

# **Gig Harbor City Council Meeting**

**January 28, 2013  
5:30 p.m.**



**AGENDA FOR  
GIG HARBOR CITY COUNCIL MEETING  
January 28, 2013**

**CALL TO ORDER:**

**PLEDGE OF ALLEGIANCE:**

**CONSENT AGENDA:**

1. Approval of City Council Minutes Dec. 10, 2012.
2. Liquor License Action: a) Special Occasion – Harbor History Museum.
3. Receive and File: a) Tacoma Narrows Airport Advisory Commission Meeting Summary Nov. 8, 2012; b) Planning and Building Committee Minutes Jan. 7, 2013; c) 2012 Quarterly Finance Report.
4. Wastewater Treatment Plant on-Call Engineering Services – Amendment No. 1 to Consultant Services Contract.
5. Cushman Trail Phase 3 & 4 WSDOT Local Agency Consultant Agreement Supplement No. 1.
6. Approval of Payment of Bills for Jan. 28, 2013: Checks #71587 through #71706 in the amount of \$1,098,821.39.

**PRESENTATIONS:**

SR16/Burnham Drive NW Interchange and Roadway Improvements – David Evans and Associates.

**OLD BUSINESS:**

1. Second Reading of Ordinance – Development Agreement for Downtown Gig Harbor.
2. Second Reading of Ordinance – Peddler's License.

**NEW BUSINESS:**

1. Appointments to Council Committees, Boards and Commissions, and Mayor Pro Tem for 2013.

**STAFF REPORT:**

Award of Official City Newspaper.

**PUBLIC COMMENT:**

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

**ANNOUNCEMENT OF OTHER MEETINGS:**

1. Parks Commission – Wed. Feb 6<sup>th</sup> at 5:00 p.m.
2. Downtown Planning / Visioning – Wed. Jan. 30<sup>th</sup> at 4:00 p.m.

**ADJOURN:**

## MINUTES OF GIG HARBOR CITY COUNCIL MEETING – January 14, 2013

**PRESENT:** Councilmembers Guernsey, Perrow, Malich, Payne, and Mayor Hunter. Councilmember Young joined the meeting at 5:45 p.m. Councilmembers Ekberg and Kadzik were absent.

**CALL TO ORDER:** 5:30 p.m.

**PLEDGE OF ALLEGIANCE:**

### **CONSENT AGENDA:**

1. a) Approval of City Council Minutes Dec. 10, 2012; b) Approval of City Council Special Meeting Minutes Dec. 17, 2012.
2. Liquor License Action: a) Renewals: Thai Hut, Cigar Land, Gig Harbor Spirits, The Inn at Gig Harbor, Brix 25, The British Connection, Fondi, Red Rooster, Lele's, Heritage Distilling Co.; b) Renewals: Hy-lu-Hee-Hee, Half-Time Sports; c) El Pueblito, Albertson's, Discovery Village, Finholm's Grocery & Deli, 7 Seas Brewing Company, Blazing Onion.
3. Receive and File: a) Parks Commission Minutes Dec. 5, 2012; b) Planning Commission Minutes Sep 20, 2012, Oct 4, 2012, Nov 1, 2012, and Nov 15, 2012; c) Downtown Vision Committee: Aug 8, 2012, Sep 26, 2012, Oct 3, 2012 and Oct 23, 2012; d) Planning and Building Committee: Oct 1, 2012 and Oct 30, 2012; e) Finance & Safety Committee Minutes Dec. 17, 2012.
4. Correspondence / Proclamations: Harbor WildWatch 2012 Activity Report.
5. City Prosecutor Contract Renewal.
6. Department of Assigned Counsel Contract Renewal.
7. Puget Sound Clean Air Agency – Memorandum of Understanding.
8. Donkey Creek Restoration & Transportation Improvements Project – Consultant Contract Amendment #4/Parametrix.
9. Approval of Payment of Bills Dec. 24, 2012: Checks #71289 through #71458 in the amount of \$674,341.70.
10. Approval of Payment of Bills Jan. 14, 2013: Checks #71459 through #71586 in the amount of \$377,778.32.
11. Approval of Payroll for the Month of December: Checks #6803 through #6824 in the amount of \$327,516.21.

Councilmember Perrow announced that he would be recusing himself from items number 2 and 8. Due to the lack of quorum to vote on these two items, a motion to move those two to later in the meeting was made.

**MOTION:** Move to adopt the Consent Agenda removing Items No. 2 and 8 until later in the meeting.  
**Payne / Guernsey** – unanimously approved.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

1. Public Hearing and First Reading of Ordinance – Development Agreement for Downtown Gig Harbor. Acting Planning Director Jennifer Kester presented this text amendment to allow the use of a development agreement for projects in the downtown area to deviate from development standards if the proponent demonstrates consistency with certain requirements. She said that public comments received before the hearing had been given to Council for consideration.

Mayor Hunter opened the public hearing at 5:40 p.m.

David Boe – Boe Architects, 705 Pacific Avenue, Tacoma. Mr. Boe expressed support of this agreement, saying the goal is a superior project for unique sites. He voiced concern with the limited scope, and also recommended that the area be expanded to include all waterfront properties in the city and UGA. He cautioned that item 4C, which won't allow deviance from the Shoreline Master Program, could result in variances that may not result in a quality project.

Kent Kingman – owner of Minterbrook Oyster and GPS Builders. Mr. Kingman said he likes the concept of the development agreement and the direction this is going. He said he also like the idea of a fish shop in the downtown area. He voiced appreciation for his working relationship with staff.

Gary Meyers – GPS Builders, 2009 53<sup>rd</sup> St. NW. Mr. Meyers concurred with comments previously made. He explained that their involvement is a result of the Wes Rickard / Joe Pond property near the Tides. He said that they would like to have a nice project of condos or townhouses that would fit in with look and feel of Gig Harbor. They said they are pleased to work with everyone.

Councilmember Young joined the meeting at this time.

Larry Storset. Mr. Storset said he likes the direction that this development agreement is taking.

There were no further public comments and Mayor Hunter closed the public hearing at 5:56 p.m.

Councilmember Guernsey asked for clarification on why the Shoreline Master Program was singled out. Ms. Kester explained that the city adopts the SMP after approval by the Department of Ecology; the variance procedure is outlined in the WACs and so any variances must be approved by the Department of Ecology and implemented by the city under DOE guidelines.

Councilmember Malich asked if this enhances development or just adds another layer of bureaucracy. Ms. Kester explained that the development agreement is optional for



unique projects and allows some flexibility until the full implementation of the vision statement. She then explained that a mapping error excluded the five parcels north of Rosedale Street which would be corrected before the next reading of the ordinance.

There was no further discussion. This will return for a second reading at the January 28<sup>th</sup> meeting.

2. First Reading of Ordinance – Peddler’s License. City Clerk Molly Towslee presented this ordinance that would eliminate the current temporary business licensing requirements, expand the exemptions in the regular business license section, and add a peddler’s licensing procedure.

Councilmember Perrow voiced concern that the 8:00 p.m. end time was too late. He suggested that the language be amended to say “8:00 p.m. or sunset.” He also recommended that the peddlers be required to display the license and picture identification as a badge. Councilmember Malich agreed.

After further discussion, the city attorney was asked to do research both issues and make a recommendation before the next meeting.

At this time Council voted upon items removed from the Consent Agenda.

**MOTION:** Move to approve items No. 2 and No. 8 from the Consent Agenda.  
**Payne / Guernsey** – four voted in favor. Councilmember Perrow abstained.

**STAFF REPORT:**

City Administrator Denny Richards talked about the increase in single-family building permits which has exceeded last few years by quite a bit. He said that staff is “crazy busy” with the current growth.

Administrator Richards explained that Planning Director Tom Dolan was retiring and introduced Jennifer Kester as the new Planning Director as of March 1<sup>st</sup>. He then announced that Senior Engineer Jeff Langhelm was promoted to Public Works Director last week.

When asked about permit turnaround time, Mr. Richards responded that the Planning and Building Departments are doing an incredible job of permit review and inspection. He said that they are currently looking for part-time help for inspections.

Councilmember Payne suggested that Council take a look at the permit-tracking software that is being used. He described the program as efficient and impressive.

Administrator Richards announced that the departments are quickly trying to backfill the Senior Planner and Senior Engineer positions and expect the process to be completed in a couple of months.

**PUBLIC COMMENT:**

Rick Gagliano -3808 Forest Beach Dr. NW. Mr. Gagliano commented on the momentum with the new Councilmembers in adopting interim ordinances. He then explained that several years ago the Design Review Board was tasked with taking a look at trees and plats. They took a year to complete an outline for the Planning Commission to review after they completed work on the Shoreline Master Program. Now that that is complete the Downtown Visioning has taken priority. He suggested that there may be an opportunity for the Planning Commission to look at a small ordinance to address buffering and tree retention regulations in lieu of review of the entire outline. He explained that this has come up as a result of two new developments that are using the same regulations that prompted the request for review in the first place. He said that a few “tweaks” to regulations on buffering and retention of existing trees could make significant and quick changes that would help with future development. He asked Council to consider this as a priority on the Planning Commission list of tasks.

Councilmember Payne said he is very supportive of this and encouraged Council to consider this proposal.

Jennifer Kester responded that the main priority for the Planning Commission is to implement the vision through comprehensive plan amendments. She said that once the new Senior Planner is on board, the task list can be revisited later this year to see if some of these common sense amendments can be included.

Councilmember Guernsey asked if this is something that could come directly to Council. Ms. Kester responded that she has seen the outline and it would need to go through the Planning Commission before a recommendation comes to Council.

Mr. Gagliano said that the DRB submitted what he characterized as a “healthy” outline, but said there is an opportunity to do some rather small “common sense” amendments that would take some of the main points out of the outline.

After Council and Staff discussed the best way to move this forward, Mr. Gagliano said that he has drafted some amendments to forward to Ms. Kester as a way to streamline the process. He then gave an update on the student modeling project reporting that the school district, local realtors, and banks have contributed toward this effort to revitalize the downtown.

Benish Brown – Tacoma Regional Convention and Visitors Bureau. Mr. Brown thanked Council for funding support through the Lodging Tax revenues. He gave a brief overview of his job to garner support, bring visitors in, and to change the perception that they are an outside organization. He promised to bring regular updates on their efforts to bring visitors to Gig Harbor.

Councilmember Guernsey asked to work with him on events at the Tacoma Narrows Airport to promote lodging here in Gig Harbor rather than in Tacoma.

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

2013 Council Committees, Mayor Pro Tem, and Committee Representation. Mayor Hunter announced that it's time again to appoint committee members, and asked that Council return their preferences by January 22<sup>nd</sup>.

Councilmember Guernsey asked that the Downtown Visioning Committee be added to the list.

Mayor Hunter said that the Flood Control Advisory Committee also needs to be added. Councilmember Payne offered to continue to represent the city on that committee.

Councilmember Young said he will continue on the PCRC, but mentioned it may be time to integrate an alternate for when he leaves next year.

Councilmember Guernsey offered to serve on the West Central Local Integrating Organization, which is part of the Puget Sound Partnership.

Mayor Hunter asked Council to consider re-appointing Steve Ekberg as Mayor Pro Tem.

Several changes to the meeting calendar were announced.

**ANNOUNCEMENT OF OTHER MEETINGS:**

1. Operations Committee: ~~Thu. Jan 17<sup>th</sup> at 3:00 p.m.~~ Cancelled
2. Civic Center Closed for Martin Luther King Day – Mon. Jan 21<sup>st</sup>.
3. Downtown Planning / Visioning Committee – Wed. Jan ~~23<sup>rd</sup>~~ 30<sup>th</sup> at 4:00 p.m.
4. Boards and Candidate Review - Mon. Jan 28<sup>th</sup> at 4:00 p.m.
5. City Council – Mon. Jan 28<sup>th</sup> at 5:30 p.m.

Councilmember Malich reported that there is an event at the airport after July 4th called "Wings and Wheels." He said that he brought up that they should promote local lodging. He also said that the minutes of these meeting will be incorporated in the Consent Agenda for full Council review. He then asked about the road closure by the YMCA.

It was explained that this was done as a precaution to keep pedestrians off the trails because of the heavy equipment for the Division S-9 of the Harbor Hill Development construction.

Councilmember Payne reported that the State Legislative Team of Representatives Jan Angel and Larry Seaquist, and Senate Nominee Nathan Schleicher met with the Intergovernmental Affairs Committee to go over priorities for the 2013 Legislative agenda.

Councilmember Young gave an update on the Pierce Transit cuts in service which will occur in September. He said that they are working with the hospital to cover the elimination of the shuttle service.

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

**MOTION:** Move to go into Executive Session at 6:31 p.m. for approximately 20 minutes to discuss potential litigation per RCW 42.30.110(1)(i).  
**Payne / Perrow** – unanimously approved.

**MOTION:** Move to return to regular session at 6:50 p.m.  
**Payne / Perrow** – unanimously approved.

**ADJOURN:**

**MOTION:** Move to adjourn at 6:50 p.m.  
**Malich / Perrow** – unanimously approved.

CD recorder utilized: Tracks 1002 – 1020

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Charles L. Hunter, Mayor

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Molly Towslee, City Clerk

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

TO: MAYOR OF GIG HARBOR

January 16, 2013

SPECIAL OCCASION # 092365

HARBOR HISTORY MUSEUM  
4121 HARBORVIEW DR  
GIG HARBOR, WA 98335

DATE: MARCH 16, 2013

TIME: 5:30 PM TO 8:30 PM

PLACE: HARBOR HISTORY MUSEUM, 4121 HARBORVIEW DRIVE, GIG HARBOR

CONTACT: TAMI MCDANIEL, 253-858-6722

SPECIAL OCCASION LICENSES

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

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

1. Do you approve of applicant? YES \_\_\_ NO \_\_\_
2. Do you approve of location? YES \_\_\_ NO \_\_\_
3. If you disapprove and the Board contemplates issuing a license, do you want a hearing before final action is taken? YES \_\_\_ NO \_\_\_

OPTIONAL CHECK LIST

EXPLANATION

LAW ENFORCEMENT	_____	YES ___ NO ___
HEALTH & SANITATION	_____	YES ___ NO ___
FIRE, BUILDING, ZONING	_____	YES ___ NO ___
OTHER:	_____	YES ___ NO ___

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

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



## TACOMA NARROWS AIRPORT ADVISORY COMMISSION

### MEETING SUMMARY

November 8, 2012

The regular meeting of the Pierce County Tacoma Narrows Airport Advisory Commission (TNAAC) was held on Thursday, November 8, 2012 from 6:30 to 8:30 PM. The meeting was held at the Tacoma Narrows Airport Firehouse located at 1202 26th Ave. NW, Gig Harbor, WA 98335.

- I. **Chair Roger Gruener called the meeting to order at 6:33 PM and welcomed all attendees.**
- II. **Commission members, County staff, and guests introduced themselves.**

TNAAC Voting Members Present:

Roger Gruener	Dennis Cunneen
Hal Cline	Brian Durham
Bob Felker	Laura Fox
Beckie Krantz	Terry Lee
Brad Pattison	William Sehmel

TNAAC Non-Voting Members Present:

Deb Wallace, Airport and Ferry Administrator  
Stan Flemming, Pierce County Council Member - District 7

Pierce County Staff Present:

Jay Simons, Operations and Maintenance Supervisor  
Warren Hendrickson, Aviation and Ferry Planner

Visitors:

Dan Neil, Avionics Shop, Inc.  
Jack Fessenden, Saratoga HOA  
Bill & Kathy Sayre, County Hangar Tenant  
Bonnie Malgarini, TIW Tower  
Dave Ward, NW Hangars  
J. Deskins, NW Hangars

John Vodry, NW Hangars  
Bailey Kieffer, NW Hangars  
Bill Bacchan, NW Hangars  
John Tupper, Aviation Exploring

**III. Approval of Prior Meeting Summary**

Motion to approve the September 6, 2012 Meeting Summary by: Terry Lee  
Seconded by: Brad Pattison  
Approved unanimously.

**VII. Visitors and Petitions**

*This agenda item was moved up to accommodate the visitors present. It will maintain this position permanently in future meeting agendas.*

- Jack Fessenden, Saratoga HOA
  - a. Mr. Fessenden noted that the Saratoga neighborhood (to the southeast of TIW) has seen an increased presence of military helicopter traffic at TIW and was curious if there was a specific schedule for military flights.  
*There is no specific schedule of military traffic. County staff and JBLM staff are actively engaged in developing pattern and noise abatement procedures that will minimize the impact of military flight operations on local neighborhoods.*
  - b. Mr. Fessenden requested an update on the timing of hangar and runway construction.  
*Hangar construction is in the permitting phase and runway construction will commence in April 2013.*
  - c. Mr. Fessenden thanked County staff for having a representative attend Saratoga's annual HOA meeting in October. He also expressed appreciation for last summer's Wings & Wheels event; traffic control and parking was well done.

**IV. Pierce County Staff Reports**

- Deb Wallace
  - a. Budget/Grants
    - The "Other/Miscellaneous" budget expenditure category includes the following items: Mail, Telephones, Cell phones, IT network, Advertising, Dues & Memberships, Inspections, Taxes & Assessments, Filing Fees, Printing, Permits, Fire Protection, Healthcare FSA.
    - Revenue remains below that budgeted for hangars, while tiedown revenue is OK. Overall revenue is below projections.
    - Accounts Receivable are in good shape.
    - Wages & Benefits: One Intern and one Extra Hire during summer months added to personnel costs.
    - Expenditures are lower than planned, primarily due to the deferral of the Runway Rehabilitation Project to Spring 2013, and the majority of the Master Plan work being done in 2013 rather than 2012.

- “Other Repairs and Maintenance” are well below projections at present but funds will be spent prior to the end of the year.
  - Terry Lee: Is there a similar budget document available from 2011 for comparison purposes?  
*No, the budget review for the Commission commenced this year. Will a comparison be initiated in 2013 for years past?  
Yes, a year over year comparison will be made to show trends.*
  - Bob Felker: If I interpret this report correctly, are we \$30,000 upside down then?  
*Yes.*
  - Stan Flemming: Where do SWM charges get captured?  
*First, a consulting fee is paid to SWM via Interfund Services. Second, a credit is received such that the net cost to the Airport and Ferry Division is reduced to approximately 20% of the annual charge (approximately \$30,000 annually, compared to \$140,000 without the credit, i.e., \$.09/square foot vice \$.42/square foot).  
Is it possible to see more detail and to break this item out separately?  
Yes.*
  - Brad Pattison: Is the \$27,000 variance shown incorrectly?  
*This is the normal Budget & Finance format; it should not be read as “negative revenue” in spite of its appearance.  
Is fuel usage up or down (acknowledging that the County gets \$.06 per gallon)?  
Tracking of fuel sales has just begun. That data will be available in the future.*
  - Roger Gruener reminded all present that the budget is a new agenda item for the Commission and remains a work in progress.
  - Brad Pattison: Do we have any 90-day past due accounts?  
*An audit finding noted that late notices were not consistent and that the process was not well-defined. Corrective actions have included a Contract Services audit of all leases and the mailing of past due notices (with accrued interest due). The end result is that payments are up, only one business is approaching 90 days past due (and they have initiated an effort to bring their account up to date), and past due hangar and tiedown accounts have been reduced from approximately 40 to approximately 8.*
  - Brad Pattison: What is the past due interest rate?  
*It varies depending on the lease (grandfathered City of Tacoma leases, Pierce County leases, and/or lease type). There is a varying percentage fee penalty in some cases and a flat fee penalty in others.*
- b. 2013 Lease Rates
- Leases have increased from approximately 50% of available hangars to approximately 80% (64 of 80 hangars) over the last two years. Tiedowns are 47% occupied.
  - Advertising of available space will commence soon.
  - The ability to have flexibility in future lease negotiations will be addressed in a future change to the governing ordinance.



- Regarding the DOE grant for the Runway Rehabilitation Project, a written agreement is being crafted to specify funds distribution methodology.
  - 2013 lease rates at TIW: Tiedowns and transient fees are increasing and hangar rates are unchanged.
  - 2013 lease rates at PLU: Hangar rates and transient fees are increasing and tiedown rates are unchanged.
  - The future lease process will include more tenant and Commission input. The City of Tacoma used the CPI for determining lease rate changes.
  - Dennis Cunneen: Have a formula for recommending all, any, or no changes. As examples, justification was not provided in 2011 when rates increased. Justification was also not provided in 2012 when rates remained unchanged. Justification however was included in the 2013 announcement letter. Lastly, please note that CPI adjustments may not keep you competitive.  
*Noted.*
  - Beckie Krantz: Please provide a copy of the Lease Rate announcement to Commission members.  
*Will do. (Subsequent to the meeting: The announcement was sent to all members on November 9, 2012).*
  - Roger Gruener: Does every tenant have a lease agreement?  
*Yes.*  
Does the agreement include a specific annual increase?  
*No, the agreement states that tenants will be notified in advance of rate changes.*  
The County should consider including the rate formula in the lease agreement.  
*Noted.*
  - Bill Sehmel: The hangars look good. They are clean and well painted, a noticeable improvement over their appearance under City of Tacoma ownership.  
*Jay Simons: County staff had an Extra Hire this past summer to do the mowing; that allowed the staff to complete several improvement projects.*  
*Deb: Will share a list of 2012 staff accomplishments with the Commission.*
- c. 2013 Events at TIW
- Tacoma Marathon: May 5<sup>th</sup>, 7:00-8:30 AM.
  - Cross-marketing engagement with tenants is underway.
  - NW Aviation Conference and Trade Show: Puyallup, February 23<sup>rd</sup>-24<sup>th</sup>.
  - Seeing an increase in coordination among state airport associations:
    - WSDOT Aviation seeking increased state funding.
    - Statewide Aviation Day in planning stage.
    - County staff can assist in coordination however it may not advocate.
  - Bob Felker: What is status of Wings & Wheels?  
*The event will take place; the County may pick up a larger role.*
- d. Airport and Ferry Strategic Work Plan
- *Tabled until January 2013 meeting.*

- e. Other Items of Interest
  - *None.*
- Jay Simons
  - a. Operations and Maintenance Report
    - Monthly inventory: Only one error this month. Progress is being made: several months ago we didn't know what we had.
    - Two tours of college students in October, and one tour of Boy Scouts in early November.
    - Only three keys short of having 100% hangar access.
    - New asset management program being implemented "Maintenance Connections:"
      - Daily FOD inspections will now be maintained electronically to demonstrate compliance.
      - HVAC filters will be on a regular maintenance schedule.
      - All buildings, doors, electrical systems, catch basins will be catalogued.
    - Hal Cline: What is a FOD inspection?  
*FOD is "Foreign Object Debris:" any substance, debris or article that could potentially cause damage. FOD is also "Foreign Object Damage:" any damage attributed to a foreign object. FOD therefore is a term often used to describe both the damage done to aircraft by foreign objects and the foreign objects themselves.*
    - Brad Pattison: This marks a big improvement in airport maintenance. The 1402 road paving is now complete and looks great.
    - Brad Pattison: What's the latest regarding security cameras at gates?  
*We're checking into what's available at what cost. Prioritization of projects is also part of the mix.*
    - Roger Gruener: With the U.S. Open in 2015, what can we do to improve the airport appearance? Trees along Stone Drive are dying. Is there a plan in place to address this?  
*Not yet...*
    - Bill Sehmel: Plant small trees now and care for them properly.
    - Brad Pattison: What's the latest regarding the compass rose installation?  
*Warren Hendrickson: Awaiting research input from Commission member Brian Durham. (Subsequent to the meeting: Brian located the applicable Advisory Circular and it was sent to all Commission members on November 9, 2012.)*
- Warren Hendrickson
  - a. TIW Master Plan Scope of Work
    - Task Descriptions:
      1. Study Design
      2. Identify Issues and Establish Goals
      3. Public Involvement

4. Inventory  
Pavement, Nav aids, Activity, Weather, ATC, Airspace, Demographics, On- and off-airport land use.
  5. Aviation Forecasts
  6. Facility Requirements
  7. Alternatives Development & Evaluation  
Runway, Pavement, Facilities, Next Gen, Land acquisition.
  8. Environmental Overview  
Summary only.
  9. Airport Plans
  10. Facilities Implementation Plan/Financial Feasibility Analysis
  11. Compliance Review
  12. Coordination & Documentation
- Roger Gruener: Will the TNAAC be involved in the plan?  
*Indirectly. Some TNAAC members will be on the Planning Advisory Committee. All are welcome to participate in the public process.*
  - Dennis Cunneen: What is the FAA share of the cost?  
*90%.*
  - Terry Lee: Does the County have a say in the Master Plan?  
*Yes. The County will be represented on the Planning Advisory Committee. Multiple County Departments will be an integral part of the process and support staff.*
  - Commission Member: Has a meeting location been picked?  
*Not yet, coordination with Peninsula School District is underway.*
  - Commission Member: What is “mogas?”  
*Literally, motor gasoline. In aviation lexicon, it is the FAA-certified use of non-ethanol automotive fuel blends in piston engines in lieu of aviation fuel.*
  - Commission Member: How many years is a Master Plan good for?  
*No magic number exists; the norm is six to eight years. The Master Plan includes a 20-year outlook.*
  - Hal Cline: Will you modify the existing Master Plan? There is a lot of the current plan sitting on the shelf.  
*Yes. The 2003 Master Plan used baseline 1997 data. This update will use 2011 data.*
  - Terry Lee: Are TNAAC meetings and Master Plan meetings separate?  
*Yes. The TNAAC and the Master Plan Planning Advisory Committee are two different entities with different purposes.*
- b. TIW Water System Seismic Retrofit
- The FEMA grant application was submitted on November 1, 2012. Washington State Department of Emergency Management will now vet the plan and score/rank it among other statewide projects. Submission to FEMA will not occur before April 1, 2013.
  - Terry Lee: Are the water rights worth anything?

*Yes. At the moment, we are limited by the number of connections and water use fees are not charged. In the future, with the installation of meters, tenants could be charged for water usage.*

- c. New Pierce County Website
  - The new County website rolled out in mid-October. Please review the airport website and forward your suggestions to County staff.
- d. Airport Rules and Regulations
  - Meetings are underway, the work is in progress.
- e. Saturn Hangar

*Agenda item added...*

  - On October 23, 2012, the County Council approved the TIW land lease for the construction of the Saturn Hangar.
  - It has been a long-term goal of the Commission to provide recommendations to the County Council before the Council took action. The Saturn Hangar approval marks the first time that a recommendation for approval was made by the Commission before the Council considered the matter.
- f. Gig Harbor Basket Brigade

*Agenda item added...*

  - Arrangements have been made to lend, at no charge, Corporate Hangar Bay 3 to the Gig Harbor Basket Brigade for its annual pre-Thanksgiving Day event. The event staff is deeply appreciative that the County has made its facility available.
  - Commission Member: Do they need volunteers?  
*Yes. Refer to the organization's website to see how to offer your services.*
  - Commission Member: To what areas do they deliver?  
*Pierce, Mason, and Thurston Counties, with primary concentration in Gig Harbor, the Key Peninsula, and Tacoma.*

**V. Commission Reports**

None.

**VI. New Business**

- a. Other Items
  - The TIW Aviation Exploring Post is up and running.
  - Is there any news regarding Eagles Ridge subdivision?  
*No.*

**VIII. Confirmation of Action Items**

- a. Budget Report: Specify in more detail, and break out separately, SWM charges to TIW: Consulting fee via Interfund Services and 80% credit rebate plus provide additional information on the 42¢/sq ft rate versus the amended 9¢/sq ft rate.
- b. Budget Report: Provide Fuel Sales data as a separate line item and include in regular reporting.

- c. Future changes in lease rates will include greater input early in the process from tenants and TNAAC.
- d. Provide a copy of the 2013 Lease Rate document to TNAAC members.
- e. Deb Wallace will provide TNAAC with a list of 2012 Airport and Ferry Division accomplishments.

Next Meeting:

Thursday, January 10, 2013 – 6:30 PM

Location TBD, dependent on TIW Master Plan Kickoff Meeting Schedule

**IX. Meeting Adjourned at 8:37 PM**

Motion to adjourn by: Hal Cline

Seconded by: Bill Sehmel

Approved unanimously.

Approved



CITY OF GIG HARBOR  
PLANNING AND BUILDING  
COMMITTEE MEETING - MINUTES

**DATE of MEETING:** January 7, 2013

**TIME:** 5:30 pm

**LOCATION:** Planning/Building Conference Room

**MEMBERS PRESENT:** Councilmembers Kadzik, Young and Guernsey

**STAFF PRESENT:** Senior Planner Jennifer Kester, Senior Planner Peter Katich and Historic Preservationist Lita Dawn Stanton

**OTHERS:** Mike Kruger, Pierce County

**SCRIBE:** Diane McBane

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**1. Coordination with Pierce County on development regulations in Purdy**

Ms. Kester stated that it had been brought to the city's attention that the Purdy commercial area has a height restriction of 16' and a size restriction of 6,000 square feet. She noted that this had occurred as a result of Pierce County adopting the city's regulations but does not seem consistent with the vision for the Purdy area. The regulations were reflective of the needs of downtown's WC zone instead. She went over the process that the county and city had considered in order to achieve a text amendment for this area. Ms. Kester noted that one of the solutions discussed was actually removing Purdy from the UGA. Mr. Kruger noted that the quicker option would be to get a resolution from the City in order for the County to process a code amendment to change the height and size restriction. He also noted that the County is probably going to have a challenge in 2015 regarding the size of their UGA. Ms. Kester stated that there would need to be public notice for the resolution. Mr. Young noted that there had been previous discussions about creating different land use designations for the Purdy area. He also stated he wasn't in support of removing Purdy from the UGA. Discussion was held on the traffic issues in the area. Ms. Kester noted that it would probably be about a year before the City could address a code amendment on our end. Mr. Kadzik said he would recommend taking a resolution to the City Council and let the county handle the code amendment. Everyone agreed and Ms. Kester said she would work with the county on the wording on the resolution.

**2. Height of Residential Buildings along Harborview and North Harborview**

Ms. Kester noted that she and Ms. Stanton had discovered this as a part of the visioning process. She illustrated how height is measured within the city. She noted that on the downhill side (water side of Harborview) this can result in a house in a hole without much street presence. They were proposing something that could be added into the common sense amendments that are being worked on by the Planning Commission right now. She said that the setback dimension could be changed and instead of measuring from the setback we could measure at the property line. Ms. Stanton noted that it would only apply to residential. Ms. Kester added that commercial gets measured closer to the sidewalk. She then went over the height issues that were already being considering by the Planning Commission. Everyone agreed that this additional change should go to Planning Commission for consideration.

**3. Development Agreements for Downtown**

Ms. Kester stated that this was the first implementing ordinance for the Harbor Vision Statement. This would be for demonstration projects discussed early last year. She noted that staff had been working on an Ordinance which had some specific criteria and went over the criteria. Ms. Kester then went over how these development agreements would be processed. Discussion was held on changing the terminology to say that the council “should” consider shorter terms with extensions. Ms. Guernsey suggested just removing the sentence. Everyone agreed that the sentence should just be removed.

**4. Food Truck Regulations**

Ms. Kester went over several options that staff had researched and distributed pictures of several food trucks. Mr. Kadzik asked if some type of interim regulations could be developed. Ms. Kester suggested that she bring an interim regulation ordinance to the next Planning and Building Committee. Mr. Young suggested that it also be considered for direct consideration since the season for food trucks is fairly short.

**5. GMCC Local Center Recommendations**

Ms. Kester gave an update on centers of local importance to be used as a funding mechanism for transportation projects. She explained the roll of the centers on county planning policies and what could happen going forward in the development of countywide planning policies.


**6. PCRC Funding**

Ms. Kester explained that there had been discussion on increasing the fees for PCRC. Mr. Young explained that it was being proposed for clerical support and that it was still very affordable. He stated that there will be a formal proposal coming before the City Council.







**To: Mayor Hunter and City Council**  
**From: David Rodenbach, Finance Director**   
**Date: January 28, 2013**  
**Subject: Fourth Quarter Financial Report**

The quarterly financial reports for the fourth quarter of 2012 are attached.

Total resources; including all revenues and beginning cash balances, finished at 96 percent of the annual budget. Total revenues (across all funds) were 91 percent of budget. The shortfall is due to grants which were budgeted for 2012 but either reimbursement did not occur or the grant was not received.

The City's General fund came in at 98 percent of total resources budgeted. General Fund revenues at year-end came in a shade (\$23,000) over budget. Taxes came in \$669,000 (92%) short of budget. This was largely due to property tax refunds exceeding \$200,000; sales tax refunds totaling \$258,000; and a decline in sales tax receipts with sales taxes coming in about \$230,000 or about 4.7% less than budget. Permit revenues eclipsed their 2012 budget of \$498,000 budget by \$431,000 or 186 percent.

General fund expenditures are 95 percent of budget. All general fund departments are within budget.

Water, Sewer and Storm Sewer revenues are 92%, 101% and 106% of budget; while expenditures for these three funds are at 63%, 91% and 88% of budget.

Cash balances are adequate in all funds. 2012 year-end total cash and investment balance across all funds is \$17.9 million.

CITY OF GIG HARBOR  
CASH AND INVESTMENTS  
YEAR TO DATE ACTIVITY  
AS OF DECEMBER 31, 2012

FUND NO.	DESCRIPTION	BEGINNING		EXPENDITURES	OTHER CHANGES	ENDING BALANCE
		BALANCE	REVENUES			
001	GENERAL GOVERNMENT	\$ 2,101,173	\$ 10,399,682	\$ 10,889,655	\$ (142,201)	\$ 1,469,000
101	STREET FUND	94,268	3,023,100	2,822,675	(20,938)	273,754
102	STREET CAPITAL FUND	232,111	3,142,008	3,437,202	329,488	266,404
105	DRUG INVESTIGATION FUND	8,468	1,407	2,039	-	7,836
106	DRUG INVESTIGATION FUND	32,369	47	4,208	-	28,209
107	HOTEL-MOTEL FUND	152,829	219,033	264,851	(4,580)	102,431
108	PUBLIC ART CAPITAL PROJECTS	91,930	145	-	-	92,075
109	PARK DEVELOPMENT FUND	286,766	2,979,781	3,086,748	(76,970)	102,829
110	CIVIC CENTER DEBT RESERVE	3,620,697	9,320	2,467,988	-	1,162,028
111	STRATEGIC RESERVE FUND	280,439	728,779	-	-	1,009,217
112	EQUIPMENT RESERVE FUND	50,078	50,158	-	-	100,236
113	CONTRIBUTIONS/DONATIONS	-	-	-	-	-
208	LTGO BOND REDEMPTION	51,158	1,359,698	1,336,975	-	73,880
209	2000 NOTE REDEMPTION	39,285	593	-	-	39,878
210	LID NO. 99-1 GUARANTY	95,386	150	-	-	95,536
211	UTGO BOND REDEMPTION	247,679	420,774	266,027	-	402,426
301	PROPERTY ACQUISITION FUND	157,581	214,248	148,000	-	223,829
305	GENERAL GOVT CAPITAL IMPR	125,556	198,038	148,000	-	175,594
309	IMPACT FEE TRUST	938,126	299,710	562,000	8,340	684,176
310	HOSPITAL BENEFIT ZONE	1,128,704	2,637,412	1,210,662	-	2,555,454
401	WATER OPERATING	65,476	1,482,374	1,033,974	(27,798)	486,077
402	SEWER OPERATING	445,907	3,670,951	3,216,743	(197,709)	702,405
403	SHORECREST RESERVE FUND	-	60,361	1,755	(2,194)	56,412
407	UTILITY RESERVE	1,348,987	10,624	314	(22)	1,359,275
408	UTILITY BOND REDEMPTION	236,725	1,711,987	1,943,305	-	5,408
410	SEWER CAPITAL CONSTRUCTION	4,431,871	1,007,130	603,325	(80,265)	4,755,410
411	STORM SEWER OPERATING FUND	57,937	808,703	667,744	(41,643)	157,253
412	STORM SEWER CAPITAL	726,592	363,427	591,782	(196,965)	301,272
420	WATER CAPITAL ASSETS	1,323,639	883,699	938,003	(65,260)	1,204,075
605	LIGHTHOUSE MAINTENANCE TRUST	2,111	3	-	-	2,114
631	MUNICIPAL COURT	-	117,802	117,802	-	-
		<u>\$ 18,373,847</u>	<u>\$ 35,801,142</u>	<u>\$ 35,761,777</u>	<u>\$ (518,717)</u>	<u>\$ 17,894,495</u>

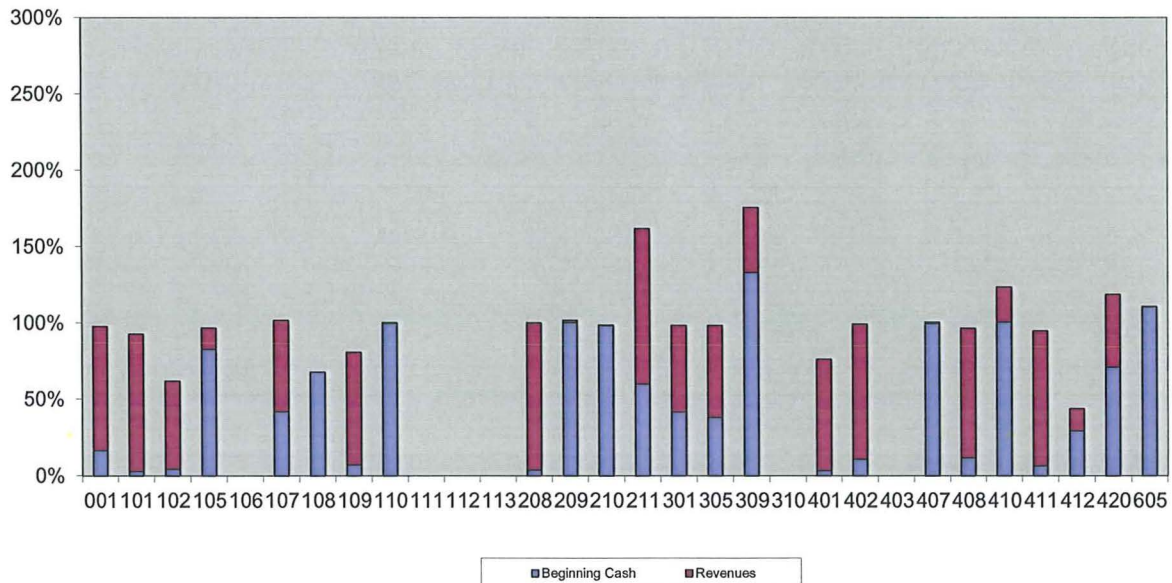
COMPOSITION OF CASH AND INVESTMENTS  
AS OF December 31, 2012

	MATURITY	RATE	BALANCE
CASH ON HAND			300
CASH IN BANK			133,113
Adjustment for Unclaimed Property			(1,201)
ESCROW COLUMBIA BANK - 56ht/Pt Fosdick			400,285
INVESTMENTS/CD COLUMBIA BANK	May 2013	0.5000%	1,000,000
INVESTMENTS/US BANK	July 2017	0.1250%	998,412
LOCAL GOVERNMENT INVESTMENT POOL		0.1807%	15,363,586
			<u>\$ 17,894,495</u>

CITY OF GIG HARBOR  
YEAR-TO-DATE RESOURCE SUMMARY  
AND COMPARISON TO BUDGET  
AS OF DECEMBER 31, 2012

FUND NO.	DESCRIPTION	ESTIMATED RESOURCES	ACTUAL Y-T-D RESOURCES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT	\$ 12,813,229	\$ 12,500,855	\$ 312,374	98%
101	STREET FUND	3,368,923	3,117,368	251,555	93%
102	STREET CAPITAL FUND	5,464,803	3,374,119	2,090,685	62%
105	DRUG INVESTIGATION FUND	10,245	9,875	370	96%
106	DRUG INVESTIGATION FUND	32,430	32,417	13	100%
107	HOTEL-MOTEL FUND	366,205	371,862	(5,657)	102%
108	PUBLIC ART CAPITAL PROJECTS	136,192	92,075	44,117	68%
109	PARK DEVELOPMENT FUND	4,059,881	3,266,546	793,335	80%
110	CIVIC CENTER DEBT RESERVE	3,633,634	3,630,016	3,617	100%
111	STRATEGIC RESERVE FUND	1,008,504	1,009,217	(713)	100%
112	EQUIPMENT RESERVE FUND	100,190	100,236	(46)	100%
113	DONATIONS/CONTRIBUTIONS	-	-	-	
208	LTGO BOND REDEMPTION	1,414,641	1,410,855	3,785	100%
209	2000 NOTE REDEMPTION	39,270	39,878	(608)	102%
210	LID NO. 99-1 GUARANTY	97,204	95,536	1,668	98%
211	UTGO BOND REDEMPTION	413,522	668,453	(254,931)	162%
301	PROPERTY ACQUISITION FUND	378,564	371,829	6,735	98%
305	GENERAL GOVT CAPITAL IMPR	330,078	323,594	6,484	98%
309	IMPACT FEE TRUST	706,116	1,237,836	(531,721)	175%
310	HOSPITAL BENEFIT ZONE	3,000,570	3,766,117	(765,547)	126%
401	WATER OPERATING	2,040,765	1,547,849	492,916	76%
402	SEWER OPERATING	4,161,349	4,116,858	44,491	99%
403	SHORECREST RESERVE FUND	-	60,361	(60,361)	
407	UTILITY RESERVE	1,358,052	1,359,611	(1,559)	100%
408	UTILITY BOND REDEMPTION	2,022,800	1,948,713	74,088	96%
410	SEWER CAPITAL CONSTRUCTION	4,416,561	5,439,000	(1,022,439)	123%
411	STORM SEWER OPERATING FUND	917,386	866,640	50,746	94%
412	STORM SEWER CAPITAL	2,493,157	1,090,019	1,403,138	44%
420	WATER CAPITAL ASSETS	1,865,364	2,207,338	(341,974)	118%
605	LIGHTHOUSE MAINTENANCE TRUST	1,914	2,114	(200)	110%
631	MUNICIPAL COURT	-	117,802	(117,802)	
		\$ 56,651,549	\$ 54,174,989	\$ 2,476,559	96%

Resources as a Percentage of Annual Budget

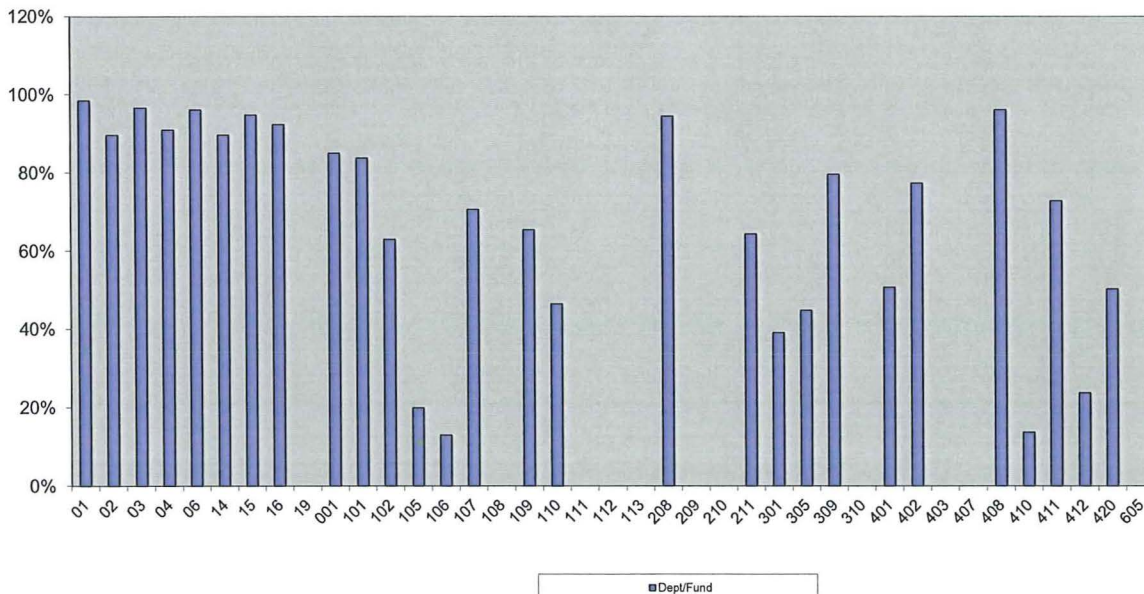




CITY OF GIG HARBOR  
YEAR-TO-DATE EXPENDITURE SUMMARY  
AND COMPARISON TO BUDGET  
FOR PERIOD ENDING DECEMBER 31, 2012

FUND NO.	DESCRIPTION	ESTIMATED EXPENDITURES	ACTUAL Y-T-D EXPENDITURES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT				
01	NON-DEPARTMENTAL	\$ 4,375,955	\$ 4,309,864	\$ 66,091	98%
02	LEGISLATIVE	29,950	26,846	3,104	90%
03	MUNICIPAL COURT	352,900	340,964	11,936	97%
04	ADMINISTRATIVE/FINANCIAL	1,459,150	1,327,500	131,650	91%
06	POLICE	2,863,560	2,751,405	112,155	96%
14	COMMUNITY DEVELOPMENT	1,322,160	1,185,107	137,053	90%
15	PARKS AND RECREATION	749,460	710,644	38,816	95%
16	BUILDING	257,100	237,326	19,774	92%
19	ENDING FUND BALANCE	1,402,994	-	1,402,994	
001	TOTAL GENERAL FUND	12,813,229	10,889,655	1,923,574	85%
101	STREET FUND	3,368,923	2,822,675	546,248	84%
102	STREET CAPITAL FUND	5,464,803	3,437,202	2,027,601	63%
105	DRUG INVESTIGATION FUND	10,245	2,039	8,206	20%
106	DRUG INVESTIGATION FUND	32,430	4,208	28,222	13%
107	HOTEL-MOTEL FUND	375,000	264,851	110,149	71%
108	PUBLIC ART CAPITAL PROJECTS	136,192	-	136,192	
109	PARK DEVELOPMENT FUND	4,717,881	3,086,748	1,631,134	65%
110	CIVIC CENTER DEBT RESERVE	5,313,634	2,467,988	2,845,645	46%
111	STRATEGIC RESERVE FUND	1,008,504	-	1,008,504	
112	EQUIPMENT RESERVE FUND	100,190	-	100,190	
113	DONATIONS/CONTRIBUTIONS	-	-	-	
208	LTGO BOND REDEMPTION	1,414,641	1,336,975	77,666	95%
209	2000 NOTE REDEMPTION	39,270	-	39,270	
210	LID NO. 99-1 GUARANTY	97,204	-	97,204	
211	UTGO BOND REDEMPTION	413,522	266,027	147,495	64%
301	PROPERTY ACQUISITION FUND	378,564	148,000	230,564	39%
305	GENERAL GOVT CAPITAL IMPR	330,078	148,000	182,078	45%
309	IMPACT FEE TRUST	706,116	562,000	144,116	80%
310	HOSPITAL BENEFIT ZONE	3,000,570	1,210,662	-	
401	WATER OPERATING	2,040,763	1,033,974	1,006,789	51%
402	SEWER OPERATING	4,161,349	3,216,743	944,606	77%
403	SHORECREST RESERVE FUND	-	1,755	(1,755)	
407	UTILITY RESERVE	1,358,052	314	1,357,738	
408	UTILITY BOND REDEMPTION	2,022,800	1,943,305	79,495	96%
410	SEWER CAPITAL CONSTRUCTION	4,416,561	603,325	3,813,236	14%
411	STORM SEWER OPERATING FUND	917,386	667,744	249,643	73%
412	STORM SEWER CAPITAL	2,493,157	591,782	1,901,375	24%
420	WATER CAPITAL ASSETS	1,865,364	938,003	927,361	50%
605	LIGHTHOUSE MAINTENANCE TRUST	1,914	-	1,914	
631	MUNICIPAL COURT	-	117,802	(117,802)	
		<b>\$ 58,998,342</b>	<b>\$ 35,761,777</b>	<b>\$ 21,446,658</b>	<b>61%</b>

Expenditures as a Percentage of Annual Budget



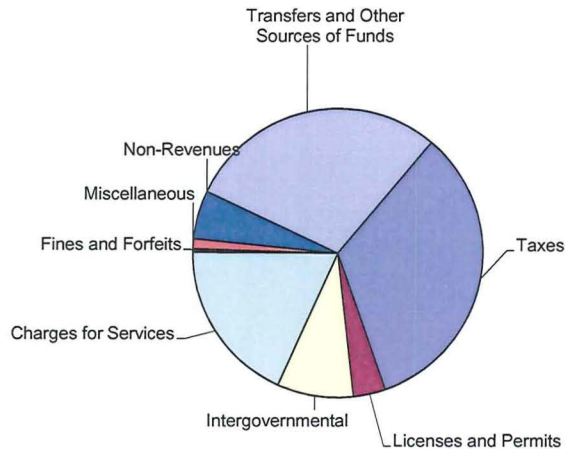
**CITY OF GIG HARBOR  
YEAR-TO-DATE REVENUE SUMMARY  
BY TYPE  
FOR PERIOD ENDING DECEMBER 31, 2012**

<u>TYPE OF REVENUE</u>	<u>AMOUNT</u>
Taxes	\$ 12,001,523
Licenses and Permits	1,279,470
Intergovernmental	3,043,432
Charges for Services	6,593,378
Fines and Forfeits	132,400
Miscellaneous	404,152
Non-Revenues	1,943,455
Transfers and Other Sources of Funds	10,403,333
Total Revenues (excludes Court Pass Thru)	<u>35,801,142</u>
Beginning Cash Balance	18,373,847
Total Resources	<u>\$ 54,174,989</u>

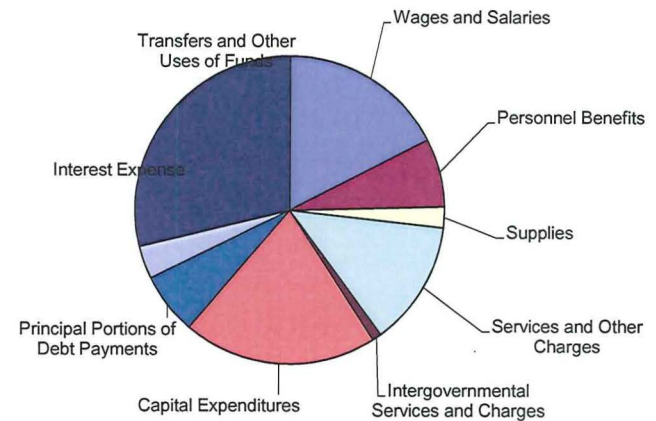
**CITY OF GIG HARBOR  
YEAR-TO-DATE EXPENDITURE SUMMARY  
BY TYPE  
FOR PERIOD ENDING DECEMBER 31, 2012**

<u>TYPE OF EXPENDITURE</u>	<u>AMOUNT</u>
Wages and Salaries	\$ 6,203,622
Personnel Benefits	2,567,137
Supplies	791,882
Services and Other Charges	4,673,517
Intergovernmental Services and Charges	340,551
Capital Expenditures	7,245,005
Principal Portions of Debt Payments	2,299,703
Interest Expense	1,246,604
Transfers and Other Uses of Funds	10,275,954
Total Expenditures (excludes Court Pass Thru)	<u>35,643,975</u>
Ending Cash Balance	17,894,495
Total Uses	<u>\$ 53,538,470</u>

**Revenues by Type - All Funds**



**Expenditures by Type - All Funds**



**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2012**

	SPECIAL REVENUE FUNDS										
	001	101	102	105	106	107	108	109	110	111	112
	GENERAL GOVERNMENT	STREET	ST CAP	DRUG INVESTIGTN	DRUG INVESTIGTN	HOTEL - MOTEL	PUBLIC ART PROJECTS	PARK DVLP FUND	CIVIC CTR DEBT RSRV	STRATEGIC RESERVE	EQUIPMENT RESERVE
<b>ASSETS</b>											
CASH	\$ 12,605	\$ 2,330	\$ 399,145	\$ 67	240	\$ 872	\$ 784	\$ 875	\$ 1,379	\$ 8,591	\$ 853
INVESTMENTS	1,456,395	271,424	(132,741)	7,770	27,968	101,559	91,291	101,953	1,160,649	1,000,626	\$ 99,383
RECEIVABLES	1,259,483	3,699	55,690	-	-	26,536	-	-	4,404	-	-
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>2,728,483</b>	<b>277,453</b>	<b>322,094</b>	<b>7,836</b>	<b>28,209</b>	<b>128,968</b>	<b>92,075</b>	<b>102,829</b>	<b>1,166,432</b>	<b>1,009,217</b>	<b>100,236</b>
<b>LIABILITIES</b>											
CURRENT	45,636	3,750	4,186	-	-	-	-	-	-	-	-
LONG TERM	49,364	-	-	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>95,001</b>	<b>3,750</b>	<b>4,186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE:</b>											
BEGINNING OF YEAR	3,123,455	73,279	613,103	8,468	32,369	174,785	91,930	209,796	3,625,101	280,439	50,078
Y-T-D REVENUES	10,399,682	3,023,100	3,142,008	1,407	47	219,033	145	2,979,781	9,320	728,779	50,158
Y-T-D EXPENDITURES	(10,889,655)	(2,822,675)	(3,437,202)	(2,039)	(4,208)	(264,851)	-	(3,086,748)	(2,467,988)	-	-
<b>ENDING FUND BALANCE</b>	<b>2,633,482</b>	<b>273,703</b>	<b>317,908</b>	<b>7,836</b>	<b>28,209</b>	<b>128,968</b>	<b>92,075</b>	<b>102,829</b>	<b>1,166,432</b>	<b>1,009,217</b>	<b>100,236</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>2,728,483</b>	<b>277,453</b>	<b>\$ 322,094</b>	<b>\$ 7,836</b>	<b>28,209</b>	<b>\$ 128,968</b>	<b>\$ 92,075</b>	<b>\$ 102,829</b>	<b>\$ 1,166,432</b>	<b>\$ 1,009,217</b>	<b>\$ 100,236</b>

**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2012**

	SPECIAL REVENUE FUNDS						TOTAL SPECIAL REVENUE
	301 PROPERTY ACQUISITION	305 GEN GOVT CAPITAL IMP	309 IMPACT FEE TRUST FUND	310 HOSPITAL BENEFIT	605 LIGHTHOUSE MAINT	631 MUNICIPAL COURT	
<b>ASSETS</b>							
CASH	\$ 1,905	\$ 1,495	\$ 5,824	\$ 21,754	\$ 18		\$ 446,135
INVESTMENTS	221,924	174,099	678,352	2,533,700	2,096		6,340,053
RECEIVABLES	-	-	-		-	-	90,329
FIXED ASSETS	-	-	-		-	-	-
OTHER	-	-	-		-	-	-
<b>TOTAL ASSETS</b>	<b>223,829</b>	<b>175,594</b>	<b>684,176</b>	<b>2,555,454</b>	<b>2,114</b>	<b>-</b>	<b>6,876,516</b>
<b>LIABILITIES</b>							
CURRENT	-	1,633	41,700	-	-	-	51,269
LONG TERM	-	-	-		-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>1,633</b>	<b>41,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,269</b>
<b>FUND BALANCE:</b>							
BEGINNING OF YEAR	157,581	123,922	904,766	1,128,704	2,111	-	7,476,432
Y-T-D REVENUES	214,248	198,038	299,710	2,637,412	3	117,802	13,620,990
Y-T-D EXPENDITURES	(148,000)	(148,000)	(562,000)	(1,210,662)	-	(117,802)	(14,272,175)
<b>ENDING FUND BALANCE</b>	<b>223,829</b>	<b>173,960</b>	<b>642,476</b>	<b>2,555,454</b>	<b>2,114</b>	<b>-</b>	<b>6,825,247</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$ 223,829</b>	<b>\$ 175,594</b>	<b>\$ 684,176</b>	<b>\$ 2,555,454</b>	<b>\$ 2,114</b>	<b>\$ -</b>	<b>\$ 6,876,516</b>

**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2012**

	208 LTGO BOND REDEMPTION	209 2000 NOTE REDEMPTION****	210 LID 99-1 GUARANTY	211 UTGO BOND REDEMPTION*****	TOTAL DEBT SERVICE
<b>ASSETS</b>					
CASH	\$ 629	\$ 339	\$ 813	\$ 3,426	\$ 5,208
INVESTMENTS	73,251	39,538	94,723	399,001	606,513
RECEIVABLES	-	-	-	14,366	14,366
FIXED ASSETS	-	-	-	-	-
OTHER	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>73,880</b>	<b>39,878</b>	<b>95,536</b>	<b>416,792</b>	<b>626,087</b>
<b>LIABILITIES</b>					
CURRENT	-	-	-	-	-
LONG TERM	-	-	-	9,985	9,985
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,985</b>	<b>9,985</b>
<b>FUND BALANCE:</b>					
BEGINNING OF YEAR	51,158	39,285	95,386	252,060	437,888
Y-T-D REVENUES	1,359,698	593	150	420,774	1,781,215
Y-T-D EXPENDITURES	(1,336,975)	-	-	(266,027)	(1,603,002)
<b>ENDING FUND BALANCE</b>	<b>73,880</b>	<b>39,878</b>	<b>95,536</b>	<b>406,807</b>	<b>616,102</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$ 73,880</b>	<b>\$ 39,878</b>	<b>\$ 95,536</b>	<b>\$ 416,792</b>	<b>\$ 626,087</b>



**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2012**

	PROPRIETARY									TOTAL PROPRIETARY	TOTAL
	401 WATER OPERATING	402 SEWER OPERATING	403 SHORECREST RESERVE	407 UTILITY RESERVE	408 UTILITY BOND REDEMPTION	410 SEWER CAP. CONST.	411 STORM SEWEF OPERATING	412 STORM SEWER CAPITAL	420 WATER CAP. ASSETS		
<b>ASSETS</b>											
CASH	\$ 4,237	\$ 6,079	\$ 480	\$ 3,072	\$ 46	\$ 40,483	\$ 1,339	\$ 2,565	\$ 10,250	\$ 68,550	\$ 532,497
INVESTMENTS	481,840	696,326	55,932	1,356,203	5,362	4,714,928	155,915	298,707	1,193,825	8,959,037	17,361,998
RECEIVABLES	324,768	531,323	2,194	-	54,682	5,490	224,935	-	-	1,143,391	2,507,569
FIXED ASSETS	6,367,578	34,738,824	-	-	-	336,148	338,578	666,127	775,769	43,223,024	43,223,024
OTHER	-	-	-	-	160,222	-	-	-	-	160,222	160,222
<b>TOTAL ASSETS</b>	<b>7,178,423</b>	<b>35,972,552</b>	<b>58,606</b>	<b>1,359,275</b>	<b>220,312</b>	<b>5,097,048</b>	<b>720,766</b>	<b>967,399</b>	<b>1,979,844</b>	<b>53,554,224</b>	<b>63,785,310</b>
<b>LIABILITIES</b>											
CURRENT	127,804	25	-	-	1,385,314	-	29	-	19,762	1,532,934	1,629,839
LONG TERM	47,661	71,262	-	-	22,679,082	-	42,086	-	-	22,840,091	22,899,441
<b>TOTAL LIABILITIES</b>	<b>175,465</b>	<b>71,287</b>	<b>-</b>	<b>-</b>	<b>24,064,397</b>	<b>-</b>	<b>42,115</b>	<b>-</b>	<b>19,762</b>	<b>24,373,025</b>	<b>24,529,279</b>
<b>FUND BALANCE:</b>											
BEGINNING OF YEAR	6,554,558	35,447,058	-	1,348,965	(23,612,767)	4,693,243	537,692	1,195,755	2,014,385	28,178,889	39,216,665
Y-T-D REVENUES	1,482,374	3,670,951	60,361	10,624	1,711,987	1,007,130	808,703	363,427	883,699	9,999,255	35,801,142
Y-T-D EXPENDITURES	(1,033,974)	(3,216,743)	(1,755)	(314)	(1,943,305)	(603,325)	(667,744)	(591,782)	(938,003)	(8,996,945)	(35,761,777)
<b>ENDING FUND BALANCE</b>	<b>7,002,958</b>	<b>35,901,265</b>	<b>58,606</b>	<b>1,359,275</b>	<b>(23,844,085)</b>	<b>5,097,048</b>	<b>678,651</b>	<b>967,399</b>	<b>1,960,082</b>	<b>29,181,200</b>	<b>39,256,031</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$ 7,178,423</b>	<b>\$ 35,972,552</b>	<b>\$ 58,606</b>	<b>\$ 1,359,275</b>	<b>\$ 220,312</b>	<b>\$ 5,097,048</b>	<b>\$ 720,766</b>	<b>\$ 967,399</b>	<b>\$ 1,979,844</b>	<b>\$ 53,554,225</b>	<b>63,785,311</b>



Business of the City Council  
City of Gig Harbor, WA

**Subject:** Wastewater Treatment Plant On-Call Engineering Services – Amendment #1 to Consultant Services Contract

**Proposed Council Action:** Approve and authorize the Mayor to execute Amendment #1 to the contract for Advanced Industrial Automation Corporation for an amount not to exceed \$31,469.00.

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

**Prepared by:** Stephen Misiurak, PE  
City Engineer

**For Agenda of:** January 28, 2013

**Exhibits:** Amendment #1 to CSC  
with Exhibit A - Scope of Work

**Concurred by Mayor:** Initial & Date  
*CLH 1/21/13*

**Approved by City Administrator:** *R 1/18/13*

**Approved as to form by City Atty:** *approved via email 1/17*

**Approved by Finance Director:** *DF 1/18/13*

**Approved by Department Head:** *JL 1/18/13*

Expenditure Required	\$31,469.00	Amount Budgeted	See Below	Appropriation Required	\$0
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**INFORMATION / BACKGROUND**

Supervisory control and data acquisition (SCADA) improvements and upgrades have been occurring and will continue to occur at the City's Wastewater Treatment Plant. These services are being successfully provided by Advanced Industrial Automation (AIA) Corporation. This contract provides for their continued assistance as needed during the year.

**FISCAL CONSIDERATION**

Sufficient funds exist within the 2013 Wastewater Operating Fund to cover this expenditure.

**BOARD OR COMMITTEE RECOMMENDATION**

None.

**RECOMMENDATION / MOTION**

**Move to:** Approve and authorize the Mayor to execute Amendment #1 to the Contract with Advanced Industrial Automation Corporation for the Wastewater Treatment Plant in the amount not to exceed Thirty-One Thousand Four Hundred Sixty-Nine Dollars and No Cents (\$31,469.00) for a revised contract amount of \$61,779.00.

**FIRST AMENDMENT  
TO  
CONSULTANT SERVICES CONTRACT  
BETWEEN THE CITY OF GIG HARBOR AND  
ADVANCED INDUSTRIAL AUTOMATION CORPORATION**

THIS FIRST AMENDMENT is made to that certain Consultant Services Contract dated February 9, 2010 (the "Agreement"), by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Advanced Industrial Automation (AIA) Corporation, a corporation organized under the laws of the State of Washington (hereinafter the "Consultant").

**RECITALS**

WHEREAS, the City is presently contracting with the Consultant for Engineering Services at the Wastewater Treatment Plant;

WHEREAS, the City desires to extend consultation services with the Consultant in connection with the aforementioned services; and

WHEREAS, section 18 of the Agreement requires the parties to execute an amendment to the Agreement in order to modify the scope of work to be performed by the Consultant and to amend the amount of compensation paid by the City;

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

**Section 1. Scope of Work.** Section 1 of the Agreement is amended to add the work as shown in **Exhibit A – Scope of Work**, attached to this Amendment and incorporated herein.

**Section 2. Compensation.** Section 2(A) of the Agreement is amended to increase compensation to the Consultant for the work to be performed as described in **Exhibit A** in an amount not to exceed Thirty One Thousand Four Hundred Sixty-Nine Dollars and No Cents (\$31,469.00), as shown in **Exhibit A**, attached to this Amendment and incorporated herein.

**Section 3. Duration of Work.** Section 4 of the Agreement is amended to extend the duration of this Agreement to March 1, 2014.

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

IN WITNESS WHEREOF, the parties have executed this First Amendment on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CONSULTANT

CITY OF GIG HARBOR

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

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

ATTEST:

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

APPROVED AS TO FORM:

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

Exhibit A – Scope of Work

Advanced Industrial Automation Corp

5227 Ballard Ave NW, Suite 8  
Seattle, WA 98107

Estimate

Date	Estimate #
1/9/2013	189

Name / Address
Darrell Winans - City of Gig Harbor Waste Water Treatment Plant Supervisor Public Works Department 3510 Grandview Street Gig Harbor, WA 98335

P.O. No.	Project
	City of Gig Harbor 2013 Prof Svcs

ON CALL PROF. WWTTP SERVICES

Description	Qty	Cost	Total
Provide on-call SCADA control and electrical engineering services to the City of Gig Harbor as requested by the city. The SCADA and electrical engineering services are as summarized below.			
Electrical Engineering	100	130.00	13,000.00
Provide Integration services.	100	125.00	12,500.00
AutoCAD drafting services	50	90.00	4,500.00
Mileage allowance per IRS standard rate.	2,600	0.565	1,469.00
<b>SCOPE OF WORK</b>			
Background: City of Gig Harbor On-call Engineering Services			
Communication, instrumentation, control, and low voltage electrical is critical to the Gig Harbor waste water collection and treatment systems. The existing SCADA (Supervisory Control and Data Acquisition) System and Allen Bradley controllers need to be supported 24/7. Proposed Consultant has extensive experience with SCADA system, instrumentation, communications, and Allen Bradley PLC. Using the consultant for this task will be a cost effective solution in supporting city operations.			
Task 1 -Provide engineering support for Gig Harbor communications, instrumentation, control, and low voltage systems. AIA will provide engineering support and maintenance recommendations of the Gig Harbor existing SCADA System. This task will include the following:			
·Twenty-four hour, seven days per week on-site maintenance and engineering support for the computer system equipment. This			
		<b>Total</b>	

Phone #	Fax #	E-mail	Web Site
425-836-3386	425-642-8282	christine@mathisonengineering.com	www.advancedia.com

j@advancedia.com

Advanced Industrial Automation Corp

5227 Ballard Ave NW, Suite 8  
Seattle, WA 98107

# Estimate

Date	Estimate #
1/9/2013	189

Name / Address
Darrell Winans - City of Gig Harbor Waste Water Treatment Plant Supervisor Public Works Department 3510 Grandview Street Gig Harbor, WA 98335

	P.O. No.	Project		
		City of Gig Harbor 2013 Prof Svcs		
Description	Qty	Cost	Total	
<p>includes the PLC, workstations, monitors, bulk storage devices, instrumentation, communication devices, and peripheral equipment.</p> <ul style="list-style-type: none"> <li>·Field change orders and/or updates recommended by the manufacturer shall be installed</li> <li>·Upgrades, modifications and enhancements.</li> <li>·Support for Allen Bradley programmable logic controllers in Gig Harbor control area</li> <li>·On site operator training as needed</li> </ul> <p>· Key assumptions: Cost estimate assumes one-day trip to the Gig Harbor facility every two weeks to perform necessary update and troubleshooting tasks, including emergency calls for the duration of the contract.</p> <p>· Deliverables: Reliable secure 24/7 operations of SCADA system at Gig Harbor Control Area. Emergency services as required. Plans and specifications to update and upgrade the systems in a manner consistent with city requirements.</p> <p>· Schedule: 1 year. Emergency services as needed.</p>				
		<b>Total</b>		\$31,469.00

Phone #	Fax #	E-mail	Web Site
425-836-3386	425-642-8282	christine@mathisonengineering.com	www.advancedia.com





Business of the City Council  
City of Gig Harbor, WA

**Subject:** Cushman Trail Project Phase 3 & 4  
WSDOT Local Agency Standard Consultant  
Agreement Supplement No. 1

**Proposed Council Action:** Approve and authorize the Mayor to execute the Local Agency Standard Consultant Agreement Supplemental No. 1 for Phase 3 and 4 to complete the design services, final plans, documents and procure all the required environmental permits in the amount not to exceed \$150,285.00.

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

**Prepared by:** Stephen Misiurak PE  
City Engineer *SM*

**For Agenda of:** January 28, 2013

**Exhibits:** WSDOT Local Agency  
Standard Consultant  
Supplemental Agrmt No. 1

Initial & Date

**Concurred by Mayor:**

**Approved by City Administrator:** *R 1/24/13*

**Approved as to form by City Atty:** *approved via email 1/24/13*

**Approved by Finance Director:** *FOR 1/24/13*

**Approved by Department Head:** *FOR SL 1/24/13*

Expenditure	Amount	Appropriation
Required \$150,285.00	Budgeted \$3,163,000	Required \$ 0

**INFORMATION / BACKGROUND**

The original construction plans and specifications for this project were completed under Pierce County oversight several years ago and due to funding constraints the remaining portion of the trail went unconstructed.

On June 11, 2012 the original Local Agency Standard Agreement with H.W. Lochner was for \$30,500 to review previously completed work and determine the most cost effective and expeditious path forward the City should take pertaining to the final design modifications that were necessary to the current plans along with the permitting path forward.

This Supplement No. 1 provides for the work with the City to complete the design and support the City in analyzing and documenting the environmental impacts associated with the proposed improvements. H.W. Lochner, Inc. will also complete the final design plans and documents to construct the project. They will procure all the required environmental permits.

The project will be split into two phases to refine the scope for the final environmental and design work. The work is assumed to occur over an approximate 5-month period being complete by June 18, 2013.

**FISCAL CONSIDERATION**

Sufficient monies exist within the Park Development Fund to fund this expenditure.

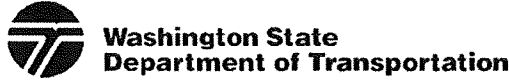
**BOARD OR COMMITTEE RECOMMENDATION**

None.

**RECOMMENDATION / MOTION**

**Move to:** Approve and authorize the Mayor to execute a WSDOT Local Agency Standard Consultant Agreement Supplemental No. 1 with H.W. Lochner, Inc. for Phase 3 and 4 Engineer in the not to exceed amount of One Hundred Fifty Thousand Two Hundred Eighty-Five Dollars and No Cents (\$150,285.00) for a revised amended contract amount not to exceed \$180,785.00.





<b>Supplemental Agreement Number 1</b>	Organization and Address <b>H. W. Lochner, Inc. 400 108th Ave NE Suite 401 Bellevue, WA 98004</b>	
	Phone: <b>425-454-3160</b>	
Original Agreement Number <b>TCSP-11WA (26)</b>	Execution Date <b>June 11, 2012</b>	Completion Date <b>March 1, 2014</b>
Project Number <b>CPP-1126</b>	New Maximum Amount Payable <b>\$ 180,785.00</b>	
Project Title <b>Cushman Trail Phase III and IV</b>	Description of Work <b>Complete plans revisions and PS&amp;E, and environmental documentation and permitting for Phase III and IV, Cushman Trail improvements.</b>	

The Local Agency of **City of Gig Harbor** desires to supplement the agreement entered into with **H. W. Lochner, Inc.** and executed on **June 11, 2012** and identified as Agreement No. **TCSP-11WA (26)**. All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are describes as follows:

**I**

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

**Updated for Lochner Phase II based on Lochner Phase I evaluations. Revised Exhibit A attached.**

**II**

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of work to read: **No Change.**

**III**

Section V, PAYMENT, shall be amended as follows:

**Labor rates revised; total contract amount increased by \$150,285; new Exhibits E-1 and G-1 attached;**

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

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

By: **Jorge Garcia, Vice President**

By: **Charles L. Hunter, Mayor**

\_\_\_\_\_  
Consultant Signature

\_\_\_\_\_  
Approving Authority Signature

\_\_\_\_\_  
Date

**Exhibit A-1**  
**Scope of Work**

Project No: TCSP-11WA(026)

See attached Exhibit A

**Documents To Be Furnished By The Consultant**

See Attached Exhibit A



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

**EXHIBIT A**  
**SCOPE OF SERVICES**  
**FOR FINAL DESIGN, PERMITTING, REPORTING AND**  
**CONSTRUCTION READY CONTRACT DOCUMENTS**

The Cushman Trail Project Phase III and IV, between 96th St. to Borgen Blvd. (approximately one mile in length), is a non-motorized multi-use trail adjacent to Burnham Drive starting at the current north trail end at 96<sup>th</sup> Street and continuing north along the Tacoma Public Utilities (TPU) right of way to Borgen Blvd.

The purpose of this scope of work is to:

- Work with the City to complete the design and support the City in analyzing and documenting the environmental impacts associated with the proposed improvements.
- Assist the City in preparing Federal Aid agreement and contract documents for submittal to WSDOT Highways & Local Programs.
- Complete the final design plans and complete final bid ready documents to construct the project.
- Submit environmental applications and develop studies as described in Task 8.

The project will be split into two phases to refine the scope for the final environmental and design work. The work is assumed to occur over an approximate 12-month period beginning June 18, 2012 and being completed by June 18, 2013. This revised Scope of Work is for Phase II only.

The following is a summary of the approach for the scope for this project.

**Project Assumptions**

- For the purposes of budgeting, the anticipated length (Phase I and Phase II) of the project will be approximately 12-months.
- Phase I is considered complete for the purposes of this revised Scope of Work.
- Phase II will include the preparation of NEPA documents and design documents.
- The City will conduct one public meeting, as part of a council meeting or workshop.
  - The City will provide the logistical support to reserve all meeting locations.
  - The City will prepare a summary of the meeting and public comments.
- No traffic analysis will be conducted as part of the work scope.
- Minor Right-of-way certification assistance is assumed as part of this project. Neither right-of-way appraisals nor acquisitions are included at this time in Phase 2 of this scope.
- If retaining walls are required, a modular structural earth (MSE) wall design will be used.
- Minor geotechnical analysis and/or review of previous work will be needed.
- Illumination design review will be needed for the Cushman Trail.



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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- Pedestrian crossing improvements will be needed at Burnham Drive and Borgen Blvd.
- The City will coordinate all electrical connections.
- The City will provide permitting with support from Lochner, the City will pay permitting fees directly.
- No irrigation will be incorporated into the project. Landscaping will be limited to parking areas. Landscaping material lists and installation details will be provided by the City to the Consultant for incorporation into the contract documents. Adequate ground protection will be designed for all cut and fill slopes.
- Utility work will involve review of existing plans for possible conflicts in Phase I, and potential minor revisions as the trail design is updated in Phase II.
- Traffic control plans at intersections with streets will be included.
- City and State standards. Consultant will review the current design for ADA compliance and coordinate with stakeholders on the bridge structural and pathway vehicle/access requirements. Final design will conform to the stakeholder requirements. Alignment will conform to TPU easement requirements.
- Contract specifications will conform to the 2012 WSDOT Specifications and City of Gig Harbor Public Works Standards.
- 70% submittal will have no more than two review opportunities by the City. 100% submittal will have no more than one review opportunity by the City. Additional reviews will be subject to additional fees.
- Travel time reimbursement to Consultant will be limited to that travel time between Tacoma and Gig Harbor. Mileage costs will be reimbursed for the distance traveled.
- It is assumed that the project will avoid the placement of “fill” in waters of the US.
- It is assumed that the project can be justified as a “No Effect” to species listed under the federal Endangered Species Act and that any biological evaluation necessary may be completed in the area provided within Part 5 of the Environmental Classification Summary. No additional biological effect letter or report will be necessary.
- It is assumed that the City or their selected contractor will prepare all other permit applications, including but not limited to the State Environmental Policy Act (SEPA) Checklist and National Pollution Discharge Elimination System permit.
- The Consultant will track and bill the City separately for the 96th St and Burnham Drive and Burnham Drive to Borgen Blvd segments and will be in accordance with all the grant reporting requirements.
- No geotechnical investigations will be completed in this scope of work. It is assumed that work performed previously will be sufficient for the final design.
- The Consultant will not be responsible if either permitting, or ROW certification, are not completed in time to meet the commitments of project grants. However, the Consultant





Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

will apprise the CITY of any potential impacts that could delay the project completion schedule well in advance of the specified milestone dates.

- It is assumed that donation is the case, easements are acquired and we can develop appropriate documentation for ROW certification. If this is not the case then the ROW process will have to be specifically identified and may not be able to proceed before NEPA is cleared.
- This scope of work assumes that all direct impacts to wetlands can be avoided. It assumes only pilings in the wetlands and that the City of Gig Harbor concurs with the original critical areas exemption allowing for no mitigation for this phase.
- It is assumed that there will be no changes to the landscaping planting schedule and that it will not be necessary to retain a landscape architect.
- It is assumed that the restroom design meets City building code and L&I standards.

**TASK 1: Project Administration (Phase II)**

The Consultant shall be responsible for on-going management of the consultant and all subconsultants for this project in accordance with the provisions of the Agreement. On-going management will include confirming that the scope of work is completed on time and within the Agreement budget. The Consultant shall:

- Provide a monthly status/progress report with monthly invoices to the City that will describe work performed by the Consultant Team members during the current reporting period. Monthly invoices will be submitted in a format acceptable to the City. Monthly invoices shall be prepared separating Phase III and IV work for the project. Invoicing shall summarize costs incurred to date under each task, percent complete and remaining costs along with level of effort.
- Provide an overview design schedule for the Consultant's Phase II tasks.
- During the first three months of the project, meet with the City twice each month during the project to coordinate the project, review the overall project status, schedule, budget and outstanding issues. Following the three month project startup period, these coordination meetings will be held once per month. These meetings may be in the City's offices, the Consultant's office or through telephone conference calls. For purposes of estimating time required for this sub element, it is assumed that fifteen (15) meetings will be held during the project and will include preparation time. It is also assumed that eight (8) of these meeting will be held at the City's Office and the other seven (7) meetings will be conducted via telephone conference calls, plus one stakeholder meeting at a stakeholder office location to be determined.
- Update project schedule and confirm project is on track for completion in the originally specified timeframe and ensuring that all project milestones are achieved in the originally specified schedule.
- Meet with other Stakeholders to identify direction for key design/permitting issues. Telephone conference call meetings may include one or more stakeholders for their input/interface as required.



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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- Maintain regular contact with the City Project Manager and maintain regular coordination with City staff for this project in accordance with the provisions of the Agreement. Regular coordination with the City will include involving the City staff in all aspects of the project. One meeting will be held at the City's offices to review work and the other communication will be conducted through e-mails and telephone calls.
- Provide a staff person one day twice each month at City offices during the design phase, time to be invoiced to the City for only those hours worked on the project.
- Support and assist City in providing WSDOT LAG Manual Local Agency Agreements and supporting documentation for funding agency reporting and demonstration of compliance with WSDOT LAG Manual guidelines and Federal funding as may be required.
- Coordinate with Tacoma Public Utilities over the TPU easement for activities related to the easement.

**Deliverables:**

- Project Schedule (MS Project) with project milestone dates.
- Meeting notes (Email format)
- Local Agency Agreement for PE for submittal to WSDOT H&LP (not reimbursable by Federal funds.)
- Local Agency Agreement for Construction for submittal to WSDOT H&LP.
- Monthly Status/Progress Reports and Monthly Invoices.



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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**PHASE I (COMPLETE)**

**TASK 2: Phase I Preliminary Project Studies—COMPLETE**

**Task 2.1: Wetland and Stream Delineation Report—COMPLETE**

The results of this study and the recommendations contained within will be incorporated into the final project design.

**Task 2.2: Summary Preliminary Geotechnical and Design Report—COMPLETE**

The results of this study and the recommendations contained within will be incorporated into the final project design.

**Task 2.3: Preliminary Structural Review—COMPLETE**

The results of this study and the recommendations contained within will be incorporated into the final project design.





Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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**Phase II**

**TASK 3: Public Involvement**

The Consultant will prepare graphics of design drawings for up to three (3) council or public meetings and present the findings and design of the improvements.

**Deliverables:**

- Graphics for community/council meeting.

**TASK 4: Topographical Survey and Base Mapping (Prizm Surveying)**

The Consultant, through its Sub Consultant, will provide survey updates to verify field locations and boundaries, and provide needed topographic data for potential redesign areas. This work will occur in Phase II and will include:

- Coordinate with the client on the proposed location of the project and plan an initial walk through to identify possible issues and site constraints.
- Perform office research of the City of Gig Harbor's, Pierce County's and the Department of Natural Resources Records for relevant monumentation, Right of way and Control surveys in the vicinity of the subject area.
- Perform a random field traverse or GPS survey locating relevant (visible) survey monumentation and vertical control as recoverable through a diligent search, necessary for the determination of Rights of Way and the Topographic Survey. Horizontal datum will be Washington State Plane Coordinate System, South Zone. Vertical datum will be per Pierce County, NGVD 1929.
- Perform a Topographic survey of approximately 1,000' of planned trail corridor with an approximate width of 50 feet. We will be locating existing features deemed necessary for the future design of the site. Within said limits, which will include, but not limited to visible: trails, pavement edging, sidewalks, ramps, utility poles, hydrants, valves, manholes, storm drains, storm ditches, culverts, mailboxes, signs, fences, significant landscaping outline, top and bottom of all adjoining slopes, driveways or other access ways, and significant trees 12"+, and canalization. All of which will be utilized to determine existing natural and man altered elevations. Accessible utility structures will be measured for depth, pipe sizes, material type, direction, etc.
- Visible evidence of underground of utilities (Water, Gas, Power, Communication) will be located as noted above, but any underground locations of conductible utilities not visible cannot be shown without the benefit of a underground utility locate service. The Consultant will contact local utility providers requesting as-built information in the vicinity of the project area. The as-built information will be transferred to the final map.
- A temporary benchmark and control points will be set at convenient locations for future reference.
- Perform mathematical computations, analyze and resolve the limits of the Right of Way, and the approximate location intersecting property lines.





Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

- Reduce field notes, plot data obtained from the fieldwork, and prepare an AutoCAD drawing of the above for design use at a convenient scale showing the data collected along with 2-foot interval contours and spot elevations where needed for clarity. The final Map will be reviewed, field checked and certified by a Professional Land Surveyor, and provided in electronic format and paper copies. Surface DTM in 3D lines will be provided for design purposes.

The Consultant will conduct a field walk through to verify the base mapping.

**Deliverables:**

- Copies of the locate as-built documents provided by the utilities.
- AutoCAD Base Map drawing files suitable for the preparation of plans, and other deliverables.
- Survey Notes.
- DTM with two-foot contours.

**TASK 5: Preliminary Design (30% Design) - DELETED**

**TASK 6: Drainage Analysis**

The Consultant will prepare brief analysis of any proposed and existing cross culverts that will cross the trail. An analysis will have to be performed to ensure the culverts are adequately sized to handle the tributary flows.

**Deliverables:**

- Copies of a letter describing the analysis and proposed design.

**TASK 7: Geotechnical Studies**

This task has been deleted from the scope of work. Lochner will utilize the previously completed geotechnical work and assumptions for inclusion in the final project design.

**TASK 8: Environmental Analysis and Documentation (Shannon & Wilson)**

**Task 8.1. Final Wetland and Stream Delineation Report**

On completion of Task 4 the comments from the Preliminary Report submitted in Task 3 will be consolidated into a final wetland and stream delineation report.

**Deliverables**

- Final Wetland and Stream Analysis Report (one PDF copy and three hard copies)

**Task 8.2 and 8.3. Conceptual and Final Mitigation Plan**

**These tasks have been removed from the scope of work. We assume that the only wetland and stream impacts will be from piles driven into the wetland. We assume that construction can occur without any fill being place in wetlands. We have also assumed that**



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

**the City will not require any mitigation for wetland, stream or buffer impacts associated with the project therefore eliminating any need for a conceptual and final mitigation plan.**

**Task 8.4. Environmental Classification Summary (ECS)**

As a requirement of the project's federal funding, an ECS will be required to comply with the National Environmental Policy Act.

Given the project's federal funding from FHWA, we believe that meeting with key personnel from WSDOT Highways and Local Programs, and the City will be important to identify the required discipline documents necessary to support the Project's ECS. The intent of this meeting is to review the site with those who will be reviewing the project design to determine whether analysis such as a noise study or cultural resource survey will be required.

Following this onsite meeting, The Consultant, through its Sub Consultant will complete the ECS checklist for the project. Either the Consultant or other Sub Consultants will provide the design and technical analysis and discipline reports necessary to complete those sections of the ECS that FHWA/WSDOT requires as part of the application. Those sections that could be required by FHWA/WSDOT include air quality, aquifer recharge area and wellhead protection areas, floodplains and floodways, hazardous and problem waste, noise, Sections 4(f) and 6(f), resource lands, tribal lands, visual quality, stormwater, communications, wetlands, and social effects and environmental justice sections. In addition, we assume that the Endangered Species Act documentation can be done as a "no effect" determination as part of the ECS checklist.

If, in meeting with FHWA/WSDOT, they determine an in-depth review is necessary in other disciplines, a modification of this scope will be required.

One electronic copy of the draft ECS will be submitted for review by the Consultant and the City. The Consultant will provide one set of consolidated comments, if any, to address. The Sub Consultant will make the appropriate revisions and submit the final ECS so it can be provided to WSDOT.

**Deliverables**

- Draft ECS (one Word copy.)
- Final ECS (one PDF copy and three hard copies.)

**Task 8.5. Joint Aquatic Permit Application (JARPA)**

Projects that require work above or below the ordinary high water mark of a Water of the State, require an Hydraulic Project Approval (HPA) from the Washington State Department of Fish and Wildlife (WDFW).

The Consultant, through its Sub Consultant will complete a JARPA for submission to WDFW, as the Project's application for an HPA. It is assumed that the Consultant and the project team will be able to provide the reports and designs necessary to complete the JARPA. This includes, but is not limited to, a set of design drawings (30 percent completion minimal), location of staging areas, temporary erosion and sediment control and grading plan, and construction timeline.

The Corps' definition of "fill" does not include the placement of piles within jurisdictional aquatic areas (not including Section 10 traditionally navigable waters). Therefore, since the





## Cushman Trail Project Phase III & IV 96<sup>th</sup> St. to Borgen Blvd.

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project design proposes the installation of freestanding piles within jurisdictional waters for the boardwalk foundations and there are no other wetland and stream impacts, then permitting from the Corps will not be necessary. If the design changes and impacts occur, additional permitting and mitigation will be required that is no longer included in our scope.

### **Task 8.6. Permit Coordination and Meetings**

It is anticipated that as permitting for the project is underway, project meetings between the design team and City staff will be required periodically. This includes the Consultant, through its Sub Consultant, providing technical assistance and coordination to the City to ensure consistency between the local permitting process and state permit efforts. The Consultant will be the lead in all coordination and associated meetings.

### **TASK 9: Cultural Resources (Cultural Resource Consultants)**

The project is subject to the National Historic Preservation Act, which requires consideration of adverse effects to historic properties resulting from federally funded or permitted undertakings. Relevant Washington state laws that may apply include the Archaeological Sites and Resources Act (RCW 27.53) and the Indian Graves and Records Act (RCW 27.44). This scope is based on the following assumptions:

- This is based upon information provided on 31 May 2012. Any changes may require a change in budget to accommodate updating project information not received prior to the start of this project.
- No more than one unrecorded archaeological site or one unrecorded historic site will be identified within the project area. It would be necessary to adjust the budget if additional sites are found. This budget was prepared with the assumption that no more than ten (10) shovel test probes would be excavated. If extensive archaeological deposits are encountered or if additional shovel test probes are warranted within the project area it may be necessary to modify this agreement to accommodate additional investigations for purposes of site identification.
- No meetings with clients and/or stakeholders will be required.
- Project proponents can provide immediate Right of Entry to CRC so the project may be completed within the stated project schedule.
- If human remains are found within the project area, all CRC field investigations will cease immediately, proper authorities will be notified and CRC will not resume field investigations until applicable state laws are addressed.
- The report will be submitted to DAHP (cover page provided; however, the client should include their own cover letter requesting review) within 15 days of receipt of said report for review. CRC cannot be held liable for reports prepared but not submitted to DAHP in a timely manner. Additional fees may apply for additional services required as part of DAHP's review process for reports submitted after 15 days of receipt.
- No cultural resources study can wholly eliminate uncertainty regarding the potential for prehistoric sites, historic properties or traditional cultural properties to be associated with a project. The information CRC will present within the reports is based on years of



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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experience and professional opinions derived from the analysis and interpretation of the documents, records, literature, and information CRC is able to identify and use within the report, and during field investigation and observations to be conducted in the process of preparing the technical report. The conclusions and recommendations CRC presents will apply to the project conditions existing at the time of study and those reasonably foreseeable.

**Task 9.1. Background Research**

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

**Task 9.2. Tribal Contact**

CRC will contact the cultural resources staff of tribes that may have an interest in the project area.

**Task 9.3. Field Identification**

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

**Task 9.4. Documentation of Findings**

CRC will document and record historic properties within the project area, including preparation of Washington State archaeological and/or historic site(s) forms. Documentation will be consistent with DAHP standards.

**Task 9.5. Cultural Resources Assessment Report**

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

**Deliverables:**

- Draft Cultural Resource Report (one Word copy.)
- Final Cultural Resource Report (one PDF copy, 1 electronic version on CD for DAHP, hard copies on request.)

**TASK 10: Final Design**

The purpose of this task is to develop the 70% plans, and final (100%) PS&E package for the trail improvements.





Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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**Task 10.1. 70 % Project Design**

The Consultant will prepare the 70% design for those elements that have changed or are new to the original Cushman Trail Phase III and IV project developed in 2008. The Consultant will also update the special provisions and the Estimate of Probable Cost to reflect the changes from 70% design elements. The following elements will be included:

**Task 10.1.1. TESC Plans**

The Consultant will prepare TESC plans and details. The specifications will direct the contractor to develop the S.W.P.P. plans and details in accordance with the City Stormwater requirements.

**Task 10.1.2. Trail Plan and Profiles**

The Consultant will develop final construction centerlines for the improvements and final plans. The Consultant will develop final finished grade centerline profiles for the improvements.

**Task 10.1.3. Trail Cross Sections and Typical Sections**

The Consultant will develop cross sections and typical sections.

**Task 10.1.4. Drainage Plans and Details**

The Consultant shall prepare the necessary details to support the design of the drainage facilities to support the trail including culverts.

**Task 10.1.5. Structural and Bridge Plans**

The consultant will develop designs and prepare plans and profiles, elevations and details for the Cushman Trail Pedestrian Bridge.

**Task 10.1.6. Wall Plans**

The Consultant will prepare plans and profiles for retaining walls, showing location, size and details. Wall profiles are not anticipated, but the consultant will provide sufficient detail and information for the MSE wall manufacturer to complete a full wall design.

**Task 10.1.7. Borgen Blvd (North) Parking Lot Plans**

The Consultant will prepare 100% plans for the Borgen Blvd parking lot including the restroom facility. These plans will include necessary illumination and parking area. The restroom facility shall be designed to all City building code standards as well as L& I requirements.

**Task 10.1.8. Channelization and Signage Plans**

The Consultant will prepare channelization and signage plans including pavement markings, permanent signing and miscellaneous details, all in accordance with MUTCD standards.

**Task 10.1.9. Landscaping Plans**

The Consultant will prepare landscaping plans in accordance with City requirements providing for the plantings. The plans are anticipated to include only hydro-seeding and landscaping of the disturbed areas. The plans will address ground cover for disturbed cut and fill slopes.



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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**Task 10.1.10. Traffic Control Plan**

The Consultant will prepare a basic Traffic Control Plan that conforms with the current MUTCD requirements.

**Task 10.1.11. Road Crossing Plans**

The Consultant will prepare plans and details for the limits of road crossings including Burnham Drive NW.

**Task 10.1.12. Private Driveway Details**

The Consultant will provide details for the limits of private driveway impacts.

**Task 10.1.13. Details**

The Consultant will provide other details as needed to support the project design.

**Task 10.1.14. Cost Estimate**

The Consultant will calculate quantities and prepare an Estimate of Probable Construction Cost using bid items. The Consultant will prepare two bid schedules: one for 96<sup>th</sup> St. to Burnham Drive and one for Burnham Drive to Borgen Blvd as a complete and stand-alone bid package.

**Task 10.1.15. Specifications**

The Consultant will review the WSDOT/APWA/City's Standard Construction Specifications and prepare special provisions for these items not included or are changed from the standard specifications as well as in accordance with the Federal Aid standards. The Consultant will prepare the complete specification package for the project.

**Deliverables:**

- One PDF set of 70% Project Plans, Specifications and Construction Estimate for the City.

**Task 10.2. Design Validation**

The purpose of this task is to validate and update the design documentation prepared for Phases III and IV of the Cushman Trail Project in 2008. The Consultant will review all documentation, including plans, specifications and estimate that were developed in 2008 to for accuracy and to verify that the design meets the goals of the project are consistent with current standards and rulemaking. The focus of the design validation will be those elements that were not updated or redesigned in Task 10.1.

**Task 10.3. 100% PS&E**

The Consultant shall prepare an updated 100% PS&E package for Cushman Trail Phases III and IV based on the results of Task 10.1 and 10.2.

**Deliverables:**

- One PDF set of 100% Project Plans, Specifications and Construction Estimate for the City. Submittals will also include all original WORD, EXCEL, AUTOCAD and supporting DTM files.





## Cushman Trail Project Phase III & IV 96<sup>th</sup> St. to Borgen Blvd.

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### **Task 10.4. Bid Ready Contract Documents**

This task involves developing final plans, specifications and construction estimates and final bid documents for the project work tasks. Based on City's comments from their review of the updated 100% plans and specifications, the Consultant will prepare the final project design plans as listed in Task 10. The Consultant will also develop special provisions and cost estimate. Plans shall conform to typical WSDOT plan format.

The City will provide and the CONSULTANT shall incorporate 100% review comments into Final Plans and Specifications in Autocad format with supporting DTM.

### **Deliverables:**

- Camera-ready Final Project Plans, Specifications and Construction Estimate with Engineer's stamp. The Consultant will provide two bid schedules.
- Electronic copy of all drawings (AutoCAD and PDF format), specifications (Word and PDF format) and cost estimate (Excel and PDF format) versions as determined by the City.
- Two sets (one set 11" x 17" paper and one set 22" x 34" mylar) of Final Project Plans, Specifications and Construction Estimate with Engineer's stamp for the City and two sets for the consultant team.

### **Task 11: Summary Design Report**

The purpose of this task is to document design decisions made during this phase of the Cushman Trail project. Where possible, past design decisions will be documented to provide a written record to accompany the contract package (plans, specifications and estimate). The Summary Design Report will include:

- Stakeholders
- Design standards
- Funding
- Geotechnical conditions
- Environmental and permitting process
- Public involvement process
- ADA standards and considerations
- Selected alignment
- Agreements and easements
- Project schedule

### **Deliverables:**

- One draft and one final copy of the Cushman Trail Phase III and IV Summary Design Report

### **Task 12: Bid Assistance**

The Consultant will provide assistance during the bidding process for this project. This work will include the preparation of responses to bidder's questions and preparing addenda as required. For budgeting purposes, up to 2 addenda will be assumed.



Cushman Trail Project Phase III & IV  
96<sup>th</sup> St. to Borgen Blvd.

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The City will prepare a summary of the bids (bid tabulation).

The Consultant shall create and provide to the City a complete set of conformed contract documents incorporating all addendums at the conclusion of bidding.

**Deliverables:**

- Written responses to bidder's questions.
- Up to 2 addenda packages.

**Task 13: Quality Assurance/Quality Control Plan**

The Consultant will generate a Quality Assurance/Quality Control Plan to be utilized on this project. The plan will apply to Consultant and Subconsultant work.

The plan will designate a Design Quality Assurance Manager for the project who is responsible for overseeing that the quality control process is being followed. The plan will be prepared by the Consultant's Project Manager according to the Consultant's Quality Assurance/Quality Control Program.

The plan will outline the standard checking process to be used on the project:

- Originate design
- Check
- Back check
- Correct
- Verify

During the Quality Control process we use a check print stamp, a corrections agreement and prepare the document for a quality audit. The plan will identify each deliverable to the City of Gig Harbor, the design originator, the checker and the Design Quality Assurance Manager for each.

**Deliverables:**

- One draft and one final copy of the Cushman Trail Phase III and IV QA/QC Plan.

**Task 14: Right of Way Certification**

The Consultant will work with the City, WSDOT H&LP and WSDOT ROW Liaison to determine the process completed to date and the steps needed to complete ROW certification. If required, the Consultant will hire a ROW specialist using funds to be approved through a management reserve, to complete the process.

**Task 15: Management Reserve Fund**

Describe this task and only to be authorized for use by the City for ROW Services and other out of scope work. Allocate \$15,000 for this task and update budget.





**Exhibit F**  
**Breakdown of Overhead Cost**

Account Title	\$ Beginning Total	% of Direct Labor
Direct Labor      See attached audit document.		
Overhead Expenses:		
FICA		
Unemployment		
Health/Accident Insurance		
Medical Aid & Industrial Insurance		
Holiday/Vacation/Sick Leave		
Commission/Bonus/Pension		
<b>Total Fringe Benefits</b>		
General Overhead:		
State B&O Taxes		
Insurance		
Administration & Time Not Assignable		
Printing, Stationery & Supplies		
Professional Services		
Travel Not Assignable		
Telephone & Telegraph Not Assignable		
Fees, Dues & Professional Meetings		
Utilities & Maintenance		
Professional Development		
Rent		
Equipment Support		
Office, Miscellaneous & Postage		
<b>Total General Overhead</b>		
<b>Total Overhead (General + Fringe)</b>		
<b>Overhead Rate (Total Overhead / Direct Labor)</b>		



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Department of Transportation  
Paula J. Hammond, P.E.  
Secretary of Transportation

Transportation Building  
310 Maple Park Avenue S.E.  
P.O. Box 47300  
Olympia, WA 98504-7300

360-705-7000  
TTY: 1-800-833-6388  
www.wsdot.wa.gov

December 17, 2012

Paul Blachowicz, Director of Finance  
H.W. Lochner, Inc.  
20 North Wacker Drive, Ste 1200  
Chicago, IL 60606-2901

RE: H.W. Lochner, Inc. Overhead Schedule  
Fiscal Year End April 30, 2012

We have completed a desk review of your overhead schedule for the above referenced fiscal year. Our review included the documentation provided by H.W. Lochner, Inc.

The reviewed data included, but was not limited to; the schedule of the indirect cost rate, a description of the company, basis of accounting and description of H.W. Lochner, Inc.'s accounting system and the basis of indirect costs.

Based on our work, we are issuing this letter of review establishing H.W. Lochner's overhead rate for the fiscal year ending April 30, 2012. The Company Wide Rate (Composite Rate) is 167.29% of direct labor. Included within this rate are the Home Rate of 174.15% of direct labor (rate includes Facilities Cost of Capital), and the Field Rate of 132.19 % of direct labor. Costs billed to actual agreements will still be subject to audit of actual costs.

Please check with the WSDOT Consultant Services Office (HQ) and/or the WSDOT Area Consultant Liaison to determine when this reviewed rate will be applicable to your WSDOT agreement(s).

Also, when you provide next year's overhead schedule to our office or to your CPA firm, please submit either your internally prepared *Compensation Analysis*, or the *National Compensation Matrix* (NCM) worksheet.

If you, or any representatives of H.W. Lochner, Inc., have any questions, please contact Martha Roach, Jeri Sivertson, or Steve McKerney at (360) 705-7003.

Sincerely,

A handwritten signature in blue ink that reads "Martha Roach".

Martha S. Roach  
Agreement Compliance Audit Manager

MR:ds  
Enclosures

cc: Steve McKerney, Director of Internal Audit  
Jeri Sivertson, Assistant Director of Internal Audit  
Larry Schofield, MS 47323  
File

**Exhibit G**  
**Subcontracted Work**

The AGENCY permits subcontracts for the following portions of work of this AGREEMENT:

Environmental analysis and documentation to be performed by Shannon and Willson.

**Exhibit G-1  
Subconsultant Fee Determination - Summary Sheet  
(Mandatory when Subconsultants are utilized)**

**Project:** Cushman Trail Project Phase III & IV 96th St. to Borgen Blvd. (Ph II)

**Sub Consultant:** Shannon & Wilson

**Direct Salary Cost (DSC):**

<u>Classification</u>	<u>Man Hours</u>		<u>Rate</u>	=	<u>Cost</u>
<u>Principal</u>	<u>20</u>	x	<u>61.17</u>	\$	<u>1,223</u>
<u>Natural Resources Project Mgr</u>	<u>92</u>	x	<u>32.42</u>	\$	<u>2,983</u>
<u>Geotechnical Project Manager</u>	<u>0</u>	x	<u>0.00</u>	\$	<u></u>
<u>Professional Staff IV</u>	<u>0</u>	x	<u>0.00</u>	\$	<u></u>
<u>Professional Staff III</u>	<u>10</u>	x	<u>24.28</u>	\$	<u>243</u>
<u>Senior CADD Technician</u>	<u>16</u>	x	<u>30.73</u>	\$	<u>492</u>
<u>Administrative</u>	<u>20</u>	x	<u>32.08</u>	\$	<u>642</u>
<u></u>		x		\$	<u></u>
<u></u>		x		\$	<u></u>
<u></u>		x		\$	<u></u>
<b>Total DSC</b>					<b><u>5,583</u></b>

**Overhead (OH Cost – Including Salary Additives):**

OH Rate x DSC of 201.36% x \$ 5,583 11,242

**Fixed Fee (FF):**

FF Rate x DSC of 24.50% x \$ 5,583 1,368

**Reimbursables:**

Itemized 846

**Subconsultant Total**

19,039

**Grand Total**

19,039

Prepared By: Katie Walter

Date: January 23, 2013

**Exhibit G-3**  
**Breakdown of Subconsultants Overhead Cost**

Account Title	\$ Beginning Total	% of Direct Labor
Direct Labor		
Overhead Expenses:	See Attached Audit Document	
FICA		
Unemployment		
Health/Accident Insurance		
Medical Aid & Industrial Insurance		
Holiday/Vacation/Sick Leave		
Commission/Bonus/Pension		
<b>Total Fringe Benefits</b>		
General Overhead:		
State B&O Taxes		
Insurance		
Administration & Time Not Assignable		
Printing, Stationery & Supplies		
Professional Services		
Travel Not Assignable		
Telephone & Telegraph Not Assignable		
Fees, Dues & Professional Meetings		
Utilities & Maintenance		
Professional Development		
Rent		
Equipment Support		
Office, Miscellaneous & Postage		
<b>Total General Overhead</b>		
<b>Total Overhead (General + Fringe)</b>		
<b>Overhead Rate (Total Overhead / Direct Labor)</b>		



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Olympia, WA 98504-7300

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TTY: 1-800-833-6388  
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August 28, 2012

Jeannie Brozik, Accounting Manager  
Shannon and Wilson, Inc.  
400 N. 34th St, Suite 100  
P.O. Box 300303  
Seattle, WA 98103-8600

Re: Shannon and Wilson, Inc. Overhead Schedule  
Fiscal Year End December 31, 2011

Dear Ms. Brozik:

We have completed a desk review of your overhead schedule for the above referenced fiscal year. Our review included the documentation provided by Shannon and Wilson, Inc.

The reviewed data included, but was not limited to; the schedule of the indirect cost rate, a description of the company, basis of accounting and description of Shannon and Wilson, Inc. accounting system and the basis of indirect costs.

Based on our work, we are issuing this letter of review establishing Shannon and Wilson, Inc. overhead rate for the fiscal year ending December 31, 2011, at 201.36% (rate includes Facilities Cost of Capital) of direct labor. Costs billed to actual agreements will still be subject to audit of actual costs.

Please check with the WSDOT Consultant Services Office (HQ) and/or the WSDOT Area Consultant Liaison to determine when this reviewed rate will be applicable to your WSDOT agreement(s).

Also, remember that when you provide next year's overhead schedule to our office, you will also need to submit **either** your internally prepared *Compensation Analysis* for our review, or use the *National Compensation Matrix* (NCM) format to prepare your alternate analysis and we will review that. The NCM is a tool that establishes compensation amounts presumed reasonable for certain executive positions. The *Compensation Analysis* and NCM are described further in the AASHTO Audit Guide, Chapter 7. We will need your *Compensation Analysis*, or alternative analysis based on use of the NCM, in order to complete our review of your overhead schedule.

Ms. Brozik  
August 28, 2012  
Page 2

If you, or any representatives of Shannon and Wilson, Inc., have any questions, please contact Martha Roach, Jeri Sivertson, or Steve McKerney at (360)705-7003.

Sincerely,

A handwritten signature in cursive script that reads "Martha S. Roach for". The signature is written in black ink and is positioned above the printed name.

Martha S. Roach  
Agreement Compliance Audit Manager

MR:ds  
Enclosures

cc: Steve McKerney, Director of Internal Audit  
Jeri Sivertson, Assistant Director of Internal Audit  
Larry Schofield, MS 47323  
File



**Exhibit G**  
**Subcontracted Work**

The AGENCY permits subcontracts for the following portions of work of this AGREEMENT:

Cultral Resources review will be performed by CRC Consultants.

**Exhibit G-1  
Subconsultant Fee Determination - Summary Sheet  
(Mandatory when Subconsultants are utilized)**

**Project:** Cushman Trail Project Phase III & IV 96th St. to Borgen Blvd. (Ph II)

**Sub Consultant:** Cultural Resource Consultants

**Direct Salary Cost (DSC):**

<u>Classification</u>	<u>Man Hours</u>	<u>Rate</u>	=	<u>Cost</u>
Principal Investigator	3 x	64.03	\$	192.09
Project Archaeologist I	x	35.39	\$	
Project Archaeologist II	x	33.71	\$	
Project Archaeologist III	24 x	31.46	\$	755.04
Field Archaeologist	x	24.00	\$	
Field Archaeologist	x	21.00	\$	
Field Archaeologist	8 x	16.50	\$	132.00
Historic Architect	x	52.50	\$	
Project Historian	x	33.51	\$	
Office Manager	3 x	32.01	\$	96.03
Office Assistant	x	18.90	\$	
<b>Total DSC</b>				<b>1,175</b>

**Overhead (OH Cost – Including Salary Additives):**

OH Rate x DSC of 110% x \$ 1,175 = 1,293

**Fixed Fee (FF):**

FF Rate x DSC of 20% x \$ 1,175 = 235

**Reimbursables:**

Itemized 97

**Subconsultant Total** 2,800

**Grand Total** 2,800

Prepared By: Glenn Hartmann

Date: January 15, 2013

**Exhibit G-3**  
**Breakdown of Subconsultants Overhead Cost**

Account Title	\$ Beginning Total	% of Direct Labor
Direct Labor		
Overhead Expenses:	See Attached Audit Document	
FICA		
Unemployment		
Health/Accident Insurance		
Medical Aid & Industrial Insurance		
Holiday/Vacation/Sick Leave		
Commission/Bonus/Pension		
<b>Total Fringe Benefits</b>		
General Overhead:		
State B&O Taxes		
Insurance		
Administration & Time Not Assignable		
Printing, Stationery & Supplies		
Professional Services		
Travel Not Assignable		
Telephone & Telegraph Not Assignable		
Fees, Dues & Professional Meetings		
Utilities & Maintenance		
Professional Development		
Rent		
Equipment Support		
Office, Miscellaneous & Postage		
<b>Total General Overhead</b>		
<b>Total Overhead (General + Fringe)</b>		
<b>Overhead Rate (Total Overhead / Direct Labor)</b>		

<b>Cultural Resource Consultants, Inc.</b>		
Overhead Cost Schedule		
2012 YTD		
<b>Direct Labor Base</b>	\$ 549,096	
<b>Overhead Costs</b>		<b>% of Labor</b>
Auto and Travel	\$ 22,423	4%
Field Vehicles/Equipment	\$ 5,320	1%
Bank Service Charges	\$ 701	0%
Business Licenses	\$ 263	0%
Business Taxes	\$ 27,013	5%
Communications & Telephone	\$ 9,041	2%
Computer Expenses	\$ 4,494	1%
Consultant Services	\$ 1,035	0%
Employee Health Insurance	\$ 84,404	15%
Employee Recognition & Morale	\$ 341	0%
Fees, Dues, Meetings, Etc.	\$ 573	0%
Insurance: Auto, Vessel, General, Prof	\$ 54,180	10%
Library, Lab & Field Supplies	\$ 4,690	1%
Office Equipment	\$ 804	0%
Office Maintenance	\$ 391	0%
Office Supplies	\$ 16,750	3%
Payroll Taxes	\$ 55,713	10%
Pension - 401(K)	\$ 21,173	4%
Postage & Delivery	\$ 1,603	0%
Principal's Salaries	\$ 39,868	7%
Professional Develop/Training	\$ 350	0%
Professional Services	\$ 885	0%
Professional Tax Prep	\$ 250	0%
Rent	\$ 6,509	1%
Sick Leave	\$ 4,718	1%
Unemployment Taxes	\$ 6,470	1%
Vacation Leave	\$ 57,767	11%
Wages, Administrative	\$ 52,615	10%
Wages, Bonus	\$ 80,800	15%
Wages, Clerical Salaries	\$ 7,540	1%
Wages, Holidays	\$ 25,793	5%
Worker's Comp	\$ 11,672	2%
<b>Total Overhead Costs</b>	<b>\$ 606,149</b>	<b>110%</b>

**Exhibit G**  
**Subcontracted Work**

The AGENCY permits subcontracts for the following portions of work of this AGREEMENT:

Surveying to be performed by Prizm Surveying

**Exhibit G-1  
Subconsultant Fee Determination - Summary Sheet  
(Mandatory when Subconsultants are utilized)**

**Project:** Cushman Trail Project Phase III & IV 96th St. to Borgen Blvd. (Ph II)

**Sub Consultant:** Prizm

**Direct Salary Cost (DSC):**

<u>Classification</u>	<u>Man Hours</u>	<u>Rate</u>	=	<u>Cost</u>
<u>Professional Land Surveyor</u>	<u>2.5</u> x	<u>95.00</u>	\$	<u>237.50</u>
<u>Two Man Survey Crew</u>	<u>20</u> x	<u>125.00</u>	\$	<u>2,500.00</u>
<u>Survey Technician</u>	<u>15</u> x	<u>85.00</u>	\$	<u>1,275.00</u>
<u>Administrative</u>	<u>1.14</u> x	<u>60.00</u>	\$	<u>68.40</u>
<u> </u>	<u> </u> x	<u> </u>	\$	<u> </u>
<u> </u>	<u> </u> x	<u> </u>	\$	<u> </u>
<u> </u>	<u> </u> x	<u> </u>	\$	<u> </u>
<u> </u>	<u> </u> x	<u> </u>	\$	<u> </u>
<u> </u>	<u> </u> x	<u> </u>	\$	<u> </u>
<u> </u>	<u> </u> x	<u> </u>	\$	<u> </u>
<b>Total DSC</b>				<u>4,080</u>

**Overhead (OH Cost – Including Salary Additives):**

OH Rate x DSC of 0.00% x \$ 4,080 0

**Fixed Fee (FF):**

FF Rate x DSC of 0.00% x \$ 4,080 0

**Reimbursables:**

Itemized 0

**Subconsultant Total** 4,080

**Grand Total** 4,080

Prepared By: Gary Letzring

Date: January 10, 2013



**Subject:** Second Reading of Ordinance –  
Development Agreements for Downtown  
Gig Harbor

**Dept. Origin:** Planning

**Prepared by:** Jennifer Kester  
Acting Planning Director *JK*

**Proposed Council Action:** Adopt ordinance

**For Agenda of:** January 28, 2013

**Exhibits:** Draft Ordinance with exhibit, Harbor  
vision statement, public comments

Initial & Date

**Concurred by Mayor:**

*GLH 1/16/13*

**Approved by City Administrator:**

*R 1/14/13*

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

*Phone 1/15/13*

**Approved by Finance Director:**

N/A

**Approved by Department Head:**

*JK 1/15/13*

Expenditure	Amount	Appropriation
Required 0	Budgeted 0	Required 0

**INFORMATION / BACKGROUND**

Enclosed for your consideration is a proposed text amendment which would allow the use of a development agreement for projects in the “downtown area” to deviate from development standards if the proponent demonstrates consistency with following requirements:

1. The project is consistent with the adopted vision for The Harbor; and
2. The project preserves significant historic structures or demonstrates preservation and enhancement of the existing downtown character; and
3. The project will provide public amenities above that required by the existing zoning standards, including but not limited to parks, shoreline access, plazas, pedestrian connections; and
4. The project will result in a superior design solution to what would otherwise be achieved by applying the specific requirements of the Design Manual, GHMC 17.99; and
5. The proposed deviations to zoning development standards are consistent with the public health, safety, convenience and general welfare.

The map of the “downtown area” has been updated to accurately map the defined area; it shows the entire DB zone included the DB parcels north of Rosedale. The adopted Harbor vision statement is enclosed. Public comment received by Councilmember Guernsey prior to the public hearing has been enclosed as well

This proposal is the first text amendment that would implement the recently adopted Harbor Vision. The intent of the amendment is to facilitate development flexibility downtown and enhance the downtown's character through the use of the criteria above.

If this amendment is adopted, proponents of projects requesting a development agreement would use the same process for development agreements in the Planned Community Development land use designations; a process which has been used twice successfully. The application would be reviewed and initiated at the Council level and then the Planning and Building Committee would review the development agreement and provide a recommendation to Council. Council would have the final decision on the development agreement after at least one public hearing. In addition to this process, once project permits are submitted for the project, DRB review would be mandatory and the project would receive a public hearing in front of the Hearing Examiner.

Staff is recommending an effective date of March 4<sup>th</sup> in order to provide us time to develop application materials and guidance.

**ENVIRONMENTAL ANALYSIS**

The City's SEPA Responsible Official determined that this Ordinance is categorically exempt from SEPA, pursuant to WAC 197-11-800(19)

**FISCAL CONSIDERATION**

None

**BOARD OR COMMITTEE RECOMMENDATION**

The draft ordinance was reviewed by the Planning and Building Committee on January 7, 2013.

**RECOMMENDATION / MOTION**

**Move to:** Adopt ordinance



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO DEVELOPMENT AGREEMENTS, AMENDING SECTION 19.08.020 TO ALLOW THE DEVIATION OF DEVELOPMENT STANDARDS IN THE DEFINED DOWNTOWN AREA THROUGH A DEVELOPMENT AGREEMENT; AMENDING SECTION 19.08.040 OF THE GIG HARBOR MUNICIPAL CODE TO ESTABLISH PROCESSING REQUIREMENTS FOR DEVELOPMENT AGREEMENTS IN THE DOWNTOWN AREA; AMENDING SECTION 19.08.050 OF THE GIG HARBOR MUNICIPAL CODE TO CLARIFY THAT THE TERM OF A DEVELOPMENT AGREEMENT CANNOT EXCEED TWENTY YEARS; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.**

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WHEREAS, cities may enter into development agreements with developers for the purposes set forth in RCW 36.70B.170; and

WHEREAS, the City of Gig Harbor has an established procedure for the review and approval of development agreements in chapter 19.08 GHMC; and

WHEREAS, the City of Gig Harbor desires to change the procedures for review and approval of development agreements for efficient operation of government; and

WHEREAS, Goal 2.2.4a of the Comprehensive Plan states that the City should "utilize special or extra land use planning techniques such as district overlays or design review guidelines to protect or enhance historical or cultural identities. Special districts may be established for a mixed-use waterfront, a pedestrian- oriented downtown district, a special old-town business district or an historical residential neighborhood in the Millville Area;" and

WHEREAS the City of Gig Harbor desires to allow for the deviation of development standards in the downtown area as defined in Section 1 of this ordinance and mapped on Exhibit A to this ordinance in order to protect and enhance the City's downtown historical and cultural identity; and

WHEREAS the City of Gig Harbor desires to provide a more streamlined process for the review of development agreements in the downtown area in order to facilitate development flexibility; and

WHEREAS, on December 10, 2012, the City Council passed Resolution 920 adopting a vision statement for The Harbor; and

WHEREAS, The Harbor Vision statement was developed after interviews with over 80 people and two town hall meetings with over 180 people in attendance; and

WHEREAS, the downtown area as defined in Section 1 and shown in Exhibit A to this ordinance was developed based on mapping and comments received during the interviews and town hall meetings held to develop the Harbor Vision; and

WHEREAS, RCW 36.70B.200 requires that the City Council pass an ordinance or resolution if a development agreement is approved after a public hearing; and

WHEREAS, a development agreement associated with a project permit application is not subject to the final decision deadlines in RCW 36.70B.080 and the City's corresponding codes; and

WHEREAS, the City's SEPA Responsible Official determined that this Ordinance is categorically exempt from SEPA, pursuant to WAC 197-11-800(19); and

WHEREAS, the proposed development regulations amendments were forwarded to the Washington State Department of Commerce on November 7, 2012, pursuant to RCW 36.70A.106, and was granted expedited review on December 12, 2012; and

WHEREAS, the Gig Harbor City Council considered the Ordinance at first reading and public hearing on January 14, 2013; and

WHEREAS, on \_\_\_\_\_, 2013, the City Council held a second reading during a regular City Council meeting; Now, therefore,

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

Section 1. Section 19.08.020 of the Gig Harbor Municipal Code shall be amended to read as follows.

**19.08.020 General provisions of development agreements.**

A. Comprehensive Plan. A development agreement shall be consistent with the applicable policies and goals of the city of Gig Harbor comprehensive plan.

B. Development Standards. Except as provided in section C below, A development agreement shall be consistent with applicable development regulations; provided, a development agreement may extend the durations

of approval of project permits and allow phasing plans different from those otherwise imposed under the Gig Harbor Municipal Code.

1. Any approved development standards that differ from those in the code shall not require any further rezone, variance from city standards or other city approval apart from development agreement approval. The development standards as approved through a development agreement shall apply to and govern the development and implementation of each covered property in lieu of any conflicting or different standards or requirements elsewhere in the Gig Harbor Municipal Code.

2. Subsequently adopted standards which differ from those of a development agreement adopted by the city shall apply to the covered property only where necessary to address imminent public health and safety hazards or where the development agreement specifies a time period or phase after which certain identified standards can be modified.

3. Projects subject to a development agreement are required to obtain approval for all applicable project permits unless otherwise expressly provided for in the approved development agreement.

C. Deviations from Development Standards. Deviations from development standards in addition to those allowed in section B above shall only be allowed as described below.

1. A development agreement related to property in a planned community development land use designation (PCD) may allow further deviations from development standards imposed under the Gig Harbor Municipal Code for the following reasons:

a. To provide flexibility to achieve public benefits; or  
b. In order to respond to changing community needs; or  
c. To encourage modifications which provide the functional equivalent or adequately achieve the purposes of otherwise applicable city standards.

2. A development agreement related to property within the downtown area may allow deviations from development standards imposed under the Gig Harbor Municipal Code as provided for in the subsections below.

a. The proponent shall demonstrate consistency with the following requirements:

i. The project is consistent with the adopted vision for The Harbor; and

ii. The project preserves significant historic structures or demonstrates preservation and enhancement of the existing downtown character; and

iii. The project will provide public amenities above that required by the existing zoning standards, including but not limited to parks, shoreline access, plazas, pedestrian connections; and

iv. The project will result in a superior design solution to what would otherwise be achieved by applying the specific requirements of the Design Manual, GHMC 17.99; and

v. The proposed deviations to zoning development standards are consistent with the public health, safety, convenience and general welfare.

b. All land use permits for projects developed utilizing this subsection shall be processed as a Type III permit or higher numbered permit type if applicable. The design review application for a project utilizing this subsection shall be reviewed by the City's Design Review Board for consistency with the general requirements of Chapter 17.99, the Design Manual. The Design Review Board's recommendation on the project shall be forwarded to Hearing Examiner for consideration as part of the underlying project permit.

c. The downtown area is defined as the properties within:

i. The Downtown Business District (DB); and

ii. The Waterfront Commercial (WC) district adjacent to the DB district, and

iii. The Residential and Business District (RB-1) at the intersection of Soundview Drive and Harborview Drive; and

iv. Pierce County Assessor Treasurer Tax Parcel Number 0221081108.

2 3. A development agreement cannot authorize deviations from the uses, minimum and maximum densities, maximum gross floor area, or maximum structure height allowed in the underlying zoning district unless approved by a majority plus one of the whole council after a minimum of two public hearings on the agreement.

4. In no case shall a development agreement authorize deviations from the following development standards:

3a. A development agreement cannot authorize deviations from requirements of GHMC Title 15, Buildings and Construction. Building permit applications shall be subject to the building codes in effect when a complete building permit application is submitted.

4b. A development agreement cannot authorize deviations from requirements of GHMC Title 18, Environment.

c. A development agreement cannot authorize deviations from the requirements of the Gig Harbor Shoreline Master Program.

~~5. Any approved development standards that differ from those in the code shall not require any further rezone, variance from city standards or other city approval apart from development agreement approval. The development standards as approved through a development agreement shall apply to and govern the development and implementation of each covered property in lieu of any conflicting or different standards or requirements elsewhere in the Gig Harbor Municipal Code.~~

~~6. Subsequently adopted standards which differ from those of a development agreement adopted by the city shall apply to the covered property only where necessary to address imminent public health and safety hazards or where the development agreement specifies a time period or phase after which certain identified standards can be modified.~~

GD. Contents of a development agreement. As applicable, the development agreement shall specify the following:

1. Project components which define and detail the permitted uses, residential densities, nonresidential densities and intensities or building sizes;
2. The amount and payment of impact fees imposed or agreed to in accordance with any applicable provisions of state law, any reimbursement provisions, other financial contributions by the property owner, inspection fees, or dedications;
3. Mitigation measures, development conditions and other requirements of Chapter 43.21C RCW;
4. Design standards such as architectural treatment, maximum heights, setbacks, landscaping, drainage and water quality requirements and other development features;
5. Provisions for affordable housing, if applicable;
6. Parks and common open space preservation;
7. Phasing;
8. A build-out or vesting period for applicable standards; and
9. Any other appropriate development requirement or procedure which is based upon a city policy, rule, regulation or standard.

DE. As provided in RCW 36.70B.170, the development agreement shall reserve authority to impose new or different regulations to the extent required by a serious threat to public health and safety.

Section 2. Section 19.08.040 of the Gig Harbor Municipal Code shall be amended to read as follows.

**19.08.040 Processing procedure for development agreements.**

A. Legislative Actions. A development agreement associated with a legislative action such as a comprehensive plan amendment or area-wide rezone shall be processed in accordance with the procedures established in this title and subsection, except as provided for in subsection C of this section. The planning commission shall make its recommendation on any development agreement relating to legislative action to the city council. A public hearing shall be held on the development agreement and if approved, the council shall authorize the mayor, in a resolution or ordinance, to execute the development agreement on behalf of the city.

B. Project Permits. A development agreement associated with a project permit application shall be processed in accordance with the procedures established in this title and subsection, except as provided for in subsection C of this section.

1. If the final decision on the underlying project permit application is made by the hearing examiner, then the hearing examiner shall consider both the project permit application and the proposed development agreement together during the public hearing. The hearing examiner shall make a recommendation to the council on the development agreement

and his/her decision on the underlying project permit application shall be held in abeyance until the city council considers the proposed development agreement in a public hearing. If the city council approves the development agreement, the council shall, by resolution or ordinance, authorize the mayor to execute the development agreement on behalf of the city. At this point, the hearing examiner may then issue his/her final decision on the underlying project permit application. Nothing in this section obligates the hearing examiner to forward a recommendation to the city council for further consideration if the hearing examiner denies the underlying project permit application.

2. If the final decision on the underlying project permit application is made by the city administrative staff, then the city staff shall consider both the project permit application and the proposed development agreement together. The city staff shall make a recommendation to the council on the development agreement, and the city staff's decision on the underlying project permit application shall be held in abeyance until the city council considers the proposed development agreement in a public hearing. If the city council approves the development agreement, the council shall, by resolution or ordinance, authorize the mayor to execute the development agreement on behalf of the city. At this point, the city staff may then issue its final decision on the underlying project permit application. Nothing in this section obligates city staff to forward a recommendation to the city council for further consideration if city staff denies the underlying project permit application.

3. If a final decision on an underlying project permit application has been previously made by the hearing examiner or city administrative staff and the application was approved, the city staff shall make a recommendation to the council on the development agreement. A public hearing shall be held on the development agreement and if approved, the council shall authorize the mayor, in a resolution or ordinance, to execute the development agreement on behalf of the city.

C. PCD and Downtown. A development agreement associated with property in a planned community development (PCD) land use designation or downtown area as defined by GHMC 19.08.020(C)(2)(c) shall be processed in accordance with the procedures established in this title and subsection. The council shall consider the proposed development agreement at a regular council meeting and decide if the agreement should be processed further. If a majority of the whole council approves further review of the development agreement, the agreement shall be reviewed as follows:

1. If the development agreement is associated with a legislative action, the planning commission shall make a recommendation to the council on the development agreement. The council shall hold a public hearing on the development agreement and if approved, the council shall authorize the mayor, in a resolution or ordinance, to execute the development agreement on behalf of the city.

2. If the development agreement is associated with a project permit application or not associated with any underlying action, the planning and building committee of the council shall make a recommendation to the council on the development agreement. The council shall hold a public hearing on the development agreement and if approved, the council shall authorize the mayor, in a resolution or ordinance, to execute the development agreement on behalf of the city.

D. Public Notice. All public meetings and public hearings on a development agreement shall be noticed as follows:

1. Not less than 10 days prior to the public hearing date, a notice of the public hearing shall be sent to property owners within 300 feet of the property subject to the development agreement and to others who have submitted comments and/or requested notice.

2. Notice of the public hearing shall be posted on the property subject to the development agreement not less than 10 days prior to the hearing date. Notice shall be posted in the manner required by GHMC 19.03.001(A).

3. Notice of the public meeting shall be published in the city's official newspaper not less than 10 days prior to the meeting date.

4. The notice of the public hearing shall contain all items listed in GHMC 19.03.003(A).

5. All costs associated with the public notice shall be borne by the applicant.

Section 3. Section 19.08.050 of the Gig Harbor Municipal Code shall be amended to read as follows:

**19.08.050 No deadline for final decision, form of agreement, term, recordation.**

A. Development agreements are not "project permit applications" as defined in RCW 36.70B.020. Therefore, there is no deadline for processing a development agreement. If an applicant requests that the city execute a development agreement as part of its approval of a project permit application, the applicant must agree to sign a written waiver of the deadline for issuance of a final decision of the project permit application, so that the development agreement may be processed.

B. No development agreement shall be presented to the decision-making body unless in a form approved by the city attorney. Every development agreement shall be signed by the property owner and all other parties with a substantial beneficial interest in the property that is the subject of the development agreement, prior to any public hearing held for the purpose of authorizing execution of the development agreement.

C. Term.

1. Development agreements may be approved for a maximum period of 20 years.



2. In determining the appropriate term for a development agreement, the council should consider the type, size and location of development and phasing if proposed. ~~The council may consider shorter terms with extensions.~~

3. Extensions. If extensions are authorized in a development agreement, an applicant must request the extension at least 60 days prior to expiration. For development agreements associated with project permit applications, the planning director may grant an extension for up to five years if the applicant can satisfactorily show that, for a residential project, at least 50 percent of the residential units are constructed, or for nonresidential and mixed use projects, at least 50 percent of the gross floor area is constructed. All other requests for extensions shall be reviewed by the city council, unless another process is expressly provided for in the development agreement. In no case shall an extension be granted which would allow a development agreement to exceed 20 years.

D. Recordation. A development agreement shall be recorded against the property, in the real property records of the Pierce County assessor's office. During the term of the development agreement, the agreement is binding on the parties and their successors, including the property owners in any area that is annexed to the city.

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

Section 5. Effective Date. This Ordinance shall take effect and be in full force on March 4, 2013.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this \_\_\_\_ day of \_\_\_\_\_, 2013.

CITY OF GIG HARBOR

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

ATTEST/AUTHENTICATED:

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Molly M. Towslee, City Clerk

APPROVED AS TO FORM:  
Office of the City Attorney

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Kristin N. Eick

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

EXHIBIT A

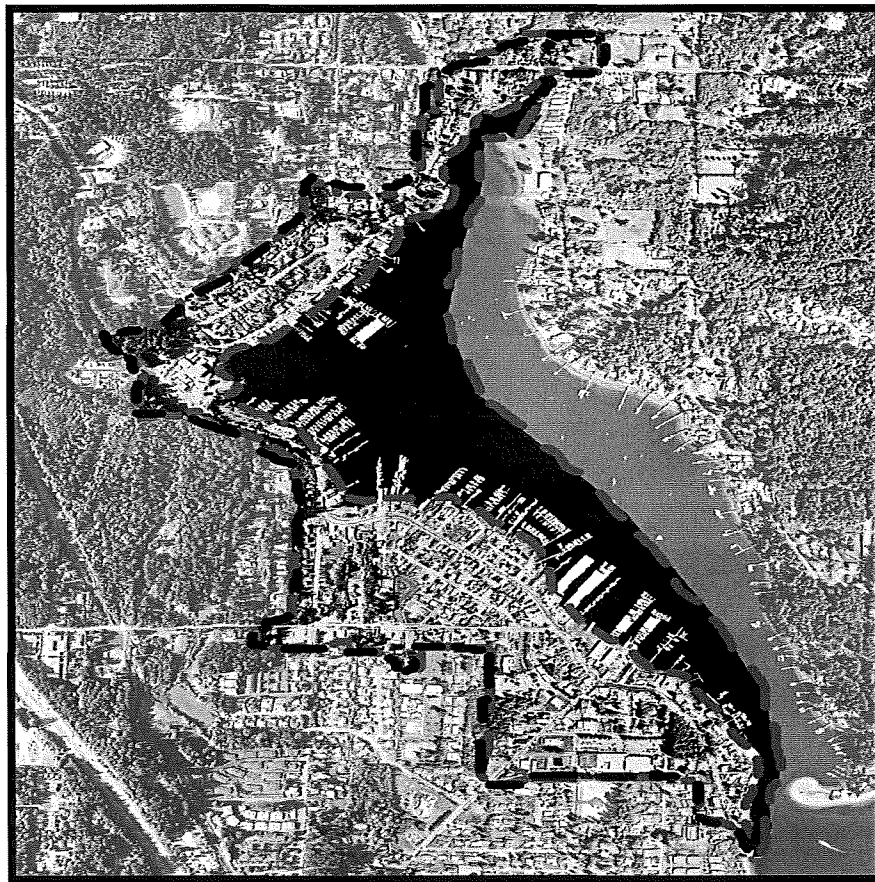


## ***The Harbor***

*Shaped by our maritime heritage, the Harbor is a reflection of our past and the foundation for our future. The Harbor is:*

- *A vibrant place where residents, visitors and boaters enjoy a walkable waterfront, picturesque views and the natural environment.*
- *A place that celebrates and perpetuates the character and traditions of a working waterfront and preserves historic neighborhoods.*
- *A place that supports and values local retail shops and services.*
- *A place that provides services for recreational and commercial boating.*

*The Harbor is a place where people live, work, play, shop and explore.*



**Kester, Jennifer**

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**From:** Jill Guernsey [jillguernsey@comcast.net]  
**Sent:** Monday, January 14, 2013 7:59 PM  
**To:** Kester, Jennifer  
**Subject:** FW: Monday's reading of proposed DA ordinance

Jenn: please confirm receipt. Thx.

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**From:** Barline, John [mailto:jbarline@williamskastner.com]  
**Sent:** Friday, January 11, 2013 10:52 AM  
**To:** Jill Guernsey  
**Subject:** RE: Monday's reading of proposed DA ordinance

Hi Jill:

First. I am very much in favor of the Development Agreement concept. It allows the positive objectivity of the City to prevail - allowing good projects to happen despite them possibly not happening due to inappropriate zoning. The concept is really helpful when a wonderful plan is proposed, but runs into technical zoning problems that aren't foreseen at the time the codes get passed. Flexibility used properly is a great tool. The only negative I see is that the trial area is small. I would think the City would want to adopt this period.


Second. I would like to see Development Agreements in Gig Harbor have the ability (by mutual agreement of the City and Developer/Owner) to deviate from the rather strict new proposed waterfront shorelines rules. The required set-backs and vegetation rules in that program just seem to totally run in opposition to what I believe is some of the special history of the Harbor. I see the Harbor as being waterfront oriented from its very first days (the Native Americans, the Slavonian fishermen, our current large boating population and connection, etc). Things like our Harbor's historic boat building facilities, net sheds, docks, locations of homes, etc could not be replicated (and maybe not even maintained or refurbished substantially) under the new rules. I don't think Gig Harbor needs to totally cave to suggested DOE standards, but rather argue "for" deviation when you/GH feel it's appropriate to maintain your historic character and to build on that character.

Jill - these are my personal comments. Would you be so kind as to give them to the City for inclusion in the record?

Thank you and should you or anyone have questions, don't hesitate to let me know.

All the best,  
John

**John D. Barline**  
Attorney at Law  
Williams Kastner  
1301 A Street, Suite 900  
Tacoma, WA 98402  
Main: 253.593.5620  
Direct: 253.552.4081  
Fax: 253.593.5625  
[jbarline@williamskastner.com](mailto:jbarline@williamskastner.com)  
[www.williamskastner.com](http://www.williamskastner.com)

WILLIAMS KASTNER™  


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**From:** Jill Guernsey [mailto:jillguernsey@comcast.net]  
**Sent:** Thursday, January 10, 2013 9:06 PM  
**To:** Barline, John  
**Subject:** RE: Declined: GHHWA Roundtable (RT 6)

John: Have you read the proposed Development Agreement Ordinance? It's on for 1<sup>st</sup> reading on Monday.

<http://www.cityofgigharbor.net/files/library/f3ae953538e07c9a.pdf>

-----Original Appointment-----

**From:** Barline, John [mailto:jbarline@williamskastner.com]  
**Sent:** Thursday, January 10, 2013 11:54 AM  
**To:** jillguernsey@comcast.net  
**Subject:** Declined: GHHWA Roundtable (RT 6)  
**When:** Thursday, January 31, 2013 9:30 AM-11:00 AM (UTC-08:00) Pacific Time (US & Canada).  
**Where:** GH Civic Center, Rooms A & B

Hi Jill: Unfortunately I cannot attend this, since I'll be in Germany then on business. What's this roundtable all about? Anything I can add to it now???

All the best,

John



Business of the City Council  
City of Gig Harbor, WA

**Subject: Ordinance relating to business licensing, amending Chapter 5.01, repealing Chapter 5.16 Temporary Business Licenses, and adding a new Chapter 5.21 for Peddlers.**

**Proposed Council Action:**

Consider the Ordinance and Adopt at this Second Reading.

**Dept. Origin:** Administration  
**Prepared by:** Molly Towslee, City Clerk  
**For Agenda of:** January 28, 2013

**Exhibits:** Draft Ordinance  
Initial & Date

**Concurred by Mayor:** CLH 1/24/13  
**Approved by City Administrator:** R-1/24/13  
**Approved as to form by City Atty:** by e-mail  
**Approved by Finance Director:** \_\_\_\_\_  
**Approved by Department Head:** \_\_\_\_\_

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

Chapter 5.16 of the Municipal Code regulating Temporary Business Licensing was adopted in 1982 and defines "Temporary" as operating less than 30 days in a calendar year at a non-fixed or nonpermanent location. The license fee was set at \$20 per day or \$400 per year with a bond of \$500.00 to be approved by the city attorney. If more than one person is working for a firm or corporation, each person must be licensed separately.

Subcontractors and other transient businesses find the temporary business license regulations extremely prohibitive and in many cases, they will tell us they will be in town more than 30 days in order to qualify for a yearly license of \$30.00. The 30-day requirement is extremely difficult to enforce.

In order to update the code the following is an overview of the recommended changes:

- Add to the exemptions list in the regular business license chapter;
- Repeal the Temporary Business License chapter; and
- Adopt a new chapter to address Peddlers licensing.

At the first reading, Councilmembers requested that the city attorney look into the legality of limiting hours allowed to solicit and badging.

In response to the concern of visible badging and identification, the ordinance was amended to include the following language: "All peddlers shall conspicuously display on their outer clothing their peddler's license/identification when engaged in peddling activities." There were no recommendations to change the proposed hours.



**FISCAL CONSIDERATION**

The elimination of the temporary business license will make it easier for service providers and contractors will obtain a license. Adopting a peddler licensing procedure will ensure that more transient sales are licensed, their hours regulated, and a cursory background check performed.

**BOARD OR COMMITTEE RECOMMENDATION**

Considered by the Finance and Safety Committee on December 17, 2012. They recommended forwarding this to the full council for consideration.

**RECOMMENDATION / MOTION**

**Move to:** Adopt the Ordinance at this second reading.

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO BUSINESS LICENSING, TEMPORARY BUSINESSES, AND PEDDLERS; AMENDING GHMC CHAPTER 5.01 OF THE MUNICIPAL CODE RELATING TO BUSINESS LICENSING AND EXEMPTIONS; REPEALING GHMC CHAPTER 5.16 TEMPORARY BUSINESSES; AND ADDING A NEW CHAPTER 5.21 PEDDLERS ESTABLISHING THE PROCESS FOR LICENSING APPLICATION, REVIEW, APPROVAL AND APPEALS, SETTING FEES, DEFINING VIOLATIONS AND PROVIDING PENALTIES FOR SUCH PEDDLERS; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

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WHEREAS, the City of Gig Harbor desires to better develop its guidelines for the regulation and licensing of business and occupations; and

WHEREAS, it is necessary to establish and clarify these guidelines for the purpose of insuring consistency, adherence to municipal regulations, and efficiency; and

WHEREAS, the City Council desires to update the definition of "businesses" requiring business licenses within the City and desires to add exemptions to clarify those businesses not required to obtain a business license; and

WHEREAS, the City Council desires to eliminate GHMC Chapter 5.16 relating to Temporary Business in order to consolidate these types of uses under a peddlers licensing chapter for administrative efficiency; and

WHEREAS, the City Council desires to create a new Chapter 5.21 GHMC relating to licensing of peddlers who go from place to place, or house to house, selling goods, wares, merchandise, or services; and

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Chapter 5.01.010 of the Gig Harbor Municipal Code is hereby amended to read as follows:

**5.01.010 Definitions.**

For the purposes of this chapter, the following terms, phrases, words, and their derivations shall have the meanings given herein.

- A. "Business" includes all activities, occupations, pursuits, service providers, or professions located and/or engaged in within the city with the object of gain, benefit or advantage to the licensee or to another person or class, directly or indirectly, whether part-time or full-time. Each business location shall be deemed a separate business. Utility companies are defined as businesses.

Section 2. Chapter 5.01.030 of the Gig Harbor Municipal Code is hereby amended to read as follows:

**5.01.030 Exemptions.**

- A. All businesses operated not-for-profit shall be exempt from paying a business license fee upon application and satisfactory proof to the City license officer of said not-for-profit status;
- B. Any special events licensed under another ordinance of the city;
- C. Any instrumentality of the United States, the State of Washington, or political subdivision thereof;
- D. Any farmer or gardener who sells, delivers or peddles any fruit, vegetables, berries, butter, eggs, fish, milk, poultry, meats, or any farm produce or edibles raised, caught, produced or manufactured by such person;
- E. Tax-exempt nonprofit organizations recognized by the State of Washington and the United States Government;
- F. Nonprofit organizations, clubs, or corporations maintained for the purpose of organized sports, charity, public school-related activities, or municipal-related activities, including police or fire department reserve organizations;
- G. The peddling or delivery of newspapers;
- H. Representatives from businesses located outside the city limits calling on licensed businesses within the city limits for purposes of wholesale business;
- I. Vendors not otherwise engaged in business in the city who rent a booth or space, or are otherwise a participant, at a city-sanctioned or sponsored event such as the Farmers' Market or Special Events as defined by GHMC 5.25;
- J. Minors doing business or operating a business concern where no other person is employed by the minor, such as babysitting, lawn mowing, car washing, and similar activities;
- K. Casual or isolated sales or services made by persons who are not engaged in the ongoing business of selling the type of property involved. "Casual or isolated" is defined as not more than four such sales made during any tax year. Examples include garage sales, yard sales, rummage sales, bake sales, and occasional parties for the sale or distribution of goods.

Section 3. Chapter 5.01.100 of the Gig Harbor Municipal Code is hereby amended to read as follows:

**5.01.100 Licenses for businesses located outside City limits.** Businesses located outside the city which furnish or perform services within the city limits, ~~and which conduct business during more than thirty (30) calendar days within a calendar year, unless included in the exemptions in 5.01.030,~~ shall hereafter ~~apply and pay for~~ obtain a business license.

Section 4. Gig Harbor Municipal Code Chapter 5.16 Temporary Businesses is hereby repealed in its entirety.

Section 5. A new Chapter 5.21 – Peddlers is hereby adopted, to read as follows:

**Chapter 5.21  
PEDDLERS**

Sections:

5.21.010 Peddler Defined.

5.21.020 License required – Exceptions.

9.66.030 Application – Fee.

9.66.040 Restrictions on place and time of peddling.

9.66.050 Penalty.

**5.21.010 Peddler defined.**

“Peddler” for the purpose of this chapter shall be construed to include all persons, both principals and agents, who go from place to place, or house to house, carrying for sale, exposing for sale, or offering for sale, goods, wares, merchandise or services of any type. “Peddle” means to engage in such actions.

**5.21.020 License required – Exceptions.**

A. It is unlawful for any peddler to peddle any goods, wares, merchandise or services without first obtaining a peddler’s license as provided for in this chapter.

B. Exceptions. No person shall be required to take out a license or pay a fee:

1. For the peddling of local newspapers;
2. For the peddling of fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meats, or any farm produce or edibles raised, caught, produced or manufactured by such person;
3. When that person, after having been specifically requested by another to do so, calls upon that other person for the purpose of displaying goods or literature about any article, thing, or product; or
4. When that person is acting in his or her capacity as a member of a charitable, religious or nonprofit organization or corporation which has received tax-exempt status under 26 USC Section 501(c)(3) or other similar civic, charitable, political, or nonprofit organizations.

**5.21.030 Application – Fee.**

A. Every peddler, other than those exempt under this chapter, whether principal or agent, shall before commencing business in the city make application in writing on a form to be provided by the City of Gig Harbor licensing officer. The application shall include an authorization allowing release of all criminal history record information to the Gig Harbor Police Department.

B. At the time of filing the application, a fee in the amount of \$50.00 shall be paid to the city to cover the costs of investigation and processing the application. The permit is valid for a period of 90 days from the date of issuance.

C. The licensing officer shall refer the application to the police department, who shall make a criminal history background investigation of the applicant. Upon completion, the police department shall forward the results of the investigation to the licensing officer.

D. If, as a result of the investigation, the applicant is not found to have committed any of the acts requiring denial as listed below, the permit center shall issue the license to the applicant. The city shall deny the applicant the license if the applicant has:

1. Committed any act consisting of fraud or misrepresentation;
2. Committed any act which, if committed by a licensee, would be grounds for suspension or revocation of a license;
3. Within the previous 10 years, been convicted of a misdemeanor or felony directly relating to his or her fitness to engage in the occupation of peddler, and including, but not limited to, those misdemeanors and felonies involving moral turpitude, fraud or misrepresentation;
4. Been charged with a misdemeanor or felony of the type defined in subsection (D)(3) of this section, and disposition of that charge is still pending;
5. Been refused a license under the provisions of this chapter; provided, however, that any applicant denied a license under the provisions of this chapter may reapply if and when the reasons for denial no longer exist; and
6. Made any false or misleading statements in the application.

E. All peddlers shall conspicuously display on their outer clothing their peddler's license/identification when engaged in peddling activities.

F. The city is authorized to promulgate rules regarding the manner and method of payment, including a prohibition or regulation of payment by check.

G. The peddler's license shall be endorsed with a statement of the type of product or service sold by the licensee. The license is valid only for the product or service specified.

**5.21.040 Restrictions on place and time of peddling.**

A. No peddler shall engage or attempt to engage in the business of peddling at any home, residence, apartment complex or business that prominently displays a "No Peddlers" or "No Solicitors" sign or "No Trespassing" sign or any other similar sign that communicates the occupants' desire to not be contacted by peddlers.

B. No peddler shall engage in the business of peddling except between the hours of 9:00 a.m. and 8:00 p.m.

C. No peddler shall make any untrue, deceptive, or misleading statements about the

product or services offered for sale.

D. No peddler shall make any untrue, deceptive, or misleading statement regarding the purposes of his/her contact with a potential customer.

**5.21.050 Penalty.**

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

**5.21.060 Suspension or revocation procedure.**

A. In addition to the other penalties provided herein or by law, any peddlers license issued under the provisions of this chapter may be revoked or suspended if the licensee or any of its employees, officers, agents or servants, while acting within the scope of their employment, violates or fails to comply with any of the provisions of this chapter or commits any of the conditions listed in GHMC 5.01.130.B. The city may revoke or suspend any peddlers license issued under the provisions of this chapter by utilizing the procedures set forth in GHMC 5.01.130.

Section 6 - Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance is declared unconstitutional or invalid for any reason, such invalidity shall not affect the validity or effectiveness of the remaining portions of this ordinance.

Section 7 - Effective Date. This ordinance shall take effect and shall be in full force and effect five (5) days after its passage, approval and publication as required by law.

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

APPROVED:

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

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
CITY CLERK, MOLLY TOWSLEE

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY:

BY \_\_\_\_\_

FILED WITH THE CITY CLERK: 01/10/13  
PASSED BY THE CITY COUNCIL:  
PUBLISHED:  
EFFECTIVE DATE:



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

**Subject:** Council Committees

**Proposed Council Action:**

To accept these appointments for the Council Committees, to appoint Mayor Pro Tem for 2013, and to accept the recommendations for appointments to the other boards and commissions.

**Dept. Origin:** Administration

**Prepared by:** Chuck Hunter, Mayor

**For Agenda of:** January 28, 2013

**Exhibits:**

**Concurred by Mayor:**

Initial & Date  
*CH 1/28/13*

**Approved by City Administrator:** N/A

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

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

**Approved by Department Head:** N/A

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

Below are the results of the Councilmembers' selection for the 2013 Council Committees and my recommendations for appointments.

	Finance & Safety	Operations & Public Projects	Planning & Building	Inter-Gov't'l Affairs	Candidate Review
<b>Ekberg</b>	3	1	-	-	2
<b>Guernsey</b>	3	-	1	2	-
<b>Kadzik</b>	4	3	1	5	2
<b>Malich</b>	5	1	4	2	3
<b>Payne</b>	-	1	-	2	-
<b>Perrow</b>	3	1	4	2	5
<b>Young</b>	3	2	1	-	-

**Council Committees:**

**Finance & Safety:** Councilmembers Ekberg, Perrow, Young

**Operations & Public Projects:** Councilmembers Ekberg, Payne, Malich

**Planning & Building:** Councilmembers Guernsey, Kadzik, Perrow

**Inter-governmental Affairs:** Councilmembers Malich, Perrow, Payne

**Board/Commission Candidate Rvw:** Councilmembers Ekberg, Kadzik, Malich

**Mayor Pro Tem:** Steve Ekberg

**Other Committees / Boards:**

**Downtown Visioning Ad Hoc:** Councilmembers Guernsey, Kadzik, Malich

**Economic Development Board Tacoma:** Councilmember Guernsey

**Flood Control Advisory Committee:** Councilmember Payne (with Malich as backup)

**Lodging Tax Advisory Committee:** Councilmember Payne

**Pierce County Regional Council:** Councilmember Young

**Tacoma Narrows Airport Advisory Commission:** Councilmember Malich

**West Central Local Integrating Organization:** Councilmember Guernsey

**20-Year Airport Long Range Planning:** Councilmember Perrow

**RECOMMENDATION / MOTION**

**Move to:** Accept these appointments for the Council Committees for 2013, to appoint Steve Ekberg Mayor Pro Tem for 2013, and to approve the appointments to the other committees and boards as recommended.





# Memo

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**TO:** Mayor Hunter and City Council  
**FROM:** Molly Towslee, City Clerk *mt*  
**SUBJ:** Official City Newspaper  
**DATE:** January 24, 2013

In accordance with Gig Harbor 1.20, the City shall solicit bids for the City's "official newspaper" every other year. The last time we solicited bids and appointed the official newspaper was in 2011.

On January 4<sup>th</sup>, I sent by e-mail the request for bids to the Peninsula Gateway, the Tacoma News Tribune, and The Kitsap Sun (Gig Harbor Life). The bid request also ran in the January 9, 2013 legal section of the Peninsula Gateway. The submission deadline was Tuesday, January 22<sup>nd</sup>, at 4:30 p.m.

No bids were submitted. On the 23rd I contacted all three newspapers to find out if they were interested in submitting a bid for official newspaper. The Kitsap Sun e-mailed me saying they have chosen not to submit a bid. The News Tribune requested a copy of the last bid they submitted in 2011 and said they would like to submit. I also received notification from the Gateway that they too would submit.

The deadline to submit a sealed bid for Official City Newspaper has been extended to Wednesday, January 30<sup>th</sup>. This will return at the first meeting in February for Council review and award of the bid.