:** Monday, May 03, 2010 9:18 AM  
**To:** Karlinsey, Rob  
**Subject:** RE: Business License Fee Res and CB

A-okay.  
--Angela

---

**From:** Karlinsey, Rob [mailto:karlinseyr@cityofgigharbor.net]  
**Sent:** Monday, May 03, 2010 8:19 AM  
**To:** Angela S. Belbeck  
**Subject:** RE: Business License Fee Res and CB

Angela – I just added one more Whereas at the top. Let me know if you're OK with it. Thanks.

---

**From:** Angela S. Belbeck [mailto:abelbeck@omwlaw.com]  
**Sent:** Sunday, May 02, 2010 12:55 PM  
**To:** Karlinsey, Rob  
**Subject:** RE: Business License Fee Res and CB

Hi Rob. That change is fine. Thanks for pointing out ordinance 343. There's no problem here since that ordinance was repealed in the early 90's. Let me know if you need anything else.  
--Angela

---

**From:** Karlinsey, Rob [mailto:karlinseyr@cityofgigharbor.net]  
**Sent:** Saturday, May 01, 2010 11:09 AM  
**To:** Angela S. Belbeck  
**Subject:** RE: Business License Fee Res and CB

Thanks Angela. I just made a couple more changes, see attached and please review. Also note (see attached pdf file to this email) that the \$20 business license was set by ordinance back in 1980 (Ordinance No. 343). I want to make sure you know that and that you're OK with changing the fee by resolution.

---

**From:** Angela S. Belbeck [mailto:abelbeck@omwlaw.com]  
**Sent:** Wednesday, April 28, 2010 3:44 PM  
**To:** Karlinsey, Rob  
**Subject:** RE: Business License Fee Res and CB

Attachment...

---

**From:** Angela S. Belbeck  
**Sent:** Wednesday, April 28, 2010 3:42 PM  
**To:** 'Karlinsey, Rob'  
**Subject:** RE: Business License Fee Res and CB

Hi Rob. Here's a revised resolution. If you prefer, you can leave in the WHEREAS clause regarding the increase from \$20 to \$30, but if so, just need to say who is recommending it.

5/3/2010



**Subject: First Reading of Ordinance  
Providing for the Issuance and Sale  
of Limited Tax General Obligation  
and Refunding Bonds**

**Dept. Origin:** Finance  
**Prepared by:** David Rodenbach  
**For Agenda of:** May 10, 2010

**Exhibits:** Ordinance and related attachments

**Proposed Council Action:**

Adopt the ordinance after second reading

Initial & Date

**Concurred by Mayor:** CLH 5/4/10  
**Approved by City Administrator:** POK 5/4/10  
**Approved as to form by City Atty:** per email  
**Approved by Finance Director:** QR 5/4/10

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

This is the first reading of an ordinance providing for the issuance and sale of limited tax general obligation (LTGO) bonds in the amount of approximately \$8,030,000. The actual amount will be known at second reading.

The proceeds of these bonds will be used as follows:

- \$6,815,000 to refund a portion of the 2001 Civic Center LTGO bonds. Bonds maturing June 2012 and thereafter will be called for early retirement.
- \$1,215,000 to acquire property located at 3003 Harborview Drive, and to perform certain improvements to this property.

These bonds will run through 2026 and carry an average coupon of 3.92 percent.

**FISCAL CONSIDERATION**

By refunding the 2001 Civic Center Bonds the City will realize an estimated \$345,000 in net present value savings over the life of the bonds, actual savings over the term of the bonds is \$452,282.

The City's debt limit currently has room for about \$20 million in additional non-voted general obligation debt. This bond issue uses \$1,510,000 of that capacity (new money portion of \$1,215,000 plus refunding portion of \$295,000).

**RECOMMENDATION / MOTION**

**Move to:** Pass ordinance after a second reading.

CITY OF GIG HARBOR, WASHINGTON  
LIMITED TAX GENERAL OBLIGATION AND REFUNDING BONDS, 2010

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF LIMITED TAX GENERAL OBLIGATION AND REFUNDING BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF \$8,030,000 TO PROVIDE FUNDS FOR THE ACQUISITION OF PROPERTY AND TO REFUND CERTAIN OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY; AUTHORIZING THE APPOINTMENT OF AN ESCROW AGENT AND THE EXECUTION OF AN ESCROW AGREEMENT; PROVIDING THE TERMS OF THE BONDS; APPROVING AN AGREEMENT FOR ONGOING DISCLOSURE; PROVIDING FOR THE ANNUAL LEVY OF TAXES TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND AUTHORIZING THE SALE OF BONDS.

PASSED: MAY 24, 2010

Prepared by:

K&L GATES LLP  
Seattle, Washington

CITY OF GIG HARBOR  
ORDINANCE NO. \_\_\_\_\_  
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EXHIBIT A Form of Escrow Agreement

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\* This Table of Contents and the Cover Page are for convenience of reference and are not intended to be a part of this ordinance.

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF LIMITED TAX GENERAL OBLIGATION AND REFUNDING BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF \$8,030,000 TO PROVIDE FUNDS FOR THE ACQUISITION OF PROPERTY AND TO REFUND CERTAIN OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY; AUTHORIZING THE APPOINTMENT OF AN ESCROW AGENT AND THE EXECUTION OF AN ESCROW AGREEMENT; PROVIDING THE TERMS OF THE BONDS; APPROVING AN AGREEMENT FOR ONGOING DISCLOSURE; PROVIDING FOR THE ANNUAL LEVY OF TAXES TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND AUTHORIZING THE SALE OF BONDS.

WHEREAS, the City of Gig Harbor, Washington (the "City") desires to acquire property and make other capital improvements to the facilities of the City (collectively, the "Project"); and

WHEREAS, the City is authorized by chapters 35A.40 and 39.46 RCW to borrow money and issue general obligation bonds to finance the costs of the Project; and

WHEREAS, it is in the best interest of the City to issue limited tax general obligation bonds in the aggregate principal amount of \$1,225,000 (the "Improvement Bonds") in order to obtain long term financing for the Project; and

WHEREAS, the City issued its Limited Tax General Obligation Bonds, 2001 pursuant to Ordinance No. 885 under date of June 26, 2001, in the original aggregate principal amount of \$7,825,000 (the "2001 Bonds") which remain outstanding as follows:

<u>Maturity Years (June 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
2010	\$275,000	4.85%
2011	285,000	4.55
2012	300,000	4.65
2013	315,000	4.75



2014	330,000	4.80
2015	345,000	4.90
2016	365,000	4.95
2017	380,000	5.00
2018	400,000	5.05
2019	425,000	5.00
2020	445,000	5.10
2021	470,000	5.10
2022	495,000	5.15
2026	2,250,000	5.25

; and

WHEREAS, the 2001 Bonds maturing on and after June 1, 2012 (the “Refunded Bonds”) are callable for redemption at any time on or after June 1, 2011, at a price of par plus accrued interest to the date of redemption; and

WHEREAS, as a result of changed market conditions, it appears that debt service savings may be obtained by refunding the Refunded Bonds through the issuance of limited tax general obligation refunding bonds of the City in the aggregate principal amount of not to exceed \$6,890,000 (the “Refunding Bonds”); and

WHEREAS, it appears to this Council that it is in the best interest of the City that the Improvement Bonds and the Refunding Bonds be combined into a single issue of general obligation and refunding bonds in the aggregate principal amount of \$8,030,000(the “Bonds”); and

WHEREAS, the City has received an offer from D.A. Davidson & Co., Seattle, Washington, to purchase the Bonds;

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

Section 1.     Definitions The following words and terms as used in this ordinance shall have the following meanings for all purposes of this ordinance, unless some other meaning is plainly intended.

***Acquired Obligations*** means the Government Obligations acquired by the City under the terms of this ordinance and the Escrow Agreement to effect the defeasance and refunding of the Refunded Bonds.

***Beneficial Owner*** means any person that has or shares the power, directly or indirectly to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

***Bond Fund*** means the “Limited Tax General Obligation Redemption Fund No. 208” established pursuant to Section 9 hereof.

***Bond Register*** means the registration books showing the name, address and tax identification number of each Registered Owner of the Bonds, maintained pursuant to Section 149(a) of the Code.

***Bonds*** or ***Bond*** means all or a portion of the City of Gig Harbor, Washington, Limited Tax General Obligation and Refunding Bonds, 2010, issued pursuant to this ordinance, and shall include the Improvement Bonds and the Refunding Bonds.

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

***City Representative*** means the Mayor, the City Administrator, the Finance Director or such other official or employee of the City designated in writing by any of the foregoing.

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

**Commission** means the Securities and Exchange Commission.

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

**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.

**Escrow Agent** means U.S. Bank National Association, Seattle, Washington.

**Finance Director** means the duly qualified, appointed and acting Finance Director of the City or any other officer who succeeds to the duties now delegated to that office.

**Government Obligations** means those obligations now or hereafter defined as such in chapter 39.53 RCW.

**Improvement Bonds** means that portion of the Bonds authorized to be issued herein for the purpose of financing the cost of the Project and paying related costs of issuance.

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

**MSRB** means the Municipal Securities Rulemaking Board or any successor to its functions.

**Net Proceeds**, when used with reference with the Bonds, means the principal amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount, if any.

**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.

**Project** means the capital improvements described in Section 2 hereof.

**Project Fund** means the “Park Development Fund, No. 109” maintained as provided in Section 12 hereof.

**Refunded Bonds** means the 2001 Bonds maturing on and after June 1, 2012.

**Refunding Bonds** means that portion of the Bonds authorized to be issued herein for the purpose of refunding the Refunded Bonds and paying related costs of issuance.

**Registered Owner** means the person in whose name a Bond is registered on 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.

**Registrar** means, initially, 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 interest on and principal of the Bonds.

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

**2001 Bond Ordinance** means Ordinance No. 885 of the Council.

**2001 Bonds** means the Limited Tax General Obligation Bonds, 2001, of the City issued under date of June 26, 2001, pursuant to the 2001 Bond Ordinance and presently outstanding in the principal amount of \$7,080,000.

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

**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; and

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

Section 2. Authorization of the Project. The City intends to acquire property and make various capital improvements within the City (the “Project”). The City hereby confirms and ratifies the Project and finds that it is in the best interest of the City to issue the Improvement Bonds for the purpose of providing financing for the Project and paying allocable costs of issuance.

Section 3. Purpose, Authorization and Description of Bonds. For the purpose of paying the costs of the Project and paying a proportionate share of the costs of issuance, the City shall issue and sell its limited tax general obligation bonds in the aggregate principal amount of \$1,225,000 (the “Improvement Bonds”).

For the purpose of refunding the Refunded Bonds and paying a proportionate share of the costs of issuance related thereto, and thereby effecting a substantial savings to the City and its taxpayers, the City shall issue its limited tax general obligation refunding bonds in the aggregate principal amount of \$6,890,000 (the “Refunding Bonds”).

The Improvement Bonds and the Refunding Bonds are sometimes herein collectively referred to as the “Bonds.”

The City shall now issue and sell the Bonds in the combined aggregate amount of \$8,030,000. The Bonds shall be designated the “City of Gig Harbor, Washington Limited Tax General Obligation and Refunding Bonds, 2010” (the “Bonds”), shall be dated as of the date of their initial date of 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 Registrar deems necessary for purposes of identification and control, and shall bear interest from their date or the most recent date to which interest has been paid or duly provided for, whichever is later, payable semiannually on the first days of December and June, commencing December 1, 2010 to the maturity or earlier redemption of the Bonds, at the rates set forth below, and shall mature on June 1 in the years and in the amounts set forth below.

Maturity Year (June 1)	Principal Amount	Interest Rate
2011	\$	%
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		

“-R” Indicates Refunding Bonds

Section 4. Registration, Exchange and Payment.

(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 of Bonds.

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

(b) *Purchase of Bonds.* The City reserves the right to purchase any of the Bonds offered to it at any time at a price deemed reasonable by the City Representative.

(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 (d). 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.

(e) *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 may be conditioned by the Bond Registrar on the receipt of sufficient funds for redemption or otherwise) 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 Register or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar.

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 (unless the notice of redemption is a conditional notice, in which case the notice shall state that interest shall cease to accrue from the redemption date if and to the extent that funds have been provided to the Bond Registrar for the redemption of Bonds) 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, 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 notice of redemption has 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 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 each party entitled to receive notice pursuant to Section 13, and to the Underwriter and with such additional information as the City 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. Form of Bonds. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. \_\_\_\_\_

\$ \_\_\_\_\_

STATE OF WASHINGTON

CITY OF GIG HARBOR

LIMITED TAX GENERAL OBLIGATION AND REFUNDING BOND, 2010

INTEREST RATE: %

MATURITY DATE:

CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

THE CITY OF GIG HARBOR, WASHINGTON (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from June \_\_\_, 2010, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on December 1, 2010, and semiannually thereafter on the first days of each succeeding June and December. Both principal of and interest on this bond are payable in lawful money of the United States of America. The fiscal agency of the State of Washington has been appointed by the City as the authenticating agent, paying agent and registrar for the bonds of this issue (the "Bond Registrar"). For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the City to DTC.

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and Ordinance No. \_\_\_ duly passed by the City Council on May \_\_\_, 2010 (the "Bond Ordinance"). Capitalized terms used in this bond have the meanings given such terms 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 or on behalf of the Registrar or its duly designated agent.

This bond is one of an authorized issue of bonds of like date, tenor, rate of interest and date of maturity, except as to number and amount in the aggregate principal amount of \$8,030,000 and is issued pursuant to the Bond Ordinance to finance capital improvements, to refund certain outstanding limited tax general obligation bonds of the City, and to pay costs of issuance.

The bonds of this issue are subject to redemption prior to their stated maturities as stated in the Bond Ordinance.

The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to cities without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other money legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

The City has designated the bonds of this issue as "qualified tax-exempt obligations" for investment by financial institutions under Section 265(b) of the Code.

The pledge of tax levies for payment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

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 and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

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 June, 2010.

CITY OF GIG HARBOR, WASHINGTON

By \_\_\_\_\_  
/s/ manual or facsimile  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
/s/ manual or facsimile  
City Clerk

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

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 Limited Tax General Obligation and Refunding Bonds, 2010, of the City of Gig Harbor, Washington, dated as of June \_\_\_\_, 2010.

WASHINGTON STATE FISCAL AGENCY, as  
Registrar

By \_\_\_\_\_  
Authorized Signatory

Section 7. Execution and Delivery of Bonds. 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 8.     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 and the Bond Registrar 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 and/or the Bond Registrar with indemnity satisfactory to the City and the Bond Registrar.

Section 9.     Bond Fund. There is hereby created in the office of the City Representative a special fund to be drawn upon for the purpose of paying the principal of and interest on the Bonds to be known as the "Limited Tax General Obligation Bond Redemption Fund No. 208" (the "Bond Fund"). The taxes hereafter levied for the purpose of paying principal of and interest on the Bonds and other funds to be used to pay the Bonds shall be deposited in the Bond Fund no later than the date such funds are required for the payment of principal of and interest on the Bonds. Money in the Bond Fund not needed to pay the interest or principal next coming due may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of City funds.

Section 10.    Pledge of Taxation and Credit. The City hereby irrevocably covenants and agrees for as long as any of the Bonds are outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with all other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the Bonds as the

same shall become due. All of such taxes so collected and any other money to be used for such purposes shall be paid into the Bond Fund.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax levy permitted to cities without a vote of the people, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bonds as the same shall become due.

Section 11. Defeasance. In the event that the City, in order to effect the payment, retirement or redemption of any Bond, sets aside in the Bond Fund or in another special account, cash or noncallable Government Obligations, or any combination of cash and/or noncallable Government Obligations, in amounts and maturities which, together with the known earned income therefrom, are sufficient to redeem or pay and retire such Bond in accordance with its terms and to pay when due the interest and redemption premium, if any, thereon, and such cash and/or noncallable Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on such Bond. The owner of a Bond so provided for shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive payment of principal, premium, if any, and interest from the Bond Fund or such special account, and such Bond shall be deemed to be not outstanding under this ordinance.



The City shall give written notice of defeasance to the owners of all Bonds so provided for within 30 days of the defeasance and to each party entitled to receive notice in accordance with Section 16 of this ordinance.

Section 12. Application of Bond Proceeds.

(a) *Project Fund.* The City has heretofore established a fund designated the “Park Development Fund, No. 109” (the “Project Fund”) into which shall be deposited the proceeds of the Improvement Bonds. Money on hand in the Project Fund shall be used to pay the costs of or reimbursement for the costs of the Project. The City Representative may invest money in the Project Fund in legal investments for City funds. Earnings on such investments shall accrue to the benefit of the fund earning such interest. Any part of the proceeds of the Improvement Bonds remaining in the Project Fund after all costs of the Project have been paid (including costs of issuance, if any) may be used for any capital purpose of the City or may be transferred to the Bond Fund.

(b) *Refunding.* A portion of the proceeds of sale of the Refunding Bonds in the dollar amount certified by the City to the Escrow Agent shall be delivered to the Escrow Agent for the purpose of defeasing the Refunded Bonds and, if determined by the City Representative, paying costs of issuance for the Bonds.

Money received by the Escrow Agent from Bond proceeds and other money provided by the City shall be used immediately by the Escrow Agent upon receipt thereof in accordance with the terms of the Escrow Agreement to defease the Refunded Bonds as authorized by the 2001 Bond Ordinance, and to pay costs of issuance of the Bonds. The City shall defease the Refunded Bonds and discharge such obligations by the use of money deposited with the Escrow Agent to purchase certain Government Obligations (which obligations so purchased, are herein called

“Acquired Obligations”), bearing such interest and maturing as to principal and interest in such amounts and at such times which, together with any necessary beginning cash balance, will provide for the payment of each of the following bonds that have been designated as “Refunded Bonds”:

(1) Interest on the Refunded Bonds coming due on each date on which interest is due and payable, to and including June 1, 2011; and

(2) The redemption price (100% of par) of the Refunded Bonds is on June 1, 2011.

Such Acquired Obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues.

(c) *Escrow Agent/Escrow Agreement.* The City hereby appoints U.S. Bank National Association, as the Escrow Agent for the Refunded Bonds (the “Escrow Agent”). A beginning cash balance, if any, and Acquired Obligations shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease the Refunded Bonds. The proceeds of the Refunding Bonds after acquisition of the Acquired Obligations and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Acquired Obligations and expenses of the issuance of the Refunding Bonds. The City Representative is authorized and directed to execute and deliver to the Escrow Agent an Escrow Deposit Agreement substantially in the form attached to this ordinance as Exhibit A, with such changes or modifications as the City Representative, with the advice of bond counsel to the City, consider necessary or advisable.

The City hereby irrevocably sets aside for and pledges to the payment of the Refunded Bonds the moneys and obligations to be deposited with the Escrow Agent pursuant to the Escrow Agreement to accomplish the plan of refunding and defeasance of the Refunded Bonds set forth herein and in the Escrow Agreement. When all of the Refunded Bonds shall have been redeemed and retired, the City may cause any remaining money to be transferred to the Bond Fund for the purposes set forth above.

Section 13. Call For Redemption of Refunded Bonds and Escrow Agreement.

(a) *Call For Redemption of the Refunded Bonds.* The City hereby irrevocably sets aside sufficient funds out of the purchase of Acquired Obligations from proceeds of the Refunding Bonds to make the payments described in Section 12 of this ordinance.

The City hereby irrevocably calls the Refunded Bonds for redemption on June 1, 2011 in accordance with terms of the 2001 Bond Ordinance authorizing the redemption and retirement of the Refunded Bonds prior to their fixed maturities.

Said defeasance and call for redemption of the Refunded Bonds shall be effective and irrevocable after the final establishment of the escrow account and delivery of the Acquired Obligations to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notice of the redemption of the Refunded Bonds in accordance with the applicable provisions of the 2001 Bond Ordinance. The Finance Director is authorized and requested to provide whatever assistance is necessary to accomplish such redemption and the giving of notice therefor. The costs of publication of such notices shall be an expense of the City.

The Escrow Agent is hereby authorized and directed to pay to the fiscal agency or agencies of the State of Washington, sums sufficient to pay, when due, the payments specified in

Section 12(c) of this ordinance. All such sums shall be paid from the moneys and Acquired Obligations deposited with said Escrow Agent pursuant to the previous section of this ordinance, and the income there from and proceeds thereof. All moneys and Acquired Obligations deposited with said bank and any income there from shall be credited to a refunding account and held, invested (but only at the direction of the Finance Director) and applied in accordance with the provisions of this ordinance and with the laws of the State of Washington for the benefit of the City and owners of the Refunded Bonds.

The City will take such actions as are found necessary to see that all necessary and proper fees, compensation and expenses of the Escrow Agent for the Refunded Bonds shall be paid when due.

(b) *Escrow Agreement.* The Finance Director is authorized and directed to execute and deliver to the Escrow Agent an Escrow Deposit Agreement substantially in the form attached to this ordinance as Exhibit A, with such changes or modifications as the Finance Director, with the advice of bond counsel to the City, consider necessary or advisable.

The City hereby irrevocably sets aside for and pledges to the payment of the Refunded Bonds the moneys and obligations to be deposited with the Escrow Agent pursuant to the Escrow Agreement to accomplish the plan of refunding and defeasance of the Refunded Bonds set forth herein and in the Escrow Agreement. When all of the Refunded Bonds shall have been redeemed and retired, the City may cause any remaining money to be transferred to the Bond Fund for the purposes set forth above.

Section 14. Tax Covenants; Special Designation. The City covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exemption from federal income taxation of the interest on the Bonds and will take or require to be taken



such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exemption from federal income taxation of the interest on the Bonds.

(a) *Arbitrage Covenant.* Without limiting the generality of the foregoing, the City covenants that it will not take any action or fail to take any action with respect to the proceeds of sale of the Bonds or any other funds of the City which may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code and the regulations promulgated thereunder which, if such use had been reasonably expected on the dates of delivery of the Bonds to the initial purchasers thereof, would have caused the Bonds to be treated as “arbitrage bonds” within the meaning of such term as used in Section 148 of the Code.

The City represents that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon. The City will comply with the requirements of Section 148 of the Code 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 allocated to 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 allocable to 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 described in subsection (3) hereof 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 funded by the proceeds of the Bonds, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Bonds allocable to the state or local governmental use portion of the Project(s) to which the Private Person Use of such portion of the Project funded by the proceeds of the Bonds relate. The City further covenants that it will comply with any limitations on the use of the Project funded by the proceeds of the Bonds 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) *Modification of Tax Covenants.* The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds. To that end, the provisions of this section may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the City's bond counsel that such modification or elimination will not adversely affect the tax exemption of interest on any Bonds.

(d) *Designation under Section 265(b).* The City hereby designates the Bonds as "qualified tax exempt obligations" for investment by financial institutions under Section 265(b) of the Code. The City does not anticipate that it will issue more than \$30,000,000 in qualified tax-exempt obligations during 2010 (excluding obligations permitted by the Code to be excluded for purposes of the City's qualification as a qualified small issuer).

Section 15. Sale of Bonds. The City hereby accepts the offer of D.A. Davidson & Co., Seattle, Washington (the "Underwriter"), to purchase the Bonds on the terms and conditions set forth in its purchase contract dated as of this date and presented to the Council on this date, and in this ordinance. The Mayor and/or the City Representative is hereby authorized to execute such purchase contract on behalf of the City. The proper City officials are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Bonds to the Underwriter and for the proper use and application of the proceeds of such sale.

The City 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 May \_\_, 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 16. Undertaking to Provide Ongoing Disclosure.

(a) *Contract/Undertaking.* This section constitutes the City's written undertaking for the benefit of the owners, including Beneficial 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 general fund 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 "[Statement of General Fund Revenues and Expenditures]";
2. The assessed valuation of taxable property in the City;
3. Ad valorem taxes due and percentage of taxes collected;
4. Property tax levy rate per \$1,000 of assessed valuation; and
5. Outstanding general obligation debt of the City.

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 the rights of Bond owners;

- Bond calls (optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-238560);
- Defeasances;
- Release, substitution or sale of property, securing repayment of the Bonds;
- and
- Rating changes.

Solely for purposes of disclosure, and not intending to modify this undertaking, the City advises that no debt service reserves or property secure payment 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 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 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](http://www.emma.msrb.org) (which is not incorporated into this Official Statement by reference). 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. Any provision of this section shall be null and void if the City (1) obtains an opinion of nationally recognized bond counsel to the effect that the portion of the Rule that requires that provision is invalid, has been repealed retroactively or otherwise does not apply to the Bonds and (2) notifies the MSRB of such opinion and the cancellation of this section.

The City may amend this section with an opinion of nationally recognized bond counsel in accordance with the Rule. In the event of any amendment of this section, the City shall describe such amendment in the next annual report, and shall include, a narrative explanation of the reason for the amendment 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, (A) notice of such change shall be given in the same manner as for a material event under Subsection (c), and (B) the annual report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, 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.* The right of any bondowner or Beneficial Owner of Bonds to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the City's obligations under this section, 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.

(h) *No Default.* The City is not and has not been in default in the performance of its obligations of any prior undertaking for ongoing disclosure with respect to its obligations.

Section 17. General Authorization; Prior Acts. The Mayor, the City Administrator, and the Finance Director of the City and each of the other appropriate officers, agents and representatives of the City are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this ordinance.

All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 19. Amendments.

(a) The Council from time to time and at any time may pass an ordinance or ordinances supplemental hereof, which ordinance or ordinances 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 in this ordinance, other covenants and agreements thereafter to be observed, which shall not adversely affect the interests of the owners of any Bonds, or to surrender any right or power herein reserved.

(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 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, in any material respect, the interest of the owners of Bonds. In any such supplemental ordinance

may be adopted without the consent of the owners of any Bonds at any time outstanding, notwithstanding any of the provisions of subsection (b) of this section.

(b) With the consent of the owners of not less than sixty-five percent (65%) in aggregate principal amount of the Bonds at the time outstanding, the Council may pass 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 Bonds, or reduce the rate of interest thereon, or extend the time of payment 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 Bond owners required to approve any such supplemental ordinance, without the consent of the owners of all of the Bonds then outstanding.

It shall not be necessary for the consent of Bond owners 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. For the purpose of consenting to amendments under this subsection (b).

(c) 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 Bonds outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modifications and amendments,

and all 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) Bonds executed and delivered after the execution of any supplemental ordinance passed 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 and delivered without cost to the owners of any affected Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

(e) *Exclusion of Bonds Owned by City.* Bonds owned or held by or for the account of the City shall not be deemed outstanding for the purpose of any vote or consent or other action or any calculation of outstanding Bonds in this ordinance provided for, and shall not be entitled to vote or consent or take any other action in this ordinance provided for.

(f) *Bonds Held by Securities Repositories.* For so long as the Bonds are held in book entry only form, communications with the owners shall be made with the securities depository who is the “Registered Owner” of the Bonds and communications with (and obtaining consents from) beneficial owners shall be made in accordance with the operational procedures of the securities depository that is the “Registered Owner” of the Bonds.

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 Bonds.

Section 21. Effective Date. This ordinance shall become effective immediately upon its adoption.

PASSED by the Council of the City of Gig Harbor, Washington at a regular meeting held on the 24<sup>th</sup> day of May, 2010.

CITY OF GIG HARBOR, WASHINGTON

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Mayor

ATTEST:

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City Clerk

First Reading: \_\_\_\_\_, 2010

Date Adopted: May 24, 2010

Date of Publication: \_\_\_\_\_, 2010

Effective Date: \_\_\_\_\_, 2010

**EXHIBIT A**

**ESCROW DEPOSIT AGREEMENT**

CITY OF GIG HARBOR, WASHINGTON  
LIMITED TAX GENERAL OBLIGATION AND REFUNDING BONDS, 2010

THIS ESCROW AGREEMENT, dated as of June \_\_\_, 2010 (herein, together with any amendments or supplements hereto, called the "Agreement") is entered into by and between the City of Gig Harbor, Washington (herein called the "City") and U.S. Bank National Association, Seattle, Washington as escrow agent (herein, together with any successor in such capacity, called the "Escrow Agent"). The notice addresses of the City and the Escrow Agent are shown on Exhibit A attached hereto and made a part hereof.

**WITNESSETH:**

WHEREAS, the City heretofore has issued and there presently remain outstanding the obligations described in Exhibit B attached hereto (the "Refunded Bonds"); and

WHEREAS, pursuant to Ordinance No. \_\_\_ adopted on May 24, 2010 (the "Bond Ordinance"), the City has determined to issue its Limited Tax General Obligation and Refunding Bonds, 2010 (the "Bonds"); and

WHEREAS, a portion of the proceeds of the Bonds are being used for the purpose of providing funds to pay the costs of refunding the Refunded Bonds; and

WHEREAS, Grant Thornton LLP has prepared a verification report which is dated June \_\_\_, 2010 (the "Verification Report") relating to the source and use of funds available to accomplish the refunding of the Refunded Bonds, the investment of such funds and the adequacy of such funds and investments to provide for the payment of the debt service due on the Refunded Bonds; and

WHEREAS, pursuant to the Bond Ordinance, the Refunded Bonds have been designated for redemption prior to their scheduled maturity dates and, after provision is made for such redemption, the Refunded Bonds will come due in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in Exhibit C attached hereto and made a part hereof; and

WHEREAS, when Escrowed Securities have been deposited with the Escrow Agent for the payment of all principal and interest of the Refunded Bonds when due, then the Refunded Bonds shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for such purpose; and

WHEREAS, the issuance, sale, and delivery of the Refunding Bonds have been duly authorized to be issued, sold, and delivered for the purpose of obtaining the funds required to provide for the payment of the principal of, interest on and redemption premium (if any) on the Refunded Bonds when due as shown on Exhibit C attached hereto;

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which hereby are acknowledged, and to secure the full and timely payment of principal of and the interest on the Refunded Bonds, the City and the Escrow Agent mutually undertake, promise and agree for themselves and their respective representatives and successors, as follows:

## **Article 1. Definitions**

### **Section 1.1. Definitions.**

Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

*Escrow Fund* means the fund created by this Agreement to be established, held and administered by the Escrow Agent pursuant to the provisions of this Agreement.

*Escrowed Securities* means the noncallable Government Obligations described in Exhibit D attached to this Agreement, or cash or other noncallable obligations substituted therefor pursuant to Section 4.2 of this Agreement.

*Government Obligations* means direct, noncallable (a) United States Treasury Obligations, (b) United States Treasury Obligations - State and Local Government Series, (c) non-prepayable obligations which are unconditionally guaranteed as to full and timely payment of principal and interest by the United States of America or (d) REFCORP debt obligations unconditionally guaranteed by the United States.

*Paying Agent* means the fiscal agency of the State of Washington, as the paying agent for the Refunded Bonds.

*Refunding Bonds* means that portion of the Bonds authorized under the Bond Ordinance for the purpose of refunding the Refunded Bonds.

### **Section 1.2. Other Definitions.**

The terms "Agreement," "City," "Escrow Agent," "Bond Ordinance," "Verification Report," "Refunded Bonds," and "Bonds" when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

### **Section 1.3. Interpretations.**

The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the

intended purpose of providing for the refunding of the Refunded Bonds in accordance with applicable law.

## **Article 2. Deposit of Funds and Escrowed Securities**

### **Section 2.1. Deposits in the Escrow Fund.**

Concurrently with the sale and delivery of the Refunding Bonds the City shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Escrow Fund, the funds (from the proceeds of the Refunding Bonds and a cash contribution by the City) sufficient to purchase the Escrowed Securities and pay costs of issuance described in Exhibit D attached hereto, and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the City in writing.

## **Article 3. Creation and Operation of Escrow Fund**

### **Section 3.1. Escrow Fund.**

The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the Refunding Account (the "Escrow Fund"). The Escrow Agent hereby agrees that upon receipt thereof it will deposit to the credit of the Escrow Fund the funds and the Escrowed Securities described in Exhibit D attached hereto and pay Costs of Issuance as described in Exhibit D. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) shall be the property of the Escrow Fund, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds, which payment shall be made by timely transfers of such amounts at such times as are provided for in Section 3.2 hereof. When the final transfers have been made for the payment of such principal of and interest on the Refunded Bonds, any balance then remaining in the Escrow Fund shall be transferred to the City, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

### **Section 3.2. Payment of Principal and Interest.**

The Escrow Agent is hereby irrevocably instructed to transfer to the Paying Agent from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the principal of the Refunded Bonds at their respective redemption dates and interest thereon to such redemption dates in the amounts and at the times shown in Exhibit C attached hereto.

### **Section 3.3. Sufficiency of Escrow Fund.**

The City represents that, based upon the information provided in the Verification Report, the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Bonds as such interest comes due and the principal of the Refunded Bonds as the Refunded Bonds are paid on an optional redemption date prior to maturity, all as more fully set forth in Exhibit E attached hereto. If, for any reason, at any time, the cash

balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the amounts required by the Paying Agent to make the payments set forth in Section 3.2. hereof, the City shall timely deposit in the Escrow Fund, from any funds that are lawfully available therefor, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Escrow Fund or the City's failure to make additional deposits thereto.

#### **Section 3.4. Trust Fund.**

The Escrow Agent or its affiliate, shall hold at all times the Escrow Fund, the Escrowed Securities and all other assets of the Escrow Fund, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Bonds; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Bonds shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Fund to which they are entitled as owners of the Refunded Bonds. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right to title with respect thereto except as a trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the City or, except to the extent expressly herein provided, by the Paying Agent.

### **Article 4. Limitation on Investments**

#### **Section 4.1. Investments.**

Except for the initial investment in the Escrowed Securities, and except as provided in Section 4.2 hereof, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, or to make substitutions of the Escrowed Securities, or to sell, transfer, or otherwise dispose of the Escrowed Securities.

#### **Section 4.2. Substitution of Securities.**

At the written request of the City, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall utilize cash balances in the Escrow Fund, or sell, transfer, otherwise dispose of or request the redemption of the Escrowed Securities and apply the proceeds therefrom to purchase Refunded Bonds or Government Obligations which do not permit the redemption thereof at the option of the obligor. Any such transaction may be effected by the Escrow Agent only if (a) the Escrow Agent shall have received a written opinion from a firm of certified public accountants that such transaction will not cause the amount of money and securities in the Escrow Fund to be reduced below an amount sufficient to provide for the full and timely payment of principal of and interest on all of the remaining Refunded Bonds as they

become due, taking into account any optional redemption thereof exercised by the City in connection with such transaction; and (b) the Escrow Agent shall have received the unqualified written legal opinion of its bond counsel or tax counsel to the effect that such transaction will not cause any of the Refunding Bonds or Refunded Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

## **Article 5. Application of Cash Balances**

### **Section 5.1. In General.**

Except as provided in Section 2.1, 3.2 and 4.2 hereof, no withdrawals, transfers or reinvestment shall be made of cash balances in the Escrow Fund. Cash balances shall be held by the Escrow Agent in United States currency as cash balances as shown on the books and records of the Escrow Agent and, except as provided herein, shall not be reinvested by the Escrow Agent; provided, however, a conversion to currency shall not be required (i) for so long as the Escrow Agent's internal rate of return does not exceed 20%, or (ii) if the Escrow Agent's internal rate of return exceeds 20%, the Escrow Agent receives a letter of instructions, accompanied by the opinion of nationally recognized bond counsel, approving the assumed reinvestment of such proceeds at such higher yield.

## **Article 6. Redemption of Refunded Bonds**

### **Section 6.1. Call for Redemption.**

The City hereby irrevocably calls the Refunded Bonds for redemption on their earliest redemption dates, as shown in the Verification Report and on Appendix A attached hereto.

### **Section 6.2. Notice of Redemption/Notice of Defeasance.**

The Escrow Agent agrees to give a notice of defeasance and a notice of the redemption of the Refunded Bonds pursuant to the terms of the Refunded Bonds and in substantially the forms attached hereto as Appendices A-1 and A-2 attached hereto and as described on said Appendices A-1 and A-2 to the Paying Agent for distribution as described therein. The notice of defeasance shall be given immediately following the execution of this Agreement, and the notice of redemption shall be given in accordance with the ordinance authorizing the Refunded Bonds. The Escrow Agent hereby certifies that provision satisfactory and acceptable to the Escrow Agent has been made for the giving of notice of redemption of the Refunded Bonds.

## **Article 7. Records and Reports**

### **Section 7.1. Records.**

The Escrow Agent will keep books of record and account in which complete and accurate entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrowed Securities deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection during business hours and after reasonable notice.

**Section 7.2. Reports.**

While this Agreement remains in effect, the Escrow Agent quarterly shall prepare and send to the City a written report summarizing all transactions relating to the Escrow Fund during the preceding financial quarter, including, without limitation, credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund for payments on the Refunded Bonds or otherwise, together with a detailed statement of all Escrowed Securities and the cash balance on deposit in the Escrow Fund as of the end of such period.

**Article 8. Concerning the Paying Agents and Escrow Agent**

**Section 8.1. Representations.**

The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

**Section 8.2. Limitation on Liability.**

The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Bonds shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall have no liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund or any failure of the obligors of the Escrowed Securities to make timely payment thereon, except for the obligation to notify the City promptly of any such occurrence.

The recitals herein and in the proceedings authorizing the Refunding Bonds shall be taken as the statements of the City and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent.

The Escrow Agent is not a party to the proceedings authorizing the Refunding Bonds or the Refunded Bonds and is not responsible for nor bound by any of the provisions thereof (except to the extent that the Escrow Agent may be a place of payment and paying agent and/or a paying agent/registrars therefor). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the City thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.



The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own neglect or willful misconduct, nor for any loss unless the same shall have been through its negligence or bad faith.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the City with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the City or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the City at any time.

### **Section 8.3. Compensation.**

The City shall pay to the Escrow Agent fees for performing the services hereunder and for the expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement pursuant to the terms of the Fee Schedule attached hereto as Appendix B. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses as Escrow Agent or in any other capacity.

### **Section 8.4. Successor Escrow Agents.**

Any corporation, association or other entity into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust assets and business or any corporation, association or other entity resulting from any such conversion, sale, merger, consolidation or other transfer to which it is a party, *ipso facto*, shall be and become successor escrow agent hereunder, vested with all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, notwithstanding anything herein to the contrary.

If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in

the office of Escrow Agent hereunder. In such event the City, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the City within 60 days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Bonds then outstanding by an instrument or instruments in writing filed with the City, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Bond may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation organized and doing business under the laws of the United States or the State of Washington, authorized under such laws to exercise corporate trust powers, having its principal office and place of business in the State of Washington, having a combined capital and surplus of at least \$50,000,000 and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the City and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The obligations assumed by the Escrow Agent pursuant to this Agreement may be transferred by the Escrow Agent to a successor Escrow Agent if (a) the requirements of this Section 8.4 are satisfied; (b) the successor Escrow Agent has assumed all the obligations of the Escrow Agent under this Agreement; and (c) all of the Escrowed Securities and money held by the Escrow Agent pursuant to this Agreement have been duly transferred to such successor Escrow Agent.

## **Article 9. Miscellaneous**

### **Section 9.1. Notice.**

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the City or the Escrow Agent at the address shown on Exhibit A attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten days prior notice thereof.

**Section 9.2. Termination of Responsibilities.**

Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the City, the owners of the Refunded Bonds or to any other person or persons in connection with this Agreement.

**Section 9.3. Binding Agreement.**

This Agreement shall be binding upon the City and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Bonds, the City, the Escrow Agent and their respective successors and legal representatives.

**Section 9.4. Severability.**

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

**Section 9.5. Washington Law Governs.**

This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Washington.

**Section 9.6. Time of the Essence.**

Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

**Section 9.7. Notice to Moody's and Standard & Poor's.**

In the event that this agreement or any provision thereof is severed, amended or revoked, the City shall provide written notice of such severance, amendment or revocation to Moody's Investors Service at 99 Church Street, New York, New York, 10007, Attention: Public Finance Rating Desk/ Refunded Bonds and to Standard & Poor's Ratings Group, 55 Water Street, New York, New York 10041, Attention: Municipal Bond Department.

**Section 9.8. Amendments.**

This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunded Bonds. No such amendment shall be made without first receiving written confirmation from the rating agencies (if any) which have rated the Refunded Bonds that such administrative changes will not result in a withdrawal or reduction of its rating then assigned to the Refunded Bonds. If this Agreement is amended, prior written notice and copies of the proposed changes shall be given to the rating agencies which have rated the Refunded Bonds.

EXECUTED as of the date first written above.

**CITY OF GIG HARBOR,  
WASHINGTON**

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David Rodenbach, Finance Director

**U.S. BANK NATIONAL ASSOCIATION**

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as Authorized Signer

Exhibit A	—	Addresses of the City and the Escrow Agent
Exhibit B	—	Description of the Refunded Bonds
Exhibit C	—	Schedule of Debt Service on Refunded Bonds
Exhibit D	—	Description of Beginning Cash Deposit (if any) and Escrowed Securities
Exhibit E	—	Escrow Fund Cash Flow
Appendix A	—	Notice of Redemption for the 2001 Bonds
Appendix B	—	Notice of Defeasance for the 2001 Bonds
Appendix C	—	Fee Schedule

**EXHIBIT A**  
**Addresses of the City and Escrow Agent**

City: City of Gig Harbor  
3510 Grandview Street  
Gig Harbor WA 98335-5136  
Attention: David Rodenbach, Finance Director

Escrow Agent: U.S. Bank National Association  
1420 5th Avenue, 7th Floor  
Seattle, WA 98101-4087  
Attention: Carolyn Morrison, Vice President

**EXHIBIT B**

**Description of the Refunded Bonds**

City of Gig Harbor, Washington  
Limited Tax General Obligation Bonds, 2001

<u>Maturity Years</u> <u>(June 1)</u>	<u>Principal</u> <u>Amounts</u>	<u>Interest</u> <u>Rates</u>
2012	\$300,000	4.65%
2013	315,000	4.75
2014	330,000	4.80
2015	345,000	4.90
2016	365,000	4.95
2017	380,000	5.00
2018	400,000	5.05
2019	425,000	5.00
2020	445,000	5.10
2021	470,000	5.10
2022	495,000	5.15
2026	2,250,000	5.25

**EXHIBIT C**  
**Schedule of Debt Service on the Refunded Bonds**

Date	Interest	Principal/ Redemption Price	Total
	\$		\$
	\$	\$	\$



**EXHIBIT D**  
**Escrow Deposit**

I. Cash \$\_\_\_\_

II. Other Obligations

<u>Description</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Total Cost</u>
		\$	%	\$
		\$		\$

III. Costs of Issuance

**EXHIBIT E**  
**Escrow Fund Cash Flow**

<u>Date</u>	<u>Escrow Securities Principal</u>	<u>Cash Receipts</u>	<u>Cash Disbursement</u>	<u>Cash Balance</u>
		\$		\$
	\$	\$	\$	

**APPENDIX A**

**NOTICE OF REDEMPTION\***

**City of Gig Harbor, Washington**  
**Limited Tax General Obligation Bonds, 2001**

NOTICE IS HEREBY GIVEN that the City of Gig Harbor, Washington has called for redemption on June 1, 2011, its outstanding Limited Tax General Obligation Bonds, 2001 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus interest accrued to June 1, 2011. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

The Bank of New York Mellon Worldwide Securities Processing 2001 Bryan Street, 9th Floor Dallas, TX 7520	-or-	Wells Fargo Bank, National Association Corporate Trust Department 14 <sup>th</sup> Floor 999 Third Avenue Seattle, WA 98104
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Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on June 1, 2011.

The following Bonds are being redeemed:

Maturity Years (June 1)	Principal Amounts	Interest Rates	CUSIP Nos.
2012	\$300,000	4.65%	375172CR2
2013	315,000	4.75	375172CS0
2014	330,000	4.80	375172CT8
2015	345,000	4.90	375172CU5
2016	365,000	4.95	375172CV3
2017	380,000	5.00	375172CW1
2018	400,000	5.05	375172CX9
2019	425,000	5.00	375172CY7
2020	445,000	5.10	375172CZ4
2021	470,000	5.10	375172DA8
2022	495,000	5.15	375172DB6
2026	2,250,000	5.25	375172DC4

\* This notice shall be given not more than 60 nor less than 30 days prior to June 1, 2011 by first class mail to each registered owner of the Refunded Bonds. In addition notice shall be mailed at least 35 days prior to June 1, 2011 to Banc of America Securities, The Depository Trust Company of New York, New York; Moody's Investors Service, New York, New York; AMBAC Insurance New York, NY and to the MSRB.

**By Order of the City of Gig Harbor, Washington**

**The Bank of New York Mellon, as Paying Agent**

Dated: \_\_\_\_\_.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your Bonds.

**APPENDIX B**

**Notice of Defeasance\***  
**City of Gig Harbor, Washington**  
**Limited Tax General Obligation Bonds, 2001**

NOTICE IS HEREBY GIVEN to the owners of that portion of the above-captioned bonds with respect to which, pursuant to an Escrow Agreement dated June \_\_\_, 2010, by and between City of Gig Harbor, Washington (the "City") and U.S. Bank National Association, Seattle, Washington (the "Escrow Agent"), the City has deposited into an escrow account, held by the Escrow Agent, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money sufficient to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Defeased Bonds"). Such Defeased Bonds are therefore deemed to be no longer outstanding pursuant to the provisions of Ordinance No. 885 of the City, authorizing the issuance of the Defeased Bonds, but will be paid by application of the assets of such escrow account.

The Defeased Bonds are described as follows:

Limited Tax General Obligation Bonds, 2001 (Dated June 26, 2001)

Maturity Years (December 1)	Principal Amounts	Interest Rates	CUSIP Nos.	Call Date (at 100%)
2012	\$300,000	4.65%	375172CR2	06/01/2011
2013	315,000	4.75	375172CS0	06/01/2011
2014	330,000	4.80	375172CT8	06/01/2011
2015	345,000	4.90	375172CU5	06/01/2011
2016	365,000	4.95	375172CV3	06/01/2011
2017	380,000	5.00	375172CW1	06/01/2011
2018	400,000	5.05	375172CX9	06/01/2011
2019	425,000	5.00	375172CY7	06/01/2011
2020	445,000	5.10	375172CZ4	06/01/2011
2021	470,000	5.10	375172DA8	06/01/2011
2022	495,000	5.15	375172DB6	06/01/2011
2026	2,250,000	5.25	375172DC4	06/01/2011

\* This notice shall be given immediately by first class mail to each registered owner of the Defeased Bonds. In addition notice shall be mailed to The Depository Trust Company of New York, New York; The Bank of New York Mellon, as Fiscal Agent; Moody's Investors Service, New York, New York; and AMBAC Insurance, New York, NY, and to the MSRB.

**APPENDIX C**  
Fee Schedule

Escrow Agent Fee: See Attached

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 24th day of May, 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 24th day of May, 2010.

---

Molly Towslee, City Clerk



**Subject:** Staff Report – Affordable Housing Amendments to the Countywide Planning Policies.

**Proposed Council Action:** Review amendments in preparation for a resolution on May 24, 2010 authorizing an interlocal agreement with Pierce County amending the Countywide Planning Policies

**Dept. Origin:** Planning Department

**Prepared by:** Jennifer Kester *JK*  
Senior Planner

**For Agenda of:** May 10, 2010

**Exhibits:** Affordable Housing Amendments to the Countywide Planning Policies

Initial & Date

**Concurred by Mayor:** CLH 5/4/10  
**Approved by City Administrator:** RJK 5/4/10  
**Approved as to form by City Atty:** 2-mail 4/29  
**Approved by Finance Director:** N/A  
**Approved by Department Head:** TD 5/4/10

Expenditure		Amount		Appropriation	
Required	0	Budgeted	0	Required	0

**INFORMATION / BACKGROUND**

On May 21, 2009, the Pierce County Regional Council (PCRC), recommended adoption of amendments to the Countywide Planning Policies related to affordable housing. Pierce County has now requested the City adopt these amendments and enter into an interlocal agreement which will ratify these amendments. Prior to the Council considering a resolution, the staff wanted to provide the Council an opportunity to review the amendments. A resolution is scheduled to be reviewed on May 24, 2010.

The proposed amendments are intended to update the original affordable housing policies adopted in the initial 1992 Countywide Planning Policies. In 2006, the PCRC solicited proposals to formulate countywide affordable housing implementation plan and recommend new countywide affordable housing policies.

In March of 2007, a series of public workshops were conducted over a three-day period, soliciting input for the countywide affordable housing strategy. In June of 2007, a consulting firm, Pacific Municipal Consulting (PMC), provided recommendations for a countywide affordable housing strategy. PMC is the same firm which completed the City's Housing Needs Assessment in January 2009.

The Growth Management Coordinating Committee reviewed PMC's recommendation for amendments to the Countywide Planning Policies and forwarded its recommended modifications to the PCRC. Between 2007 and 2009, the PCRC conducted negotiations in

several open public meetings to address substantive policy changes necessary to respond to current issues related to the coordination and consistency with the GMA. The PCRC made its recommendation to amend the Countywide Planning Policies in May of 2009.

The PCRC recommended amendments add very few mandatory provisions for affordable housing. Rather, the amendments provide options and strategies for providing affordable housing and encourage each jurisdiction to adopt plans and policies to meet its affordable housing needs. No specific number of future affordable housing units is allocated to each city. Instead, the amendments require each jurisdiction to adopt a goal to provide 25% of its future growth in affordable housing units. The amendments also provide definitions for affordable housing to be used county-wide.

If the amendments become effective, the city will need to update its Housing Element of the Comprehensive Plan to be consistent with these amendments prior to the next GMA periodic review currently scheduled for 2014.

**FISCAL CONSIDERATION**

None

**RECOMMENDATION / MOTION**

Review amendments in preparation for a resolution on May 24, 2010 authorizing an interlocal agreement with Pierce County amending the Countywide Planning Policies

Exhibit A

1  
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3  
4 Proposed Amendments to the  
5 **Countywide**  
6 **Planning Policies**  
7  
8 for Pierce County, Washington  
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1                                   **COUNTYWIDE PLANNING POLICY ON THE "NEED**  
2                                   **FOR AFFORDABLE HOUSING FOR ALL ECONOMIC SEGMENTS**  
3                                   **OF THE POPULATION AND PARAMETERS FOR ITS DISTRIBUTION"**  
4

5     ▪     **Background - Requirement of Growth Management Act**  
6

7     The Washington Growth Management Act identifies as a planning goal to guide the  
8     development and adoption of comprehensive plans and development regulations that counties  
9     and cities encourage the availability of affordable housing to all economic segments of the  
10    population, promote a variety of residential densities and housing types, and encourage  
11    preservation of the existing housing stock. [RCW 36.70A.020(4)] The term "affordable  
12    housing" is not defined, but the context in which it appears suggests that its meaning was  
13    intended to be broadly construed to refer to housing of varying costs, since the reference is to all  
14    economic segments of the community.

15  
16    The Washington Growth Management Act requires the adoption of countywide planning  
17    policies for affordable housing in order to establish a consistent county-wide framework from  
18    which county and city comprehensive plans are developed and adopted. These policies are  
19    required to, at a minimum, "consider the need for affordable housing, such as housing for all  
20    economic segments of the population and parameters for its distribution" [RCW  
21    36.70A.210(3)(e)].  
22

23    The Washington Growth Management Act also identifies mandatory and optional plan  
24    elements. [RCW 36.70A.070 and .080]. A Housing Element is a mandatory plan element that  
25    must, at a minimum, include the following [RCW 36.70A.070(2)]:  
26

- 27       (a) an inventory and analysis of existing and projected housing needs that identifies the  
28       number of housing units necessary to manage projected growth;  
29  
30       (b) a statement of goals, policies and objectives, and mandatory provisions for the  
31       preservation, improvement and development of housing, including single-family  
32       residences;  
33  
34       (c) identification of sufficient land for housing, including, but not limited to, government-  
35       assisted housing, housing for low income families, manufactured housing, multi-family  
36       housing, group homes, and foster care facilities, and senior housing;  
37  
38       (d) adequate provisions for existing and projected housing needs of all economic segments  
39       of the community.  
40

41    Since the Comprehensive Plan of every city and county must be an internally consistent  
42    document [RCW 36.70A.070] and all plan elements must be consistent with the future land use  
43    map prepared as part of the required land use element [RCW 36.70A.070], these other plan  
44    elements will, to a great extent, dictate what will be in the housing element.  
45

46    Thus, the land use element, relying upon estimates of future population, growth, average  
47    numbers of persons per household, and land use densities, will indicate how much (and where)  
48    land needs to be made available to accommodate the identified housing needs. The capital

1 facilities, transportation and utilities elements will then indicate when and how public facilities  
2 will be provided to accommodate the projected housing, by type, density and location.

3  
4 **Countywide Planning Policy**

5  
6 1. The County, and each municipality in the County, shall determine the extent of the need  
7 (*i.e.*, the demand) for housing for all economic segments of the population that are, both  
8 existing and projected for the community its jurisdiction over the planning period.

9  
10 ~~1.1 the projection shall be made in dwelling units, by type, provided, that the projection~~  
11 ~~may be a range and that the types of dwelling units may be in broad categories, such as~~  
12 ~~single family detached, single family attached, duplex, triplex, fourplex, apartments~~  
13 ~~and special housing types;~~

14  
15 ~~1.2 the projection shall be reflective of census or other reliable data indicating the~~  
16 ~~economic segments of the population for whom housing needs to be provided, and~~  
17 ~~shall incorporate the jurisdiction's fair share of the County's housing needs;~~

18  
19 ~~1.3 the projections shall be reflective of the Countywide fair share housing allocation as~~  
20 ~~shall be established pursuant to federal or state law and supplemented by provisions~~  
21 ~~established in intergovernmental agreements between County jurisdictions.~~

22  
23 2. The County and each municipality in the County shall meet their projected demand for  
24 housing by one or more or all of the following:

25  
26 ~~2.1 preservation of the existing housing stock through repair and maintenance,~~  
27 ~~rehabilitation and redevelopment;~~

28  
29 ~~2.2 identification of vacant, infill parcels appropriately zoned for residential development~~  
30 ~~with assurances that neighborhood compatibility and fit will be maintained through~~  
31 ~~appropriate and flexible zoning and related techniques, such as:~~

32  
33 ~~2.2.1 sliding scale buffering and screening requirements based on adjacent use~~  
34 ~~considerations;~~

35 ~~2.2.2 performance standards;~~

36 ~~2.2.3 height and bulk limitations;~~

37 ~~2.2.4 provision of open space;~~

38 ~~2.2.5 front, side and rear yard requirements;~~

39 ~~2.2.6 protection of natural resources and environmentally sensitive lands;~~

40 ~~2.2.7 architectural controls and design standards.~~

41  
42 ~~2.3 identification of other vacant lands suitable for residential development and permitting~~  
43 ~~sufficient land through zoning to meet one or more or all of the following types and~~  
44 ~~densities, of housing:~~

45  
46 ~~2.3.1 multi-family housing~~

47 ~~2.3.2 mixed use development~~

48 ~~2.3.3 cluster development~~

1 2.3.4 — planned unit development

2 2.3.5 — non traditional housing

3  
4 ~~2.4 In determining the suitability of the location and identification of sites for affordable~~  
5 ~~housing, the jurisdictions shall consider the availability and proximity of transit~~  
6 ~~facilities, governmental facilities and services and other commercial services~~  
7 ~~necessary to complement the housing.~~

8  
9 2. The County, and each municipality in the County, should explore and identify  
10 opportunities to reutilize and redevelop existing parcels where rehabilitation of the  
11 buildings is not cost-effective, provided the same is consistent with the countywide policy  
12 on historic, archaeological, and cultural preservation.

13  
14 ~~3. The County, and each municipality in the County shall assess their success in meeting the~~  
15 ~~housing demands and shall monitor the achievement of the housing policies not less than~~  
16 ~~once every five years.~~

17  
18 3. The County, and each municipality in the County, shall encourage the availability of  
19 housing affordable to all economic segments of the population for each jurisdiction.

20  
21 3.1 For the purpose of the Pierce County Countywide Planning Policies the following  
22 definitions shall apply:

23  
24 3.1.1 “Affordable housing” shall mean the housing affordable to households  
25 earning up to 80 percent of the countywide median income.

26 3.1.2 “Low income households” shall mean households earning 80 percent or  
27 less of the countywide median income.

28 3.1.3 “Moderate income households” shall mean households earning 80 to 120  
29 percent of the countywide median income.

30 3.1.4 “Special Needs Housing” shall mean supportive housing opportunities for  
31 populations with specialized requirements, such as the physically and  
32 mentally disabled, the elderly, people with medical conditions, the  
33 homeless, victims of domestic violence, foster youth, refugees, and  
34 others.

35  
36 3.2 Affordable housing needs not typically met by the private housing market should be  
37 addressed through a more coordinated countywide approach/strategy.

38  
39 3.2.1 Each jurisdiction may adopt plans and policies for meeting its-affordable  
40 and moderate income housing needs in a manner that reflects its unique  
41 demographic characteristics, comprehensive plan vision and policies,  
42 development and infrastructure capacity, location and proximity to job  
43 centers, local workforce, and access to transportation.

44  
45 3.3 It shall be the goal of each jurisdiction in Pierce County that a minimum of 25% of  
46 the growth population allocation is satisfied through affordable housing.  
47



1 4. ~~The County, and each municipality in the County, shall maximize available local, state and~~  
2 ~~federal funding opportunities and private resources in the development of affordable~~  
3 ~~housing.~~

4  
5 4. The County and each municipality in the County should establish a countywide program by  
6 an organization capable of long-term consistent coordination of regional housing planning,  
7 design, development, funding, and housing management. All jurisdictions should be  
8 represented in directing the work program and priorities of the organization.

9  
10 5. ~~The County, and each municipality in the County, shall explore and identify opportunities~~  
11 ~~for non-profit developers to build affordable housing.~~

12  
13 5. Jurisdictions should plan to meet their affordable and moderate-income housing needs  
14 goal by utilizing a range of strategies that will result in the preservation of existing, and  
15 production of new, affordable and moderate-income housing.

16  
17 5.1 Techniques to preserve existing affordable and moderate-income housing stock  
18 may include repair, maintenance, and/or rehabilitation and redevelopment in  
19 order to extend the useful life of existing affordable housing units.

20  
21 5.1.1 Jurisdictions should seek and secure state funds such as the Housing  
22 Trust Fund, and federal subsidy funds such as Community  
23 Development Block Grant, HOME Investment Partnership, and other  
24 sources to implement housing preservation programs.

25  
26 5.2 Jurisdictions should promote the use of reasonable measures and innovative  
27 techniques (e.g. clustering, accessory dwelling units, cottage housing, small lots,  
28 planned urban developments, and mixed use) to stimulate new higher-density  
29 affordable and moderate-income housing stock on residentially-zoned vacant and  
30 underutilized parcels.

31  
32 5.3. To promote affordable housing, jurisdictions should consider the availability and  
33 proximity of public transportation, governmental and commercial services  
34 necessary to support residents' needs.

35  
36 5.4 Jurisdictions should consider providing incentives to developers and builders of  
37 affordable housing for moderate- and low-income households, such as but not  
38 limited to:

39 5.4.1 A menu of alternative development regulations (e.g. higher density,  
40 reduced lot width/area and reduced parking stalls) in exchange for  
41 housing that is ensured to be affordable.

42 5.4.2 A toolkit of financial incentives (e.g. permit and fee waivers or multi-  
43 family tax exemptions) and grant writing assistance, through the  
44 regional housing organization, that may be dependent on the amount of  
45 affordable housing proposed.

46 5.4.3 A toolkit of technical assistance (e.g. mapping, expedited processing  
47 and permit approval) to affordable housing developers that may be  
48 dependent on the amount of affordable housing proposed.



1  
2 5.5 Jurisdictions should consider inclusionary zoning measures as a condition of  
3 major rezones and development.  
4

5 5.5.1 New fully contained communities in unincorporated Pierce County  
6 shall contain a mix of dwelling units to provide for the affordable and  
7 moderate-income housing needs that will be created as a result of the  
8 development.  
9

10 6. The County, and each municipality in the County, should cooperatively maximize available  
11 local, state, and federal funding opportunities and private resources in the development of  
12 affordable housing for households.  
13

14 6.1 All jurisdictions should jointly explore opportunities to develop a countywide  
15 funding mechanism and the potential for both voter approved measures (bond or  
16 levy), and nonvoter approved sources of revenue to support the development of  
17 affordable housing.  
18

19 6.2 All jurisdictions should pursue state legislative changes to give local jurisdictions  
20 the authority to provide tax relief to developers of affordable housing.  
21

22 6.3 All jurisdictions should explore opportunities to dedicate revenues from sales of  
23 publicly owned properties, including tax title sales, to affordable housing  
24 projects.  
25

26 6.4 All jurisdictions should explore the feasibility of additional resources to facilitate  
27 the development of affordable housing such as a new countywide organization  
28 (based on inter-local agreements), expansion of existing non-profit partnerships,  
29 increased coordination with local public housing authorities, a county-wide land  
30 trust, as well as future involvement of larger County employers, in the provision  
31 of housing assistance for their workers.  
32

33 ~~67. The County, and each municipality in the County, should explore and identify~~  
34 ~~opportunities to reutilize and redevelop existing parcels where rehabilitation of the~~  
35 ~~buildings is not cost effective, provided the same is consistent with the Countywide policy~~  
36 ~~on historic, archaeological and cultural preservation to reduce land costs for non-profit and~~  
37 ~~for-profit developers to build affordable housing.~~  
38

39 7.1 Jurisdictions should explore options to dedicate or make available below market-  
40 rate surplus land for affordable housing projects.  
41


42 7.2 All jurisdictions should explore and identify opportunities to assemble, reutilize,  
43 and redevelop existing parcels.  
44

45 ~~7. New fully contained communities shall comply with the requirements set forth in the~~  
46 ~~Growth Management Act and shall contain a mix in the range of dwelling units to~~  
47 ~~provide their "fair share" of the Countywide housing need for all segments of the~~  
48 ~~population that are projected for the County over the planning period.~~

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- 8. The County, and each municipality in the County, shall periodically monitor and assess their success in meeting the housing needs to accommodate their 20-year population allocation.
- 8.1 Jurisdictions should utilize the available data and analyses provided by federal, state, and local sources to monitor their progress in meeting housing demand as part of the required Growth Management Act comprehensive plan update process.
- 8.2 Countywide housing allocations shall be periodically monitored and evaluated to determine if countywide needs are being adequately met; the evaluation should identify all regulatory and financial measures taken to address the allocation need.
- 8.3 Each jurisdiction should provide, if available, the quantity of affordable housing units created, preserved, or rehabilitated since the previous required update.
- 8.4 Jurisdictions should consider using a consistent reporting template for their evaluations to facilitate the countywide monitoring and assessment.
- 8.5 In conjunction with the Growth Management Act Update schedule, a report should be forwarded to the Pierce County Regional Council addressing the progress in developing new affordable housing.



Date: May 7, 2010  
To: Mayor & City Council  
From: Rob Karlinsey, City Administrator   
Subject: 2010 Budget Update – “Bridging the Gap”

At the end of the first quarter of this year, General Fund revenues came in approximately \$275,000 below our projection. If this trend continues over the course of 2010, the General Fund’s revenue could come in about \$1.1 million below what we had estimated in the budget. To respond to this possibility, we have analyzed the budget to determine what additional cuts could be made, and we have developed the proposed reductions on the attached spreadsheet.

As you can see on the spreadsheet, a portion of the reductions come from further cuts in operational expenses, such as supplies, repairs, overtime, etc. Another reduction comes from charging a portion of our risk pool insurance premium to the utility funds.

The attached spreadsheet also reflects that we are recommending the transfer of capital project savings/reductions from the Street and Parks Capital funds to the General Fund. In the Parks Capital Fund, we are reducing the scope of the Eddon Boat Park beach completion, and we are also eliminating the Skansie Net Shed and Skansie House improvements for now, in hopes that grants and in-kind donations and/or labor will provide the resources to make these improvements in the future. The reductions in the Street Capital Fund include no proposed project eliminations.

The largest proposed reduction is in the ending fund balance, going from a budgeted amount of \$1.3 million to just over \$900,000. While this \$400,000 ending fund balance reduction is not optimal, I believe it is temporarily tolerable for the following reasons:

- A \$900,000 General Fund balance is still within 10%-15% of operating revenues, which is generally accepted as an appropriate budget policy.
- The City has additional unrestricted reserves in other funds that are linked to the General Fund, making the effective fund balance even larger.
- While this reduction is a one-time measure that is not likely sustainable beyond this year, it can be viewed as part of a bridge strategy (see below).

## **Bridging the Gap**

The budget reduction strategy summarized above and included in the attached spreadsheet is largely one-time in nature, meaning that many of the cuts are not sustainable beyond the near term. If these reductions are not sustainable, why are they being recommended?

The answer to this question lies fundamentally with where I believe the economy is currently headed and how our organization needs to be positioned when the economy does recover. Although our first quarter revenues were not where they needed to be, I am seeing, for the most part, positive signs that the overall economy is turning:

- Jobs are being added to the economy (290,000 in April; 573,000 over the past four months)
- The stock market is up substantially (though volatile)
- Sustained manufacturing growth continues
- Consumer confidence is on the rise—Arun Raha of the State's Economic Forecast Council reports that nationwide, "same store sales . . . were up 9.0% in March, the highest Y/Y increase since 1999." Mr. Raha also reports that specifically for the State, "Consumer spending appears to be coming back. Washington new car and truck registrations in March 2010 were up 9.5% over March 2009. This was the fourth consecutive year-over-year increase in new registrations."

That said, we also know that not every facet of the economy is turning rosy (unemployment is still high, housing market struggles persist, and downward pressure on wages lingers). Troubles in foreign markets are also concerning and can affect the U.S. economy. Some economists are fearing a "sovereign debt crisis" if the European Union is unable to keep Greece's financial problems from spreading. This week Aaron Smith and Ryan Sweet of Moody's Economy.com summed it up well: "The job market's recent turn is the clearest indication yet the economic recovery is gaining traction, but financial market troubles are an unfriendly reminder that many hurdles remain."

Nevertheless, I believe that on the whole, the economy is showing signs of life and that our revenues should flatten out if not modestly improve. For example, our April sales tax distribution (for February retail sales activity) was down only 0.9% compared to the same month last year—a sign (albeit only one month) of the flattening that I have been hoping for.

As a result, I am recommending a "bridge" approach (described on page one of this memo and in the attached spreadsheet) to get us through the remainder of the year. This strategy assumes that there is a lag between and upturn in the economy and our operating revenues (mainly sales tax), and that there is an end in sight for our declining revenues. Rather than ride the revenue slide all the way to the bottom by making cuts that are difficult to reverse and that don't position our organization well for when the economy does recover, I recommend using the strategy described above to build a bridge to the other side.

The risk in this strategy lies in the possibility that there will be nothing to meet us at the end of the bridge—in other words, revenues may not be improved enough by the time the temporary measures run out. While this risk is real, I recommend that we address it during the 2011 budget process—by mid summer, when we are in the middle of preparing the 2011 budget, we should have a much better handle on both our revenue and expenditure situations, and we should also have an even more clear view of how the economy is recovering.

In conclusion, I believe this “bridge” approach is a strategy to keep our organization appropriately positioned for the recovery. While I don’t know if the \$1.1 million shortfall will materialize or if it will be even bigger by year’s end, I believe it is pragmatic to prepare for and be ready for it, based on what we know now and what we can reasonably assume. If the bridge over the gap is too short, we will probably know (or have indications) during the 2011 budget process, and we can respond accordingly at that time.

Please do not hesitate to contact me with questions or concerns. Thank you.

**Proposed Additional Budget Cuts for 2010  
Assuming a \$1.1 million Shortfall**

	2010 Budget	Proposed Reductions	Remaining Budget
<b>001 General Fund</b>			
Advertising	10,975	2,500	8,475
Communications - LESA	275,478	35,000	240,478
Training	18,270	3,000	15,270
Fuel	45,000	1,000	44,000
Machinery & Equipment	9,000	3,000	6,000
Miscellaneous	41,750	3,000	38,750
Office & Operating Supplies	86,358	3,500	82,858
Overtime	84,450	14,000	70,450
Printing	3,000	500	2,500
Professional Services - Legal*	300,000	50,000	250,000
Professional Services - Finance	26,000	1,000	25,000
Repairs & Maintenance	35,200	2,000	33,200
Travel	15,400	4,000	11,400
Charge Share of Insurance Premiums to Utilities	380,000	125,000	255,000
Reduce General Fund Ending Balance	1,320,050	400,000	920,050
<b>Total General Fund Reductions</b>		<b>\$647,500</b>	
<b>102 Street Capital Fund</b>			
Project Savings	5,114,000	287,000	4,827,000
<b>109 Parks Capital Fund</b>			
Project Savings/Reductions	108,500	91,000	17,500
Ending Fund Balance Reduction	99,636	40,000	59,636
<b>Total Savings</b>		<b>\$1,065,500</b>	

\* Does Not include municipal court-related legal costs



Date: May 5, 2010

To: Mayor & City Council  
From: Rob Karlinsey, City Administrator

ROK

Subject: Draft Agreement with the Boys & Girls Club

Attached is a proposed draft agreement with the Boys & Girls Club. Under this proposed agreement, the City would contribute \$250,000 toward the operations and maintenance of the Gig Harbor branch of the Boys & Girls Club. In return for the City's financial contribution, the agreement outlines expectations and deliverables of the Boys & Girls Club, including providing senior center space and recreational and educational programming for Gig Harbor youth.

Over the next couple of weeks, please review the attached draft agreement and let me know if you have any questions or changes. I would like to bring this agreement forward for your consideration at the City Council meeting on May 24, 2010.

Thank you.



**AGREEMENT  
BETWEEN THE CITY OF GIG HARBOR AND  
BOYS & GIRLS CLUBS OF SOUTH PUGET SOUND**

**THIS AGREEMENT** is entered into this \_\_\_\_ day of \_\_\_\_\_ 2010, by and between the City of Gig Harbor, Washington, an optional code municipal corporation organized under the laws of the state of Washington, hereinafter referred to as the “City” and Boys & Girls Clubs of South Puget Sound, a non-profit corporation, organized under the laws of the state of Washington, hereinafter referred to as the “Agency”.

**WHEREAS**, on April 12, 2004, the Gig Harbor City Council passed Resolution 623 supporting the development of a community center that includes facilities for supporting the educational, social and recreational health and welfare of seniors, adults, and youth; and

**WHEREAS**, on January 9, 2009, Pierce County and the Boys & Girls Club of South Puget Sound entered into a lease agreement where Pierce County agreed to lease approximately five acres of land to the Boys & Girls Club for 50 years at \$10 per year in return for constructing and operating a youth facility and a Senior Center; and

**WHEREAS**, the Agency has committed to build a Community Center for Boys and Girls Club as well as Senior Center programs and activities, a project committed to uniting the Gig Harbor community and improving the quality of life of its citizens by providing quality services, education and advocacy for youth and senior citizens; and

**WHEREAS**, the City Council recognizes that the Agency’s vision of the community center is consistent with the ideals of the City;

**NOW THEREFORE**, IN CONSIDERATION OF the mutual benefits and conditions hereinafter contained, the parties hereto agree as follows:

**TERMS**

1. Purpose of the Agreement. In the execution of this Agreement, the City and Agency seek to:

- A. Describe the conditions precedent which must occur in order for the City to provide the monetary support identified herein for operation and maintenance of the Community Center, to be constructed by the Agency, which support would be provided for a period of two years;
- B. Clarify that the City’s support (by means of an annual monetary contribution for a period of two years) is temporary, in order to assist the Agency in the initial start-up and development of their facility and programs, and shall not extend beyond this Agreement;

- C. Describe the effective and efficient use of the Community Center facilities and grounds for the benefit of Gig Harbor citizens;
- D. Describe the programs that will be implemented by the Agency for the benefit of youth, which shall serve as consideration for this Agreement;
- E. Identify and describe the space in the Community Center to be used exclusively by the City as a senior center for the lifetime of the Community Center; and describe the process for re-designating use of the space in the event the Agency and the City mutually agree that a senior center is no longer needed at the facility.
- F. Describe the procedures under which the Agency shall request monetary contributions from the City, and the manner in which the City shall respond;
- G. Describe the procedures to be used by the Agency in order to report the outcomes of the programs and use of the Community Center to the City.

2. General Provisions of the Agreement. The City and the Agency acknowledge that:

- A. The facilities and grounds uses and programs authorized and/or funded by this Agreement are municipal, educational and community purposes.
- B. The ultimate responsibility for the operations and maintenance of the Community Center will remain with the Agency, and this Agreement is intended to provide a specific amount of funding necessary to cover these costs as they relate to the programs provided to Gig Harbor citizens.
- C. This Agreement is not intended to amend any of the existing leases and/or other agreements between the parties or between the parties and any other third parties.

3. Funding by Pierce County. The parties acknowledge that Pierce County has agreed to lease the land for the Community Center to the Boys & Girls Club. The parcel of land for the Community Center is specifically described in Exhibit B of this agreement. The parties agree that if the County fails to either lease the land at any time during this Agreement, this Agreement shall be deemed null and void, and neither party shall have any obligation to perform any of the responsibilities set forth in this Agreement.

4. Scope of Services to be Performed by Agency.

A. Youth and Recreation Programs. The Agency shall operate and make available to City of Gig Harbor enrolled in the youth recreation programs for a period of five years under conditions as described in Exhibit A, attached hereto and incorporated herein by this reference, generally known by the project title of "Youth Recreation Services." All costs relating to the provision of this program for citizens of Gig Harbor shall be paid by the Agency.

B. Use of Space in Community Center for Senior Center Operated by the Agency/lessee/sublessee/assignee for the Lifetime of the Center. The Agency shall provide at least 1,500 square feet of interior building space in the Community Center at no cost to the City, for the exclusive purpose of a Gig Harbor Senior Center where senior citizens, both city residents and non residents alike, can congregate, attend classes, dine, and otherwise participate in senior recreational programs. The Agency shall allow use of this space for the operation of senior programs for the lifetime of the Community Center or fifty (50) years, whichever is earlier. In the event the Agency and City agree that there is no longer a need for a senior center located at the facility, the Agency and City shall work jointly to re-designate use of the space for community benefit. The City shall not be required to fund or operate senior center programs in this space. Senior citizens shall also have scheduled access to other portions of the Community Center, including but not limited to the common area, meeting rooms, gymnasium(s), computer room(s), and the commercial kitchen. Scheduling of the other portions of the Community Center shall be as set forth in Section 6 herein. The Agency shall grant access to the kitchen, for the preparation and clean-up of five lunchtime meal periods per week (Monday through Friday) for the purpose of the senior meals program. The Agency, or designee, shall pay all of the costs relating to the senior center space for janitorial services, building maintenance, repairs, utilities, taxes, insurance, and capital improvements.

5. Documentation of Costs. The Agency shall maintain records of costs associated with the provision of the services described in Section 5. The Agency shall provide the City with an annual report, which shall document the services provided based on numbers of Gig Harbor citizens and hours of programming provided, etc. The City shall use the Report to determine whether the services and programs are provided by the Agency at the levels guaranteed by the Agency in Exhibit A.

6. Naming of Community Rooms and City Use of Facilities. The parties agree that the City shall name one room in the facility as mutually agreed to by both parties. For the life of the Community Center or for 50 years, whichever is earlier, the Agency shall allow the City to use the Community Center facility for City meetings and functions, at no cost to the City. The parties shall coordinate a procedure for scheduling the Community Center interior and exterior. Such use by the City is subordinate to Agency activities; however, once the City receives written confirmation from the Agency that the City's use has been placed on the schedule for use of the building, the Agency may not change, delay, or cancel the City's scheduled use.

7. Identified Community Support. To insure that those people who benefit from the activities and services of the Agency are aware of the City's involvement, the Agency shall include the words "*funded in part by the City of Gig Harbor*", and "*Keeping Gig Harbor's Promise*" on relevant publications for a period of five years. Such advertisements shall be filed with the City of Gig Harbor City Clerk's Office.

8. City's Contribution. In consideration for the Agency's operation of the Youth Recreation Services for Gig Harbor citizens, as well as providing the senior center space, all as required by this Agreement, the City shall provide the Agency with One Hundred Fifty Thousand Dollars (\$100,000) by June 30, 2010 and One Hundred Thousand Dollars (\$150,000) by June 30, 2011. The City shall not be required to pay any additional funds to the Agency, such as, but not limited to, rent, triple-net (utilities, taxes, insurance, etc.), special assessment or capital improvement expenses, for the space and services provided by the Agency and described in this Agreement.

The Agency shall provide a report to the City on or before January 31 of each year beginning in 2011 and continuing through 2016, demonstrating that for the prior calendar year, the youth recreation services are being provided at the minimum levels of service set forth in Exhibit A.

9. Agency Budget. The Agency shall apply the City funds received under this Agreement solely for the maintenance and operations of the Community Center and the programs described in Exhibit A. The reports provided by the Agency required in Section 9 shall document use of the funds for these purposes. The Agency shall not use City funds for political, religious or other purposes, or any other purposes not described in this Agreement.

10. Duration of Contract. This Contract shall commence on the date it is signed by the duly authorized representatives of both parties, and shall terminate five years thereafter, unless sooner terminated under the provisions herein. Agency obligations described herein that extend for the life of the facility shall survive expiration and termination of this Contract.

11. Independent Contractor. The parties intend that an independent contractor-client relationship will be created by this Agreement. No agent, employee, representative or sub-consultant of the Agency shall be or shall be deemed to be the employee, agent, representative or sub-consultant of the City. In the performance of the work, the Agency is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance, and unemployment insurance are available from the City to the employees, agents, representatives, or sub-consultants of the Agency. The Agency will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-consultants during the performance of this Agreement. The City may, during the term of this Agreement, engage other

independent contractors to perform the same or similar work that the Agency performs hereunder.

12. Indemnification and Defense. The Agency shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorneys' fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. The City's inspection of the reports described herein, or the City's execution of this Agreement (requiring the Agency to provide certain programs at the Community Center or any other service) shall not be grounds to avoid any of these covenants of indemnification.

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

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE AGENCY'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 AGENCY'S WAIVER OF IMMUNITY UNDER THE PROVISIONS OF THIS SECTION DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY THE AGENCY'S EMPLOYEES DIRECTLY AGAINST THE AGENCY.

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

13. Insurance.

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

B. Before execution of this Agreement, and on the anniversary date of the execution of this Agreement, the Agency 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. Products/Completed Operations liability in the amount of \$100,000 per occurrence and \$2,000,000 aggregate, if any food operations, manufacturing or design activities are involved.

C. All policies and coverage's shall be on an occurrence made basis.

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

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

F. Under this agreement, the Agency'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 Agency's commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

G. The Agency 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 Agency's coverage.

#### 14. City's Right of Inspection, Agency's Responsibility to Comply with Law.

Even though the Agency is an independent contractor with the authority to control and direct the performance and details of the work authorized under this Agreement, the performance of services must meet the general approval of the City and shall be subject to the City's general right of inspection to secure the satisfactory completion thereof. The Agency 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 Agency's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

#### 15. Record Keeping and Reporting.

A. Accounts and Records. The Agency shall maintain accounts and records, including personnel, property, financial and programmatic records which sufficiently and properly reflect all direct and indirect costs of any nature expended for the Community Center and claimed as reimbursement along with any other such records as may be deemed necessary to the City to ensure proper accounting for all funds contributed by the City for the performance of this Agreement and compliance with this Agreement. These records shall be maintained for a period of seven (7) years after termination hereof unless permission to destroy them is granted by the City.

B. Audits and Inspections. The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review or audit during the performance of this Contract by the City. The City shall have the right to an annual audit of the Agency's financial statements and condition.

16. Termination.

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

B. Except in the situation where this Agreement has been terminated for public convenience, the Agency shall return to the City, within 45 days of the City's request, any payments made by the City for which no services were rendered. The return of funds shall be calculated on a sliding scale based on the amount of time remaining in this contract. For example, if the contract is terminated at the end of the third year of this agreement, the Agency will return 40% of the funds that have been paid by the City.

C. If the Agency's insurance coverage is canceled for any reason, the City shall have the right to terminate this Contract.

D. The parties agree that termination of this agreement will not release the Agency from its obligation to allow the City to name a room as mutually agreed

17. Discrimination Prohibited. The Agency shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Agency to be provided under this Agreement on the basis of race, color, religion, creed, sex, age, national origin, sexual orientation, marital status or presence of any sensory, mental or physical handicap.

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



19. Notices. Notices required by terms of this Agreement shall be sent to the other party at the following addresses, unless otherwise requested, in writing, by one of the parties hereto:

TO THE CITY:  
Attn: City Administrator  
City of Gig Harbor  
3510 Grandview Street  
Gig Harbor WA 98335

TO THE AGENCY:  
Attn: Executive Director/COB  
Boys & Girls Club  
1501 Pacific Ave., Ste 301  
Tacoma WA 98402

20. Applicable Law, Venue, Attorney's Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be properly laid in Pierce County, Washington or the U.S. District Court, Western District. The prevailing party in any such action shall be entitled to its reasonable attorney's fees and costs of suit.

21. 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 Agency.

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

23. Agreement Not Enforceable by Third Parties. This Agreement is neither expressly nor impliedly intended for the benefit of any third party and is neither expressly nor impliedly enforceable by any third party.

24. Severability. If any section, sentence, clause or phrase of this Agreement 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 Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement as of the date and year first above written.

**CITY OF GIG HARBOR**

**BOYS & GIRLS CLUBS OF**

**SOUTH PUGET SOUND**

  
\_\_\_\_\_  
Charles L. Hunter, Mayor

  
\_\_\_\_\_  
President CEO

Attest:

\_\_\_\_\_  
, Board Chairman

\_\_\_\_\_  
Molly Towslee, City Clerk

Approved as to form:

\_\_\_\_\_  
Angela Belbeck, City Attorney

## EXHIBIT A

**Youth Recreation Services**

The Agency agrees to operate, maintain, and monitor the Youth Recreation Services and make those services available to Gig Harbor youth with the following minimum levels of service:

Provide at least two Educational Enhancement Programs per week. Examples include homework assistance, one-on-one tutoring, computer training, career goal setting, or other courses that improve skills in reading, writing, mathematics, science, or the social sciences.

Provide at least two Health and Life Skills programs per week. Examples include: self esteem building, healthy life style choices, emotional health, decision making, nutrition and other programs which support healthy lifestyles and skills necessary for adult success.

Provide at least two arts programs per week. Examples include photography, fine arts, performing arts, culinary programs music and any other programs which support the creative spirit.

Provide at least two sports and recreation programs per week. Examples include basketball, volleyball, chess, pool, kick ball, board games and other activities that encourage fitness and social recreation.

The Agency will provide annual output reports related to the Youth Recreation Services as previously and specifically articulated in this agreement. These reports will include quarterly program calendars and unduplicated counts of Gig Harbor youth participating in Agency programs during the annual reporting period.

## EXHIBIT B

## Land to be Leased by Pierce County

Commencing at the Southwest corner of the Southwest Quarter of Section 6, Township 21 North, Range 2 East of the W.M., in Pierce County, Washington; thence South 89°59'30" East along the South line of said subdivision 670.00 feet; thence North 01°49'17" East 1530.77 feet to a point 605.00 feet East of the West line of said subdivision; thence South 89°59'30" East 526.39 feet to the TRUE POINT OF BEGINNING; thence North 04°11'25" East parallel to the West line of said subdivision 733.11 feet to a line 350 feet South of the North line of said subdivision; thence South 89°00'30" East 203.94 feet, more or less, to the Westerly line of the premises conveyed to the State of Washington by Deed recorded under Auditor's No. 2420710, being also the Westerly line of 46th Avenue N.W. or Bujackch Road N.W. (Skansie Street) as conveyed to Pierce County from the State of Washington under Auditor's No. 8106060152, thence Southeasterly along said line to a point 1530 feet north of the South line of said subdivision; thence North 89°59'30" West along said line to the point of beginning.

Being Pierce County Tax Parcel Number 02-21-06-3-045.