

City Council Meeting

**October 26, 2015
5:30 p.m.**



AGENDA
GIG HARBOR CITY COUNCIL
October 26, 2015 – Council Chambers

CALL TO ORDER / ROLL CALL:

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes October 12, 2015.
2. Liquor License Action: a) Devoted Kiss Café Application in lieu of Current Privilege;
3. Receive and File: a) Impacts of Growth – Public Works Minutes Oct. 12, 2015; b) Public Works Committee Minutes Sept 14, 2015; c) Boards and Commissions Candidate Review Minutes Oct 19, 2015.
4. Appointments to Arts Commission and Lodging Tax Advisory Commission.
5. Second Reading of Ordinance No. 1326 - Special Event Filing Period.
6. Maritime Pier Art Contract.
7. Harborview Drive Sidewalk Project - Critical Areas Review Update – Professional Services Contract/Parametrix.
8. Updating the Sewer Hydraulic Model – Professional Services Contract/HDR Engineering, Inc.
9. Approval of Payment of Bills: Checks # through # in the amount of \$

PRESENTATIONS:

1. Association of the United States Army: Amy Tiemeyer, President of the Captain Meriwether Lewis Chapter, John Guardia, President of the Gig Harbor Subchapter, and Warren Zimmerman, Gig Harbor Subchapter.

OLD BUSINESS: None scheduled.

NEW BUSINESS:

1. Skansie Netshed Lease.
2. Grandview Forest Park Tree Removal Phase 2 Project – Construction Bid Award.

CITY ADMINISTRATOR / STAFF REPORT:

PUBLIC COMMENT:

MAYOR'S REPORT / COUNCIL COMMENTS:

ANNOUNCEMENT OF OTHER MEETINGS:

1. Planning / Building Committee: Mon. Nov 2nd at 5:30 p.m.
2. Public Works Committee: Mon. Nov. 9th – 4:00 p.m.
3. Council Workstudy Session: Impacts of Growth – Police Dept.: Mon. Nov. 9th following the Council Meeting.

ADJOURN TO WORKSTUDY SESSION:

Impacts of Growth – Planning and Building.

MINUTES
GIG HARBOR CITY COUNCIL
October 12, 2015 – Council Chambers

CALL TO ORDER / ROLL CALL:

Mayor - Jill Guernsey: Present
Council Member - Steven Ekberg: Present
Council Member - Tim Payne: Present
Council Member - Casey Arbenz: Present
Council Member - Rahna Lovrovich: Present
Council Member - Michael Perrow: Present
Council Member - Paul Kadzik: Present
Council Member - Ken Malich: Present

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes September 28, 2015.
2. Correspondence / Proclamations: a) Domestic Violence Awareness Month; b)
3. Liquor License Action: a) Added Privilege – Forza Coffee;
4. Receive and File: a) Impacts of Growth Worksession Minutes – Sept. 28, 2015.
5. WWTP Phase 2B – Deductive and No Cost Change Orders.
6. WWTP Phase 2B – Professional Services Contract for Integration Scada and Telemetry.
7. WWTP Phase 2B – Amendment No. 1 to Construction Support Services.
8. Second Reading of Ordinance No. 1325 – Budget Amendment for Building Department Staffing.
9. Approval of Payroll for the month of September: Checks #7575 through #7591 in the amount of \$361,389.39.
10. Approval of Payment of Bills: Checks #79436 through #79584 in the amount of \$801,258.04.

MOTION: Move to adopt the Consent Agenda as presented.
Kadzik / Malich - unanimously approved.

PRESENTATIONS:

1. [Show of Appreciation to Senator Angel and Representative Young](#). Mayor Guernsey introduced Representative Jesse Young and Senator Angel. The Mayor voiced appreciation for their work for the city during this last legislative session. She gave an overview of the results of the session, which included one million dollars in state grant funding for improvements to the Ancich Waterfront Park property, significant funding in the transportation package, deferred payment of sales tax on the Narrows Bridge, a three million dollar allocation for a Highway 16 Corridor Study, and the restoration of state liquor revenues to the city.

[Senator Jan Angel](#) stressed that it's a team effort. She recognized the city's lobbyist, Brianna Murry, and thanked everyone who came to Olympia to testify. She gave a brief overview of the efforts to get things through the process, and said it is an honor to work for the citizens.

[Rep. Jesse Young](#) echoed the comments by Senator Angel. He recognized Ron Williams and others that make up our team. He said it's time to prioritize needs and to come up with innovative ideas.

2. [Swearing in of Sergeant Aldridge](#). Chief Kelly Busey presented a brief overview of the accomplishments of Darius Aldridge. Mayor Guernsey performed the ceremony to swear him into the Sergeant's position. Sergeant Aldridge introduced his family.

3. [Proclamation – Domestic Violence Awareness Month](#). Court Administrator Stacy Colberg talked about the traveling National Clothesline Exhibit on display in the lobby. She described the Domestic Violence Kiosk in the lobby, and talked about events scheduled in recognition of Domestic Violence Awareness Month.

OLD BUSINESS: [None scheduled.](#)

NEW BUSINESS:

1. [First Reading of Ordinance - Special Event Application Filing Period](#). Assistant City Clerk Shawna Wise explained that the increase to the filing period from 30 to 60 days would allow for a more thorough, accurate review of the application, and the coordination/scheduling of necessary staffing requirements. She addressed questions. This will return for a second reading on Consent Agenda at the next meeting.

2. [Adding four sites to the Local Historic Register Listing:](#)

- a. Resolution No. 1009 - WPA Picnic Structure at Crescent Creek Park
- b. Resolution No. 1010 - Wilkinson Barn
- c. Resolution No. 1011 - Eddon Boat Residence
- d. Resolution No. 1012 - Austin Estuary Park

Senior Planner Lindsey Sehmel presented the background for these resolutions that would add four city-owned places/structures to the Gig Harbor Register of Historic Places. She answered questions.

MOTION: Move to accept the recommendation from the Design Review Board to list City-owned places/structures on the Gig Harbor Register of historic Places and approved Resolution Nos. 1009, 1010, 1011, and 1012 adding the properties and/or structures to the Local Historic Register.
Payne / Lovrovich - unanimously approved.

3. [Resolution No. 1008 – Harbor Winds Water System Comprehensive Plan Technical Update](#). Senior Engineer Emily Appleton explained that this amendment would allow the entire Harbor Winds Preliminary Plat project to reside within the city's Retail Water Service Area.

MOTION: Move to adopt Resolution No. 1008 to amend the Retail Water Service Area of the City's Water System Plan so the entire Harbor Winds Preliminary Plat is within the City's RWSA.
Malich / Payne – unanimously approved.

CITY ADMINISTRATOR / STAFF REPORT:

[Mid-Biennial Budget Review](#). Finance Director David Rodenbach explained this required review includes where we are in the budget up to September, 2015. He began the explanation of the numbers, and it because the figures in the PowerPoint presentation were too small to see clearly, he was asked to make copies of the presentation for Council to following along. Mayor Guernsey suggested that this be postponed until after the workstudy session later in the evening.

PUBLIC COMMENT:

[Charlee Glock-Jackson](#), Chair of the Gig Harbor Arts Commission invited everyone to the GHAC Workshop on “Making Friends with the Media” to be held tomorrow evening, Tuesday, October 13th at 5:30 p.m. here in the Council Chambers. Two additional workshops are planned to learn how to include video and social media to market your art or business.

MAYOR’S REPORT / COUNCIL COMMENTS: None.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Intergovernmental Affairs Committee – Tue. Oct. 20th at 4:00 p.m.
2. Boards and Commission Candidate Review – Mon. Oct. 26th at 5:00 p.m.
3. Council Workstudy Session: Impacts of Growth – Planning & Building – Mon. Oct. 26th following the Council Meeting.

ADJOURN TO WORKSTUDY SESSION:

Impacts of Growth – Public Works. The meeting adjourned to the workstudy session at 6:12 p.m.

Jill Guernsey, Mayor

Molly Towslee, City Clerk

NOTICE OF LIQUOR LICENSE APPLICATION

WASHINGTON STATE LIQUOR AND CANNABIS BOARD

License Division - 3000 Pacific, P.O. Box 43075
Olympia, WA 98504-3075
Customer Service: (360) 664-1600
Fax: (360) 753-2710
Website: <http://lcb.wa.gov>

TO: MOLLY TOWSLEE, CITY CLERK

RETURN TO: localauthority@sp.lcb.wa.gov

DATE: 10/19/15

RE: APPLICATION IN LIEU OF CURRENT PRIVILEGE

UBI: 603-149-140-001-0001

APPLICANTS:

License: 083974 - 1U County: 27

Tradename: DEVOTED KISS CAFE

VETO, LLC

Loc Addr: 8809 N HARBORVIEW DR STE 203
GIG HARBOR WA 98332-2189

DENGLER, RICHARD D
1984-08-04

Mail Addr: 8809 N HARBORVIEW DR
GIG HARBOR WA 98332-2189

MCGAHAN, CHRISTINA D
1979-10-13

Phone No.: 253-851-0055 CHRISTINA DENGLER

Privileges Upon Approval:

SPIRITS/BR/WN REST SERVICE BAR
CATERING

As required by RCW 66.24.010(8), the Liquor and Cannabis Board is notifying you that the above has applied for a liquor license. You have 20 days from the date of this notice to give your input on this application. If we do receive this notice back within 20 days, we will assume you have no objection to the issuance of the license. If you need additional time to respond, you must submit a written request for an extension of up to 20 days, with the reason(s) you need more time. If you need information on SSN, contact our CHRI desk at (360) 664-1724.

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

DATE

SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE

MINUTES
GIG HARBOR CITY COUNCIL WORKSTUDY SESSION
October 12, 2015 – Council Chambers

CALL TO ORDER:

Mayor - Jill Guernsey: Present

Council Member - Steven Ekberg: Present

Council Member - Tim Payne: Present

Council Member - Casey Arbenz: Present

Council Member - Rahna Lovrovich: Present

Council Member - Michael Perrow: Present

Council Member - Paul Kadzik: Present

Council Member - Ken Malich: Present

1. Impacts of Growth – Public Works Department.

Public Works Director Jeff Langhelm walked Council through the impacts of growth on Public Works in the Wastewater, Transportation Improvements, General Engineering, Operations, and Parks Departments.

Council thanked the PW staff for working harder with less, and embracing technology.

2. Regulatory Changes for Municipalities with Populations Beyond 10,000.

Mr. Langhelm then presented information on the regulations facing us as the city expands to 10,000 or more population.

At the conclusion of the Public Works presentation, the Mayor asked that the Staff Report on the budget be presented.

Finance Director David Rodenbach presented information on the Mid-Biennium Budget review. He answered Council questions.

ADJOURN: The workstudy session adjourned at 7:20 p.m.

Minutes Board and Commissions Candidate Review

October 19, 2015- 5:00 p.m. Exec. Conference Room

Call to Order:

Councilmember Malich

Councilmember Kadzik

Staff: Shawna Wise

Councilmember Lovrovich joined the meeting at 5:08pm

New Business:

1. Arts Commission – 1 vacancy due to a resignation

New applicant:

[Elijah Bossenbroek](#) – Mr. Bossenbroek introduced himself and shared his education and work experience as a piano composer. He said he is new to the area and is looking forward to volunteering on a committee to become involved in his community.

After the interview, Councilmembers discussed the applicant and the following motion was made:

MOTION: Move to appoint Elijah Bossenbroek to the Arts Commission.
Kadzik / Lovrovich – three votes yes.

2. Lodging Tax Advisory Commission - 1 vacancy due to a resignation

New applicant:

[Lindsey Johnson](#) – Ms. Johnson explained her role with Harbor WildWatch and the Visitor Center. She said with her community involvement she hears what visitors are looking for and feels her knowledge would be helpful to the Committee when discussing ways to benefit tourism and promote community activities.

After the interview, Councilmembers discussed the applicant and the following motion was made:

MOTION: Move to appoint Lindsey Johnson to the Lodging Tax Advisory Commission.
Kadzik / Malich – three votes yes.

Adjourned at 5:25 p.m.



To: Mayor Guernsey and City Council
From: David Rodenbach, Finance Director
Date: October 26, 2015
Subject: Third Quarter Financial Report

The quarterly financial reports for the third quarter of 2015 are attached.

Total resources, including all revenues and beginning cash balances, are 61 percent of the annual budget. Total revenues, excluding beginning cash balances, transfers, and other non-revenues are 76 percent of the annual budget while total expenditures, excluding transfers, are at 57 percent of the 2015 portion of the biennial budget.

General Fund revenues, excluding transfers, are 76 percent of budget. Third quarter 2014 general fund revenues were also at 76 percent of budget through the third quarter. Taxes are tracking to come in nearly \$400,000 below the 2014 budgeted amount. Building permit revenues through September are 140 percent (\$1.1 million) of budget. Last year at this time permit revenues were \$890,000. The 2015 budget for permit revenues is \$797,000.

General fund expenditures are 69 percent of budget. A year ago expenditures were 66 percent of budget after the third quarter.

Water, Sewer and Storm Sewer revenues are 87, 74 and 70 percent of budget; while expenditures for these three funds are at 69, 54 and 29 percent of budget. 2014 amounts for the same period were 81, 74 and 87 percent for revenues and 50, 62 and 51 percent for expenditures.

Cash balances are adequate in all funds.

CITY OF GIG HARBOR
CASH AND INVESTMENTS
YEAR TO DATE ACTIVITY
AS OF SEPTEMBER 30, 2015

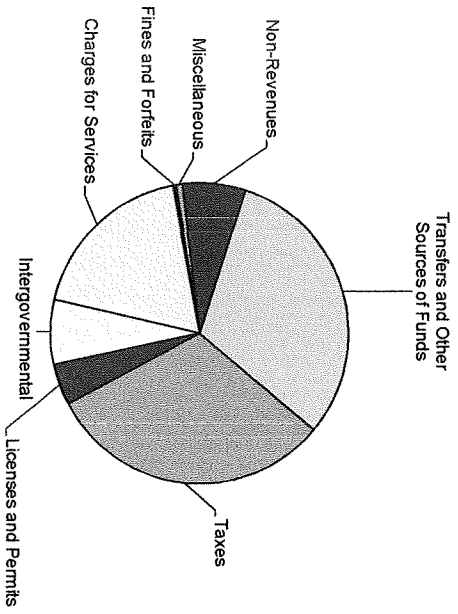
FUND NO.	DESCRIPTION	BEGINNING BALANCE	REVENUES	EXPENDITURES	OTHER CHANGES	ENDING BALANCE
001	GENERAL GOVERNMENT	\$ 1,903,959	\$ 8,859,634	\$ 8,076,830	\$ (156,814)	\$ 2,529,949
101	STREET FUND	431,182	1,440,045	1,286,258	(168,553)	416,415
102	STREET CAPITAL FUND	816,393	25,600	428,848	(176,758)	236,386
105	DRUG INVESTIGATION FUND	8,185	160	-	-	8,345
106	DRUG INVESTIGATION FUND	19,794	19	-	-	19,813
107	HOTEL-MOTEL FUND	218,332	263,946	188,909	(5,576)	287,793
108	PUBLIC ART CAPITAL PROJECTS	68,404	65	-	-	68,470
109	PARK DEVELOPMENT FUND	2,155,683	1,604,408	1,633,396	(982,173)	1,144,523
110	CIVIC CENTER DEBT RESERVE	1,302,977	3,241	-	-	1,306,217
111	STRATEGIC RESERVE FUND	538,033	514	-	-	538,547
112	EQUIPMENT RESERVE FUND	200,613	192	-	-	200,805
113	CONTRIBUTIONS/DONATIONS	0	1,559	1,559	(1)	-
208	LTGO BOND REDEMPTION	18,644	1,092,813	657,355	-	454,103
211	UTGO BOND REDEMPTION	157,762	148,800	41,330	-	265,232
301	PROPERTY ACQUISITION FUND	322,339	448,184	146,300	-	624,223
305	GENERAL GOVT CAPITAL IMPR	260,816	447,720	146,300	-	562,235
309	IMPACT FEE TRUST	869,794	318,081	-	23,050	1,210,925
310	HOSPITAL BENEFIT ZONE	2,604,175	1,150,402	-	-	3,754,576
401	WATER OPERATING	773,856	1,383,003	1,009,141	(188,208)	959,511
402	SEWER OPERATING	1,255,523	3,062,676	2,738,274	53,692	1,633,617
403	SHORECREST RESERVE FUND	90,854	38,211	1,764	2,347	129,649
407	UTILITY RESERVE	1,380,437	11,371	206	(22)	1,391,580
408	UTILITY BOND REDEMPTION	2,595	4,292,531	4,183,688	-	111,439
410	SEWER CAPITAL CONSTRUCTION	6,340,966	3,888,559	2,304,015	(354,761)	7,570,749
411	STORM SEWER OPERATING FUND	783,779	623,985	458,859	39,101	988,006
412	STORM SEWER CAPITAL	113,803	233,934	70,338	(18,640)	258,758
420	WATER CAPITAL ASSETS	1,575,800	666,005	737,611	(27,844)	1,476,351
605	LIGHTHOUSE MAINTENANCE TRUST	1,192	1,218	0	(2,409)	-
631	MUNICIPAL COURT	-	110,962	98,378	(12,585)	-
		<u>\$ 24,215,889</u>	<u>\$ 30,117,838</u>	<u>\$ 24,209,356</u>	<u>\$ (1,976,154)</u>	<u>\$ 28,148,218</u>

COMPOSITION OF CASH AND INVESTMENTS
AS OF SEPTEMBER 30, 2015

	MATURITY	RATE	BALANCE
CASH ON HAND			300
CASH IN BANK			3,700,195
INVESTMENTS/US BANK	July 2017	0.1250%	999,306
LOCAL GOVERNMENT INVESTMENT POOL (Net Earnings Rate)		0.1680%	23,448,417
			<u>\$ 28,148,218</u>

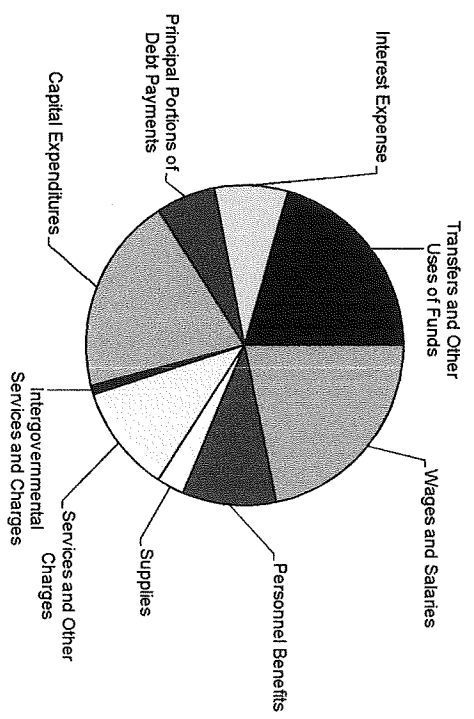
CITY OF GIG HARBOR
YEAR-TO-DATE REVENUE SUMMARY
BY TYPE
AS OF SEPTEMBER 30, 2015

TYPE OF REVENUE	AMOUNT
Taxes	9,334,488
Licenses and Permits	1,338,155
Intergovernmental	2,080,765
Charges for Services	5,548,820
Fines and Forfeits	107,645
Miscellaneous	200,892
Non-Revenues	2,058,080
Transfers and Other Sources of Funds	9,338,031
Total Revenues (excludes Court Pass Thru)	30,006,876
Beginning Cash Balance	24,215,889
Total Resources	54,222,765



CITY OF GIG HARBOR
YEAR-TO-DATE EXPENDITURE SUMMARY
BY TYPE
AS OF SEPTEMBER 30, 2015

TYPE OF EXPENDITURE	AMOUNT
Wages and Salaries	5,234,816
Personnel Benefits	2,323,603
Supplies	673,941
Services and Other Charges	2,621,374
Intergovernmental Services and Charges	213,809
Capital Expenditures	4,826,015
Principal Portions of Debt Payments	1,457,088
Interest Expense	1,806,422
Transfers and Other Uses of Funds	4,953,911
Total Expenditures (excludes Court Pass Thru)	24,110,978
Ending Cash Balance	28,149,218
Total Uses	52,259,196



Revenues by Type - All Funds

Expenditures by Type - All Funds

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2015

	SPECIAL REVENUE FUNDS											
	001 GENERAL GOVERNMENT	101 STREET	102 STREET CAPITAL	105 DRUG INVESTIGTN	106 DRUG INVESTIGTN	107 HOTEL - MOTEL	108 PUBLIC ART PROJECTS	109 PARK DVL P FUND	110 CIVIC CTR DEBT RESERVE	111 STRATEGIC RESERVE	112 EQUIPMENT RESERVE	
CASH	\$ 344,903	\$ 56,755	\$ 32,218	\$ 1,137	\$ 2,700	\$ 39,224	\$ 9,332	\$ 155,992	\$ 178,030	\$ 73,401	\$ 27,369	
INVESTMENTS	2,185,045	359,660	204,188	7,208	17,113	248,568	59,138	988,531	1,128,188	465,146	173,436	
RECEIVABLES	1,300,610	9,056	21,603	-	-	40,015	-	423,645	312,000	-	-	
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-	
OTHER	-	-	-	-	-	-	-	-	-	-	-	
TOTAL ASSETS	3,830,559	425,470	257,990	8,345	19,813	327,808	68,470	1,568,168	1,618,217	538,547	200,805	
LIABILITIES												
CURRENT	16,656	3,000	0	-	-	-	-	-	-	-	-	
LONG TERM	-	-	-	-	-	-	-	-	-	-	-	
TOTAL LIABILITIES	16,656	3,000	0	-	-	-	-	-	-	-	-	
FUND BALANCE:												
BEGINNING OF YEAR	3,031,099	288,684	661,238	8,185	19,794	252,771	68,404	1,597,156	1,614,977	538,033	200,613	
Y-T-D REVENUES	8,859,634	1,440,045	25,600	160	19	263,946	65	1,604,408	3,241	514	192	
Y-T-D EXPENDITURES	(8,076,830)	(1,286,258)	(428,848)	-	-	(188,909)	-	(1,633,396)	-	-	-	
ENDING FUND BALANCE	3,813,903	422,470	257,990	8,345	19,813	327,808	68,470	1,568,168	1,618,217	538,547	200,805	
TOTAL LIAB. & FUND BAL.	\$ 3,830,559	\$ 425,470	\$ 257,990	\$ 8,345	\$ 19,813	\$ 327,808	\$ 68,470	\$ 1,568,168	\$ 1,618,217	\$ 538,547	\$ 200,805	

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2015

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2015

	SPECIAL REVENUE FUNDS										
	113	301	305	309	310	605	631	TOTAL SPECIAL REVENUE	208	211	TOTAL DEBT SERVICE
	CONTRIBUTION	PROPERTY ACQUISITION	GEN GOVT CAPITAL	IMPACT TRUST	HOSPITAL FUND	LIGHTHOUSE MAINT	MUNICIPAL COURT		LTGO BOND REDEMPTION	UTGO BOND REDEMPTION	
ASSETS											
CASH	\$ -	\$ 85,078	\$ 76,629	\$ 165,042	\$ 511,727	\$ -	\$ -	\$ 1,414,634	\$ 61,892	\$ 36,150	\$ 98,041
INVESTMENTS	\$ -	539,145	485,606	1,045,893	3,242,850	-	-	8,964,641	392,211	229,083	621,294
RECEIVABLES	-	-	-	-	-	-	-	806,319	-	2,324	2,324
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	-	624,223	562,235	1,210,925	3,754,576	-	-	11,185,593	454,103	267,557	721,659
LIABILITIES											
CURRENT	-	-	-	42,510	-	-	-	45,510	-	-	-
LONG TERM	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	42,510	-	-	-	45,510	-	-	-
FUND BALANCE:											
BEGINNING OF YEAR	(0)	322,339	260,816	850,334	2,604,175	(1,218)	(12,585)	9,253,716	18,644	160,086	178,730
Y-T-D REVENUES	1,559	448,184	447,720	318,081	1,150,402	1,218	110,962	5,816,316	1,092,813	148,800	1,241,614
Y-T-D EXPENDITURES	(1,559)	(146,300)	(146,300)	-	-	(0)	(98,378)	(3,929,947)	(657,355)	(41,330)	(698,685)
ENDING FUND BALANCE	(0)	624,223	562,235	1,168,415	3,754,576	-	-	11,140,084	454,103	267,557	721,659
TOTAL LIAB & FUND BAL.	\$ (0)	\$ 624,223	\$ 562,235	\$ 1,210,925	\$ 3,754,576	\$ -	\$ -	\$ 11,185,594	\$ 454,103	\$ 267,557	\$ 721,659

CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2015

	PROPRIETARY										TOTAL PROPRIETARY	TOTAL	
	401 WATER OPERATING	402 SEWER OPERATING	403 SHORE/RECREAT RESERVE	407 UTILITY RESERVE	408 UTILITY BOND REDEMPTION	410 SEWER CAP. CONST.	411 STORM SEWER OPERATING	412 STORM SEWER CAPITAL	420 WATER CAP. ASSETS				
ASSETS													
CASH	\$ 130,862	\$ 222,739	\$ 17,670	\$ 53,465	\$ 15,188	\$ 1,031,848	\$ 134,659	\$ 35,267	\$ 201,218	\$ 1,842,917	\$ 3,700,495		
INVESTMENTS	828,649	1,410,878	111,979	1,338,115	96,250	6,538,901	853,346	223,491	1,275,133	12,676,743	24,447,723		
RECEIVABLES	295,440	431,108	213	5,823	49,005	-	118,969	-	486	901,044	3,010,297		
FIXED ASSETS	8,555,666	33,116,779	-	-	-	2,876,434	2,674,353	279,843	2,029,338	49,532,412	49,532,412		
OTHER	-	-	-	-	-	-	-	-	-	-	-		
TOTAL ASSETS	<u>9,810,617</u>	<u>35,181,504</u>	<u>129,862</u>	<u>1,397,403</u>	<u>160,443</u>	<u>10,447,183</u>	<u>3,781,327</u>	<u>538,601</u>	<u>3,506,174</u>	<u>64,953,115</u>	<u>80,690,927</u>		
LIABILITIES													
CURRENT	1,522	71	-	-	1,456,788	-	2,419	-	9,779	1,470,580	1,532,746		
LONG TERM	62,015	99,408	-	-	19,648,198	-	59,706	-	-	19,869,327	19,869,327		
TOTAL LIABILITIES	<u>63,536</u>	<u>99,480</u>	<u>-</u>	<u>-</u>	<u>21,104,986</u>	<u>-</u>	<u>62,125</u>	<u>-</u>	<u>9,779</u>	<u>21,339,907</u>	<u>21,402,073</u>		
FUND BALANCE:													
BEGINNING OF YEAR	9,373,218	34,757,621	93,414	1,386,238	(21,053,387)	8,862,639	3,554,076	375,006	3,568,000	40,916,826	53,380,371		
Y-T-D REVENUES	1,383,003	3,062,676	38,211	11,371	4,292,531	3,888,559	623,985	233,934	666,005	14,200,276	30,117,840		
Y-T-D EXPENDITURES	(1,009,141)	(2,738,274)	(1,764)	(206)	(4,183,688)	(2,304,015)	(458,859)	(70,339)	(737,611)	(11,503,894)	(24,209,356)		
ENDING FUND BALANCE	<u>9,747,081</u>	<u>35,082,024</u>	<u>129,862</u>	<u>1,397,403</u>	<u>(20,944,543)</u>	<u>10,447,183</u>	<u>3,719,202</u>	<u>538,601</u>	<u>3,496,395</u>	<u>43,613,208</u>	<u>59,289,854</u>		
TOTAL LIAB. & FUND BAL.	<u>\$ 9,810,617</u>	<u>\$ 35,181,504</u>	<u>\$ 129,862</u>	<u>\$ 1,397,403</u>	<u>\$ 160,443</u>	<u>\$ 10,447,183</u>	<u>\$ 3,781,327</u>	<u>\$ 538,601</u>	<u>\$ 3,506,174</u>	<u>\$ 64,953,116</u>	<u>\$ 80,690,928</u>		

**MINUTES
CITY OF GIG HARBOR
PUBLIC WORKS COMMITTEE
Monday, September 14, 2015 – 4:00 p.m.
Public Works Conference Room**

CALL TO ORDER / ROLL CALL:

Council Member – Steven Ekberg: Present
Council Member – Rahna Lovrovich: Present
Council Member – Ken Malich: Present
Public Works Director – Jeff Langhelm: Present
Finance Director – Dave Rodenbach: Present
Public Works Superintendent – Greg Foote: Present
Wastewater Treatment Plant Supervisor – Darrell Winans: Present
Tourism & Communications Director – Karen Scott: Present
Senior Engineer – Emily Appleton: Present
Senior Planner – Lindsey Sehmel: Present
Engineering Technician – Willy Hendrickson: Present
Executive Assistant – Maureen Whitaker: Present
Carl Halsan, Halsan Frey

OLD BUSINESS:

None

NEW BUSINESS:

1. [View Point Street Vacation / Harborview Drive - Carl Halsan, Jeff Langhelm.](#)
Public Works Director Jeff Langhelm introduced a request from View Point Development LLC to vacate a portion of right-of-way on Harborview Drive, adjacent to the developer's property, which was also requested in 2011. Carl Halsan, the owner's representative, explained that this request is in line with the new Transportation Element and the Harborview Drive Master Plan that encourages narrower lanes and wider sidewalks. Mr. Halsan stated that this right-of-way is not part of the non-user statute and the right-of-way will require to be purchased after an appraisal is done.

The Public Works Committee was not in favor of losing right-of-way in this area and suggested if the developer wished to move forward, the request should go before full Council.

Mr. Langhelm stated that the next steps would be for staff to prepare a resolution setting a public hearing date, accept a \$500 deposit for an appraisal, and prepare an ordinance for the public hearing.

2. [Skansie House Entrance Revisions – Karen Scott.](#)

Tourism & Communications Director Karen Scott proposed that the laurel hedge in front of the Skansie House be removed and the sidewalk be leveled with the front porch walkway to reduce a potential trip and fall hazard.

Ms. Scott explained that in 2014, there were reports of swarming bees and yellow jackets swarming in and around the laurel hedge and was reported to the Public Works crew for help. Eventually the hedge became discolored and unsightly. Ms. Scott noted that the hedge has no historic significance to the house and provided a historic photo of the house showing no hedge.

Mr. Scott's second concern is the walkway to the house. She stated that in 2013, when the Skansie House renovation was complete, the bull-railed walkway or bridge to the front porch was considered temporary and still remains today.

Mr. Langhelm suggested removing the hedge and as a temporary measure, remove the bull rail on the walkway and put in crushed rock or pavers, cover with beauty bark or soil to make the walkway flush with the pavement. Mr. Langhelm stated that a permanent fix could be done at the same time as the Welcome Plaza & Lift Station 4B project.

There was a discussion about vendors blocking this sidewalk area during the Maritime Gig and other large public events and the remedy was to not allow vendors to continue to block this walkway area.

The Public Works Committee had no issues with Ms. Scott's proposal and were in favor of moving forward with these recommendations.

3. [Utility Taxes – Dave Rodenbach.](#)

Finance Director Dave Rodenbach presented background and current information regarding the City's utility tax code and revenue since established by ordinance in 1970. Mr. Rodenbach stated that the City's five percent tax on water, sewer, and storm drainage utilities is currently generating General Fund revenue upwards of \$300,000 annually. He further stated that the City's five percent tax on phone, gas, and electric utilities is currently generating General Fund revenue of over \$1 million annually. Mr. Rodenbach showed a Municipal Utility Tax Rate Comparison with regional jurisdictions for water, sewer, and storm. This rate comparison should Gig Harbor as having the lowest tax of 5%, with Bremerton at 14%. No action was recommended by the Committee.

4. [Gig Harbor Arts Commission and Parks Commission Recommendation for Maritime Pier Art – Jeff Langhelm.](#)

Mr. Langhelm said that the Arts Commission made a recommendation to the Parks Commission for artwork to be placed near the entrance of the Maritime Pier. The Parks Commission voted 4-2 to accept this recommendation. This artwork, which stemmed from a 2014 Arts Commission "Call for Artists" originally

was a rowboat resting against a formation of rocks or pilings has since be revised to change the rowboat to a “gig” to commemorate the original boat used in the discovery of Gig Harbor. The artist submitted two new renderings which increased the overall budget from \$23,000 to \$27,000 which is well under the budget of \$50,000.

Councilmember Lovrovich thought the art would be better suited at Eddon Boat and expressed concern about the art blocking the access by the fishermen that utilize the Maritime Pier as well as large delivery trucks that service the Tides Tavern which could block the view of the art piece. Councilmember Ekberg did not have a problem with the location and added that art in the parks should be useable and this art allowed a place to sit. Ultimately the Committee was in favor of moving this recommendation to full Council.

5. Harborview Drive Master Plan Verbal Update – Jeff Langhelm, Emily Appleton, Lindsey Sehmel.

Mr. Langhelm stated that there is currently \$40,000 in the budge to finalize for adoption the 2010 draft Harborview Drive Master Plan. Emily Appleton and Lindsey Sehmel said that they are analyzing the Harbor Element and making sure that it aligns with current codes and regulations. Ms. Appleton stated that the only aspects of Jerisich and Skansie Parks that they are keeping are the sidewalk width and patterned sidewalk. There were discussions about pedestrian crossing areas and the narrowing of roadways. Councilmember Malich was not in favor of narrowing the roadways and Councilmember Ekberg expressed concern about the raised pedestrian crossing area at Pioneer and Harborview Drive and wanted this area clearly delineated rather that a large area where pedestrians could roam around.

6. LED Street Lighting Upgrade Verbal Update – Estates at Gig Harbor Phase II – Emily Appleton.

Ms. Appleton said that this plat was designed under the old Public Works Standards which called for metal halide street lighting. Ms. Appleton explained that in her communications with the developer, they desired that the City pay for the retrofit in the amount of \$1,375 for five street lights. She said that in her analysis, the City would recoup these costs in approximately three years. The retrofit costs would be paid from the current City Budget for street lighting retrofit.

Ms. Appleton said that the street lights in the 72nd Street Plat and Courtyards at Skansie are also vested under the old Public Works Standards. The Committee encouraged Ms. Appleton to move forward with these developments to work out an agreement to have these street lights retrofitted with LED lighting.

7. Harbor Winds Water Comprehensive Plan Amendment - Emily Appleton.

Ms. Appleton explained that the City is currently considering a technical amendment to the City’s Water Comprehensive Plan related to a minor revision of the City’s Retail Water Service Area (RWSA). She stated that the Harbor

Winds plat is partially in the City of Gig Harbor's RWSA and partially in Washington Water's Regional Planning Area (WWSC). Harbor Winds Plat is a 39.4-acre residential plat consisting of 129 lots located on the east side of SR16 south of 93rd Street NW. Three of the five parcels comprising the Plat are located partially within the City's RWSA and the other two are within Washington Water's WWSC. She further explained that Washington Water Service does not have connections available and do not object to the City providing water services to this development.

The City at its discretion may accommodate minor changes to the defined RWSA under the technical amendment process outlined in the City's Water Comprehensive Plan. Decisions on technical amendments are made by City Council and, if approved, adopted by resolution and then forward to the Washington State Department of Health and Pierce County for additional review or approval.

Ms. Appleton stated that the development has been tested in the City's water model which indicates that with mitigation through SEPA, water can be provided to the Plat. The applicant has agreed to construct the mitigation, which includes constructing water system improvements to provide a redundant (looped) transmission line in accordance with the City's Water Plan.

The Public Works Committee expressed no objections.

PUBLIC COMMENT: none.

COMMITTEE COMMENT:

[00:53:17](#)

ANNOUNCEMENT OF OTHER MEETINGS:

ADJOURN:

Respectively submitted by Maureen Whitaker, Executive Assistant



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

Subject: Appointment to the Arts Commission and Lodging Tax Advisory Commission.

Proposed Council Action: Move to appoint Elijah Bossenbroek to the Arts Commission and Lindsey Johnson to the Lodging Tax Advisory Commission.

Dept. Origin: Administration

Prepared by: Board and Candidate Review

For Agenda of: October 26, 2015

	Initial & Date
Concurred by Mayor:	<u>JB 10-20-15</u>
Approved by City Administrator:	<u>PenW 10/20/15</u>
Approved as to form by City Atty:	<u>n/a</u>
Approved by Finance Director:	_____
Approved by Department Head:	_____

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

There was one vacancy on the Arts Commission and one on the Lodging Tax Advisory Commission due to resignations.

Elijah Bossenbroek was the only applicant for the Arts Commission and Lindsey Johnson was the only applicant for the Lodging Tax Advisory Commission. The Boards and Commissions Candidate Review Committee interviewed both applicants.

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

The committee voted 3-0 to appoint Elijah Bossenbroek to the Arts Commission and Lindsey Johnson to the Lodging Tax Advisory Commission.

RECOMMENDATION/MOTION

Move to: Appoint Elijah Bossenbroek to the Arts Commission and Lindsey Johnson to the Lodging Tax Advisory Commission.



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

Subject: Special Event Application

Dept. Origin: Administration

Proposed Council Action: Move to adopt Ordinance 1326, updating the Special Event Application filing period to a minimum of 60 days prior to the event.

Prepared by: Shawna Wise *SW*

For Agenda of: October 26, 2015

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Initial &
Date

Stc 10-16-15
Ron W 10/16/15
n/a
OP 10/16/15

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

Special Event Applications are required to be submitted to the Assistant City Clerk for review and approval by various City departments. The current filing period of "not less than 30 days before the date on which the event will occur" is not always sufficient time for thorough application reviews and the coordinating/scheduling of Public Works crews and/or Police staff.

An increase of the filing period from 30 days to 60 days would allow for thorough, accurate reviews of Special Event Applications and allow appropriate time for staffing needs.

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION/MOTION

Move to: Adopt Ordinance 1326, updating the Special Event Application filing period to a minimum of 60 days prior to the event.

ORDINANCE NO. 1326

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON,
RELATING TO SPECIAL EVENTS, AMENDING CHAPTER 5.28.060 OF
THE GIG HARBOR MUNICIPAL CODE TO REFLECT AN UPDATE TO
THE FILING PERIOD REQUIREMENTS.**

WHEREAS, Chapter 5.28.060 of the Gig Harbor Municipal Code contains provisions for the special event application filing period; and

WHEREAS, the code requires modification to reflect current filing period requirements; and

WHEREAS, in order to adequately review the special event applications, the City Council desires to increase the applicant filing period; Now, therefore,

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

Section 1. Section 5.28.060 of the Gig Harbor Municipal Code shall be amended as follows:

5.28.060 Permit – Application – Filing period.

A. A complete application for a special events permit shall be filed with the city administrator or his designee not less than ~~30 days~~ 60 days nor more than 365 days before the date on which the event will occur.

B. The city administrator or his designee shall notify the applicant in writing of approval or disapproval, no later than 20 days following the date of the application.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. Effective Date. This ordinance shall take effect and be in full force and effect five days after passage and publication of an approved summary consisting of the title.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor,
this 26th day of October, 2015.

CITY OF GIG HARBOR

Mayor Jill Guernsey

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

Angela G. Summerfield

FILED WITH THE CITY CLERK: 10/7/15
PASSED BY THE CITY COUNCIL: 10/26/15
PUBLISHED: 10/28/15
EFFECTIVE DATE: 11/02/15
ORDINANCE NO: 1326



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

Subject: Public Art at the Maritime Pier

Proposed Council Action:

Authorize the Mayor to execute a contract with Matthew Dockrey to fabricate and install public art at the Maritime Pier for an amount not to exceed \$27,050.

Dept. Origin: Public Works

Prepared by: Jeff Langhalm / Charlee Glock Jackson

For Agenda of: October 26, 2015

Exhibits: Contract with Matthew Dockrey
Initial & Date

Concurred by Mayor: *JB 10/16/15*
Approved by City Administrator: *Ron W 10/14/15*
Approved as to form by City Atty: *email 10/14*
Approved by Finance Director: *DR 10/16/15*
Approved by Department Head: *ADX 10/14/15*

Expenditure	Amount	Appropriation
Required: \$27,050.00	Budgeted \$50,000	Required \$0

INFORMATION / BACKGROUND

In 2014, the Arts Commission issued a Call for Artists to professional artists in the Pacific Northwest and Alaska for artwork to be placed at the Maritime Pier. Three proposals were received and then considered by the Gig Harbor Arts Commission. From those three, the proposal for a stainless steel gig was forwarded to the Parks Commission, the Public Works Committee, and to the full Council. On September 28th, Council made a motion to award the project for public art at the Maritime Pier to Matthew Dockrey for Option 2 – a 10.5 foot long stainless steel gig, and directed staff to bring back a contract with the artist for approval.

Council voiced concern with the sturdiness of the structure. The artist has responded to these concerns: “All of the boxy forms will have internal baffles welded in place, to reinforce the large flat surfaces. They will be very rigid and not able to be dented short of an attack with a sledgehammer. (And even then, it would just make a lot more noise than it would do real damage!) The gig will likewise be very strong -- that will be inherent in being made out of stainless steel while following a woodworking design.”

To address the question of someone climbing the structure: “The biggest concern will be people climbing the gig and the tall boxy form standing next to it. I'm already talking with Charlee about how to modify the thwarts in the gig to prevent easy climbing on the inside, and I'll make sure they can withstand the weight if someone does manage it on the outside. Mostly that will mean making sure the ground anchors are strong and numerous enough to handle the torque.”

FISCAL CONSIDERATION

\$27,050, to include design fabrication, installation, and documentation for a 10.5 foot high gig. This amount does not include work provided by the city, such as concrete work or landscaping. The budget amount is \$50,000.

RECOMMENDED ACTION:

Authorize the Mayor to execute a contract with Matthew Dockrey to fabricate and install public art at the Maritime Pier for an amount not to exceed \$27,050.



**ARTIST SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
MATTHEW DOCKREY**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and **Matthew Dockrey**, a visual artist, (hereinafter the "Artist").

RECITALS

WHEREAS, the City desires that the Artist perform services necessary to create and place a piece of artwork at the **MARITIME PIER** (the "Site"); and

WHEREAS, the City does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of the Artist to provide the necessary services for the project; and

WHEREAS, the Artist has represented to the City that the Artist has the education, training and expertise to provide the necessary services for the project and has signified a willingness to furnish artistic services to the City;

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

Section 1. Retention of Artist - Scope of Work

The City hereby retains the Artist to provide the artistic services herein described, and the Artist agrees to provide artwork to the City, as described in **Exhibit A**, attached hereto and incorporated herein.

A. The Artist shall provide the City with the Artwork by performing all services and work on or before the deadlines established in **Exhibit B** attached hereto and incorporated herein.

B. The Artist shall determine the artistic expression, scope, design, size, material, texture, color and location of the artwork within the guidelines set forth by the Gig Harbor Arts Commission, approved by the City and as described in **Exhibit A**.

C. The City may request revisions to the artwork for practical (non-aesthetic) reasons beyond the scope of the proposal. The City recognizes that additional fees may be charged for additional services provided by the Artist that are not included herein (or in any of the Exhibits).

D. The Artist reserves the right to make minor changes to the Artwork as deemed aesthetically and structurally necessary. The Artist shall present any significant changes, such as (1) changes in scope, design, color, size, material or texture of the artwork; (2) change of

location on the site; or (3) changes in preparation or maintenance of the artwork, to the City for review and approval. Any revisions submitted by the Artist and approved in writing by the City, shall be incorporated in this Agreement.

Section 2. Duration/Time for Completion

This Agreement shall commence upon execution by the duly authorized representatives of both parties. The Artist shall notify the City when the Artwork is completed and is ready for delivery and installation by the Artist. The Artist shall deliver and install the completed Artwork at the Site on or before May 8, 2016.

Section 3. Review of Work in Progress

The City or its representatives shall have the right, at reasonable times, to view the Artwork during the fabrication and installation. The Artist shall submit written progress reports (if requested by the City) to the City, so that the City can determine the completion of the phases of the Artwork, as set out in Section 4, Payment.

Section 4. Payment

A. The City shall pay the Artist an amount not to exceed twenty-seven thousand fifty dollars (\$27,050) for completed work and/or services related to this Agreement and the Artwork, only as provided hereunder. Such payment shall be full compensation for the Artwork, including all work and services described in this Agreement, and any Exhibits attached hereto. This is the maximum amount to be paid under this Agreement, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. This amount includes all applicable sales/use tax, and all other costs contemplated in this Agreement, such as transportation, insurance, etc.

B. The City shall make progress payments to the Artist, after verification of completion of each of the phases of the work, as set forth in **Exhibit B**. In order to receive payment, the Artist shall notify the City of the completion of a particular phase through the submission of an invoice. The City shall determine whether a particular phase is complete, and if it is complete, the City shall pay the invoice within thirty (30) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Artist of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

C. Final payment will be made after the City determines that the Artwork is complete. In order to obtain final payment, the Artist shall provide the City with the Artist's resume, an artist specification sheet, a technical description of the Artwork, and the Artist's maintenance recommendations for the Artwork.

D. The Artist shall be responsible to pay all fees, materials, supplies, equipment, labor of assistants, communications between the Artist and the City, studio space, travel, sustenance, transportation, storage, rentals and installation necessary to fulfill the requirements of this Agreement.

Section 5. Warranty as Original; Prohibitions on Copies of Artwork

The Artist acknowledges that the City has commissioned the Artwork that is the subject of this Agreement. The Artist warrants that the Artwork is solely the result of the artistic effort of

the Artist, is unique and original, has not been accepted for sale elsewhere, is free and clear of any liens from any source, and does not infringe upon any copyright. The Artist reserves the rights to remain the owner of drawings, molds, clay maquettes, and models of the work. The Artist gives permission to the City to reproduce photographs of the work for brochures, newsletters or other media as produced and distributed by the City. The Artist reserves all rights under copyright laws to the work, but shall make no exact duplications to full scale of the Artwork.

Section 6. Relationship of Parties

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

Section 7. Assignment, Transfer, Subcontracting

Neither the City nor the Artist shall assign or transfer an interest in this Agreement without the prior written consent of the other party. The Artist may subcontract portions of the Artwork at the Artist's expense, provided that said subcontracting shall not affect the design, appearance or visual quality of the Artwork and that such work is carried out under the personal supervision of the Artist.

Section 8. Termination

C. Termination of Agreement. The City may terminate this Agreement with or without cause at any time prior to completion of the work described herein. Termination shall be effective immediately upon the Artist's receipt of the City's written notice or such date stated in the City's notice, whichever is later. Such notice may be delivered to the Artist in person or by certified mail.

D. Rights Upon Termination. In the event of termination, the City shall pay for all services satisfactorily performed by the Artist to the effective date of termination, as described on a final invoice submitted to the City. Said amount shall not exceed the amount in Section 4 above. After termination, the City may take possession of the Artwork and all supplies and materials in the Artist's possession which were paid for by the City pursuant to this Agreement. Upon termination, the City may hire another Artist to take over the work and prosecute the same to completion, by contract or otherwise.

Section 9. Discrimination

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

Section 10. Indemnification

The Artist shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and sub-consultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Artist's own risk, and the Artist shall be responsible for any loss or damage to materials, tools, or other articles used or held by the Artist for use in connection with the work. The Artist shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, damages, losses or suits, including all legal costs and attorneys' fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. The City's inspection or acceptance of any of the Artist's work when completed shall not be grounds to avoid any of these covenants of indemnification. In addition, the Artist shall indemnify and defend the City in any suit or claims for infringements of copyrights and patents rights, and shall hold the City harmless from loss on account thereof.

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

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

Section 11. Artist's Warranties

The Artist warrants that the installed Artwork shall be AS depicted in **Exhibit A** herein, and that the Artwork will be free from defects or other faults in material and workmanship, including any defects consisting of inherent vice or qualities which cause or accelerate deterioration of the Artwork. The Artist further warrants that reasonable maintenance of the Artwork will not require procedures substantially in excess of those described in the maintenance recommendations provided by the Artist to the City.

If either party recognizes faults or defects in the Artwork, it shall be brought to the immediate attention of the Artist. The Artist shall be responsible to correct any defects or faults in the Artwork that are brought to the Artist's attention within the warranty period of one (1) year after the date of final payment. This warranty shall apply only to the Artwork or the portion of the Artwork completed and installed by the Artist.

If any defects or faults appear during the warranty period, the Artist shall repair or replace the defect(s) at the Artist's sole cost and expense. The Artist shall not be responsible for any damage to the Artwork which is caused by the City, third parties or acts of God.

Section 12. Ownership of the Artwork

All ownership, rights, title and interest in the Artwork shall pass to the City upon the City's final payment to the Artist, or upon termination, as set forth herein.

Section 13. Repairs and Maintenance

A. The City recognizes that regular maintenance of the Artwork is essential to the integrity of the Artwork. The City shall reasonably assure that the Artwork is properly maintained and protected, taking into account the written instructions and recommendations of the Artist, and shall reasonably protect and maintain the Artwork against deterioration with time and abuse of vandals.

B. The City shall be responsible for making all necessary repairs or restoration of the Artwork, except as provided under the Artist's Warranty herein. However, the City's responsibility for repairs and restoration of the Artwork is, by law, contingent upon receipt of adequate appropriations for this purpose.

C. Where possible, the Artist shall be consulted as to his/her recommendations regarding repairs and restorations of the Artwork, during the lifetime of the Artist. To the extent practical and in accordance with accepted principles of conservation, the Artist may be given the opportunity to accomplish repairs and restorations and shall be paid a reasonable fee for such services, if utilized.

Section 14. Insurance

A. The Artist shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Artist's own work including the work of the Artist's agents, representatives, employees, sub-consultants or sub-contractors, and including damage to the Artwork until the date the City accepts (in writing) the installed Artwork. The responsibility for and risk of damage to or loss of the Artwork during fabrication, transportation, and installation up to the date of the City's written acceptance shall be solely that of the Artist.

B. Before beginning work on the Artwork described in this Agreement, the Artist shall provide evidence, in the form of a Certificate of Insurance, of insurance coverage to satisfy the requirements of this Agreement.

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

D. The City reserves the right to receive a certified and complete copy of all of the Artist's insurance policies.

E. It is the intent of this Agreement for the Artist's insurance to be considered primary in the event of a loss, damage or suit. The City's own comprehensive general liability policy will be considered excess coverage in respect to the City.

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

Section 15. Compliance with Law

The Artist agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or become applicable within the terms of this Agreement.

Section 16. Non-Waiver of Breach

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

Section 17. Resolution of Disputes and Governing Law

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

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

Section 18. Written Notice

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

ARTIST
Matthew Dockrey
11220 Fremont Ave N
Seattle, WA 98133
(206) 395-9142
mrd@attoparsec.com

CITY OF GIG HARBOR
Jeff Langhelm
Public Works Director
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 853-7630

Section 19. Modification

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

Section 20. Severability

If any provision of this Agreement or any provision of the Exhibits to this Agreement are found by a court of competent jurisdiction to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions of this Agreement which can be given effect without the invalid or unconstitutional provision. To this end, the provisions of this Agreement are declared to be severable.


Section 21. Entire Agreement

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

IN WITNESS WHEREOF, the parties have executed this Agreement on this 26th day of October, 2015.

ARTIST:

THE CITY OF GIG HARBOR

By: 

Matthew Dockrey

By: _____
Mayor Jill Guernsey

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Exhibit A

Maritime Pier Public Art
Matthew Dockrey
11220 Fremont Ave N Seattle, WA 98133
206-395-9142 mrd@attoparsec.com

“The Landing”

“The Landing”, for the Maritime Pier, draws heavily on Gig Harbor's history. The name directly refers to the first landing of the eponymous captain's gig from the Wilkes Expedition in 1841. This is reflected in the stainless steel gig that is the focus of the sculpture. It also reflects the many decades of Gig Harbor history where rowboats were a primary form of transportation. The Maritime Pier location has a long history of commercial use, which makes this particularly resonant.

The sculpture will consist of 4 separate pieces. 3 of these are boxy, tessellated forms made out of (at least) 3/16" thick weathering (corten) steel, representing large rocks or pilings on the beach. One of these will be of an appropriate height to serve as a bench. These will rust, giving them a worn, natural look, but because of the nature of weathering steel the rust won't progress to the point of damaging them. Looming over these forms will be a stainless steel gig. It will be leaned up against one of the rusted forms, as if resting there while its owners enjoy a quick pint at the tavern. This will also serve as a basic rain shelter for the bench-like form. The gig will be made, as much as possible, using woodworking designs. This will include a clinker hull with overlapping steel planks, riveted together.

The artist will oversee the pouring of a new 4' x 4' concrete slab at the site at least a week before installation. Anchors will be placed when the concrete is poured so the sculptural pieces can be bolted down. The anchors will be positioned using a jig provided by the artist, to guarantee proper alignment. Depending on the final weight of the gig, a small crane might be needed for installation. Tamper-resistant hardware will be used to bolt the pieces down, using a system such as Penta Nuts.

Exhibit B

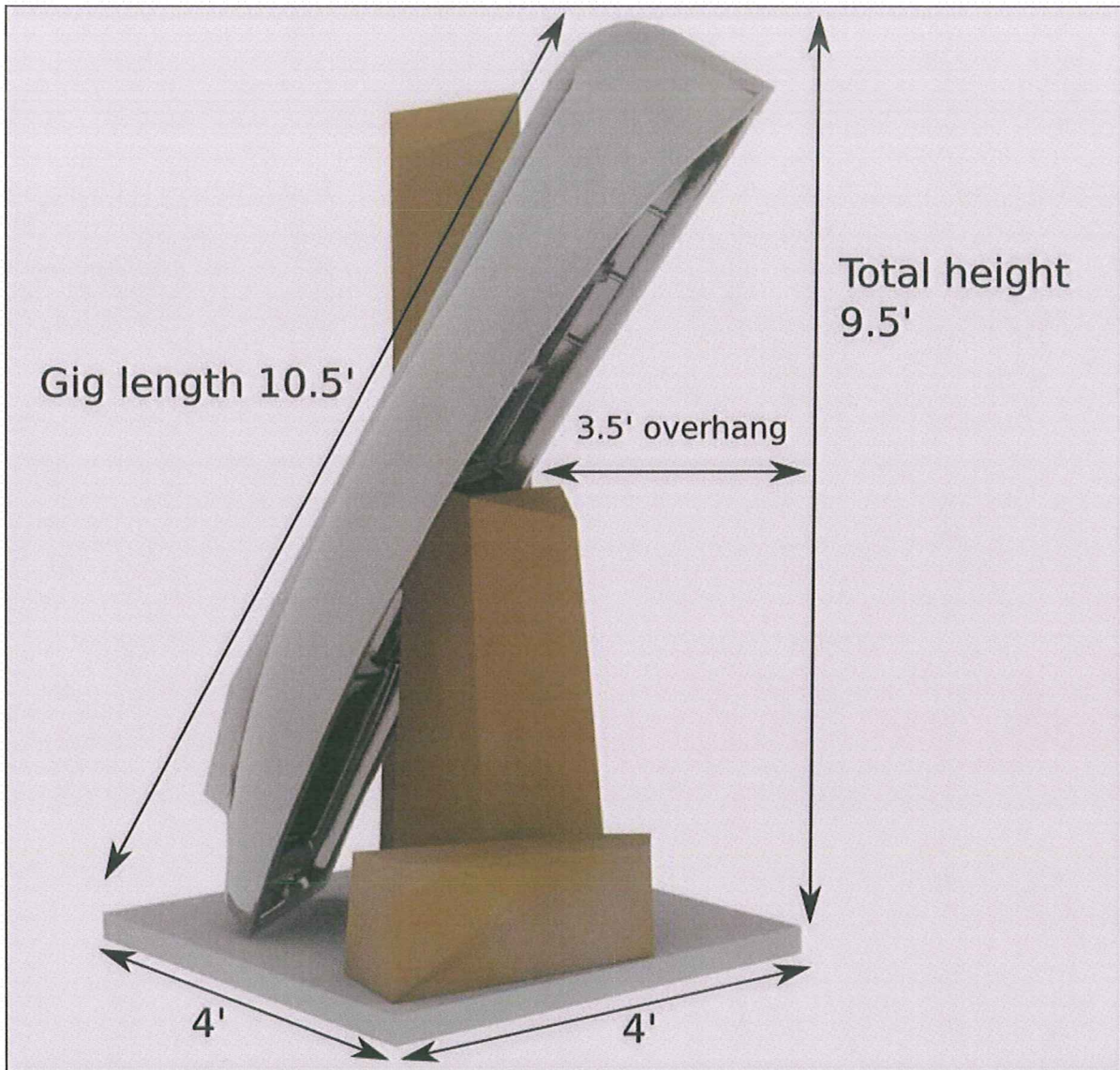
Maritime Pier Public Art
Matthew Dockrey
11220 Fremont Ave N Seattle, WA 98133
206-395-9142 mrd@attoparsec.com

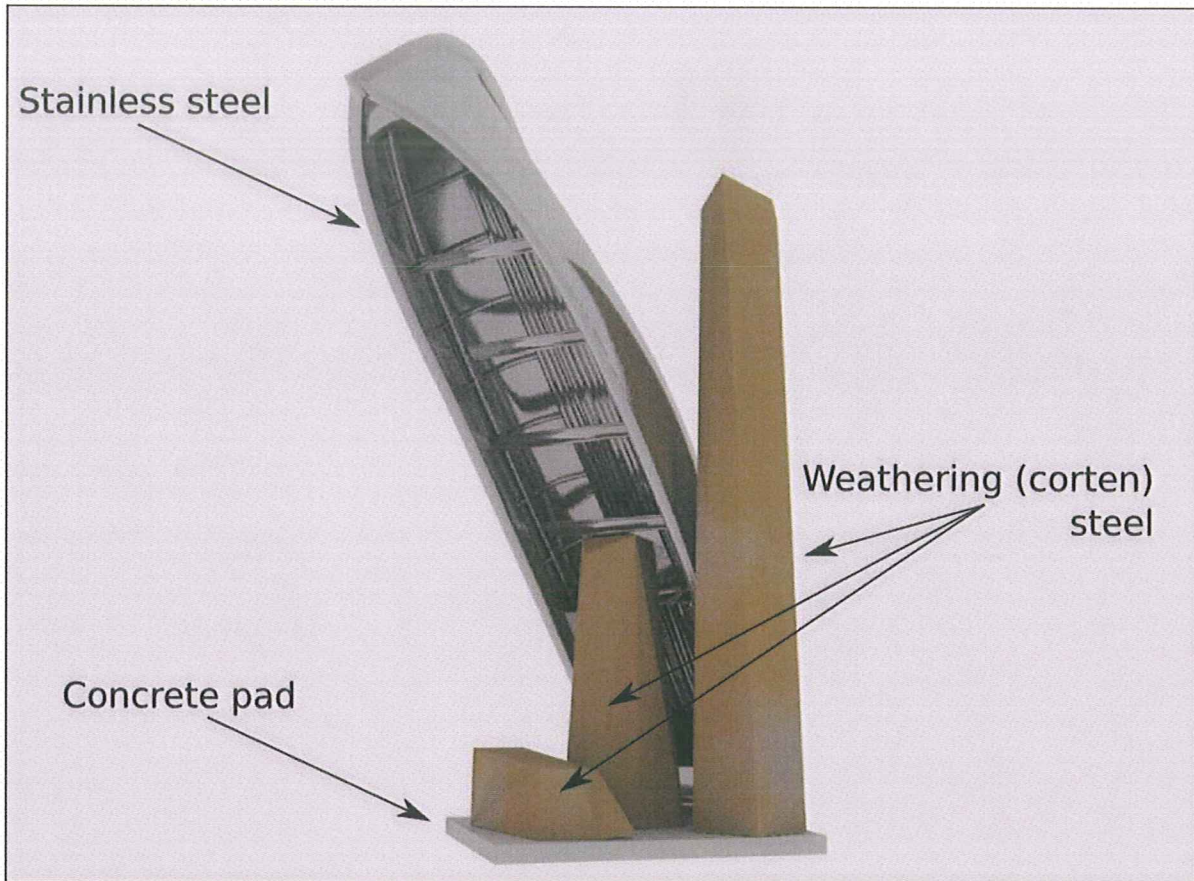
Construction and Installation Schedule

Date	Task
January 2016	Finalize design of the sculptural pieces in CAD
February 2016	Get parts waterjet cut
March-April 2016	Construction of the 4 sculptural pieces Oversee site prep, including creating the jig to guarantee the concrete anchors are placed correctly
May 2016	Transport finished pieces to the site and install

Proposed payment schedule

Invoice	Task	Amount
#1 January 4, 2016	CAD work	\$1000
#2 February 1, 2016	Waterjet	\$4500
#3 March 7, 2016	Construction	\$5500
#4 April 4, 2016	Construction and site prep	\$5500
#5 May 9, 2016	Installation	\$8950
Sub-total		\$25400
State sales tax		\$1650
Total		\$27050







Business of the City Council
City of Gig Harbor, WA

Subject: Harborview Dr. Sidewalk Critical Areas & Habitat Management Plan update – Professional Services Contract – Parametrix, Inc.

Proposed Council Action: Authorize the Mayor to execute Professional Services Contract with Parametrix, Inc in an amount not to exceed \$5,000.00.

Dept. Origin: Public Works/Engineering

Prepared by: Trent Ward, PE
Senior Engineer

For Agenda of: October 26, 2015

Exhibits: Professional Services Agreement with Exhibit A – Scope of Work and Schedule
Exhibit B – Budget & Fee Schedule

Concurred by Mayor:
Approved by City Administrator:
Approved as to form by City Atty:
Approved by Finance Director:
Approved by Public Works Director:
Approved by City Engineer:

Initial &
Date

JG 10-20-15
Ron W 10/19/15
Per email 10/16/15
DF 10/19/15
10-19-15

Expenditure Required	\$ 5,000.00	Amount Budgeted	\$ 383,000.00	Appropriation Required	\$0
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INFORMATION/BACKGROUND

In May 2015, the City authorized a professional services contract with SCJ Alliance for the design of the Harborview Drive Sidewalk Improvement Project, as identified in the 2015-2016 Streets Capital Development Objective No. 4.

During the 30% design development of the project, the City Planning Department determined that pursuant to the City's Shoreline Master Program, the project is within or near the Urban Conservancy Shoreline Designation, and as such the activities proposed – construction of a sidewalk within the right-of-way – is a permitted use pending shoreline development permit and shoreline conditional use permit approvals based upon a critical areas analysis.

The professional services contract with SCJ Alliance did not include a critical areas analysis. However, in 2012, Parametrix completed the Donkey Creek Estuary Restoration and Transportation Improvements Critical Areas Report and Habitat Management Plan which substantially addresses the shoreline development permitting requirements; however, it does not specifically include the construction of the sidewalk under the current project.

As such, this contract scope of work "updates" the work previously completed by Parametrix and addresses the construction of the sidewalk in order to complete the environmental permitting and

final design for the project.

FISCAL CONSIDERATION

This project is included in the City of Gig Harbor 2015/2016 Budget with a budgeted amount of \$383,000. The budget summary for this item is provided in the table below.

The 2015-16 Streets Division – Capital Fund has allocated the following for this project:

2015-16 Budget for Twawelkax Trail, Objective No. 4 (Consists of \$287,000 TIB Sidewalk Grant + \$96,000 City local matching funds)	\$383,000.00
2015 - 2016 Expenses:	
SCJ Alliance Consultant Services Contract (Design)	\$(81,030.00)
Parametrix Professional Services Contract	\$(5,000.00)
Remaining 2015-16 Budget =	\$ 296,970.00

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION/MOTION

Authorize the Mayor to execute Professional Services Contract with Parametrix, Inc in an amount not to exceed \$5,000.00.

**PROFESSIONAL SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
PARAMETRIX, INC.**

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

RECITALS

WHEREAS, the City is presently engaged in the design of the Harborview Sidewalk project and desires that the Consultant perform services necessary to provide the following consultation services; and

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

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

TERMS

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

2. **Payment.**

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00) for the services described in Section 1 herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement. The Consultant's staff and billing rates shall be as described in **Exhibit B – Schedule of Rates and Estimated Hours**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill at rates in excess of the hourly rates shown in **Exhibit B**, unless the parties agree to a modification of this Contract, pursuant to Section 17 herein.

B. The Consultant shall submit monthly invoices to the City after such services have been performed, and a final bill upon completion of all the services described in this Agreement. The City shall pay the full amount of an invoice within forty-five (45) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Consultant of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

3. **Duration of Work.** The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** immediately upon execution of this Agreement. The parties agree that the work described in **Exhibit A** shall be completed by **March 1, 2016**; provided however, that additional time shall be granted by the City for excusable days or extra work.

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

5. **Non-Discrimination.** The Consultant agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, color, creed, religion, national origin, marital status, sex, sexual orientation, age or handicap, except for a bona fide occupational qualification. The Consultant understands that if it violates this provision, this Agreement may be terminated by the City and that the Consultant may be barred from performing any services for the City now or in the future.

6. **Independent Status of Consultant.** The parties to this Agreement, in the performance of it, will be acting in their individual capacities and not as agents, employees, partners, joint ventures, or associates of one another. The employees or agents of one party shall not be considered or construed to be the employees or agents of the other party for any purpose whatsoever.

7. **Indemnification.**

A. The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers, harmless from any and all claims, injuries, damages, losses or

suits including attorneys fees, arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees or volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

8. Insurance.

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

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

1. Business auto coverage for any auto no less than a \$1,000,000 each accident limit, and
2. Commercial General Liability insurance no less than \$1,000,000 per occurrence with a \$2,000,000 aggregate. Coverage shall include, but is not limited to, contractual liability, products and completed operations, property damage, and employers liability, and
3. Professional Liability insurance with no less than \$1,000,000 per occurrence. All policies and coverages shall be on an occurrence basis by an 'A' rated company licensed to conduct business in the State of Washington.

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

D. The City of Gig Harbor shall be named as an additional insured on the Consultant's commercial general liability policy. This additional insured endorsement shall be included with evidence of insurance in the form of a Certificate of Insurance for

coverage necessary in Section B. The City reserves the right to receive a certified and complete copy of all of the Consultant's insurance policies upon request.

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

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

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

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

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

12. Work Performed at the Consultant's Risk. The Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and subconsultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Consultant's own risk, and the

Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Consultant for use in connection with the work.

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

14. Resolution of Disputes and Governing Law.

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

B. If any dispute arises between the City and the Consultant under any of the provisions of this Agreement which cannot be resolved by the City Engineer or Director of Operations determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

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

CONSULTANT:
Parametrix, Inc.
ATTN: Shannon Thompson
4660 Kitsap Way, Suite A
Bremerton, WA 98312
(360) 377-0014

CITY OF GIG HARBOR:
ATTN: Stephen Misiurak
3510 Grandview Street
Gig Harbor, WA 98335
(253) 851-6170


16. Subcontracting or Assignment. The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. If applicable, any subconsultants approved by the City at the outset of this Agreement are named on **Exhibit C** attached hereto and incorporated herein by this reference as if set forth in full.

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

IN WITNESS WHEREOF, the parties have executed this Agreement this _____ day of OCTOBER 19, 20 15.

CONSULTANT

CITY OF GIG HARBOR

By: 
Its: _____

By: _____
Mayor Jill Guernsey

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT A – SCOPE OF WORK

City of Gig Harbor Harborview Sidewalk Critical Areas Report and Habitat Management Plan Addendum

INTRODUCTION

This scope of work (SOW) describes professional services to be performed by Parametrix for the Harborview Sidewalk project. This SOW also contains a proposed schedule; the proposed budget for the work is provided as Exhibit B.

Work to be performed consists of the following tasks:

Task 01 – Project Management and Meetings

Objective

Monitor and manage scope, schedule, and budget; and communicate with the City regarding project status.

Activities

The following activities will be performed:

- Manage and direct the project technical team.
- Provide routine project management and communications (scope, schedule, budget, invoicing, etc.).
- Prepare detailed monthly progress reports and progress billings and submit to the City for approval and payment. The monthly report will include:
 - A narrative of the work performed and the tasks to be performed in the next reporting period and, if necessary, explanation of delays, problems, responsive action requirements by the Consultant and the City, and other project needs.

Deliverables

The following deliverables will be prepared:

- Routine correspondence including monthly progress reports.
- Meeting agendas and notes.

Assumptions

The following assumptions apply to this task:

- Project duration will be 2 months.

Task 2 – Critical Areas Report and Habitat Management Plan Addendum

Objective

Prepare a Critical Areas Report (CAR) and Habitat Management Plan (HMP) Addendum to fulfill project permitting requirements as outlined in the October 8, 2015 email from City staff.

Activities

The following activities will be performed:

- Obtain project information from the City.
- Perform a brief site walk.
- Prepare and submit a CAR and HMP Addendum.

Deliverables

The following deliverables are associated with this task:

- Draft and Final CAR and HMA Addendum

Assumptions

The following assumptions are associated with this task:

- The CAR and HMP addendum will utilize and refer to relevant information provided in the CAR and HMP prepared for the Donkey Creek Estuary and Transportation Improvements project.
- Wetlands delineation performed for the Donkey Creek report are sufficient and no new wetlands delineation will be performed.

SCHEDULE

Work Element	Completed By
NTP	October 26, 2015
Draft CAR and HMP Addendum	November 13, 2015
Final CAR and HMP Addendum	November 27, 2015
Project Close Out	December 26, 2015

Project: Harborview Sidewalk Critical Areas Report And Habitat Management Plan Addendum
Client: City of Gig Harbor

PHASE	TASK	PMX #	STAFF	PM	Sr. Eng D. Dinkuhn	CAD J. Ceralde	WP A. Lucas	Acct. M. Langi	TOTAL HOURS	TOTAL COST
1	1		Project Management and Meetings							
			Project Management (2 mo.)	1				2	3	\$365
			Subtotal	1				2	3	\$365
1	2		CAR and Habitat Management Plan							
			Site Walk		1				1	\$185
			Update PHS Information		1				1	\$185
			CAR and Habitat Management Plan	1	14	6	4		25	\$4,015
			Expenses							\$250
			Subtotal	1	16	6	4		27	\$4,635
			PROJECT TOTAL	2	16	6	4	2	30	\$5,000

Prepared By: D. Dinkuhn, P.E.
 (Senior Engineer)

Approved By: S. Thompson
 (Project Manager)



Business of the City Council City of Gig Harbor, WA

Subject: Updating the Sewer Hydraulic Model – Professional Services Contract – HDR Engineering, Inc.

Proposed Council Action: Authorize the Mayor to execute Professional Services Contract with HDR Engineering, Inc. an amount not to exceed \$16,600.00.

Dept. Origin: Public Works/Wastewater

Prepared by: Jeff Langhelm
Public Works Director

For Agenda of: October 26, 2015

Exhibits: Professional Services Contract
Exhibit A – Scope of Work and
Exhibit B – Schedule of Rates

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Public Works Director:

Approved by City Engineer:

Initial &
Date

JG 10/21/15
PAW 10/21/15
ok'd by email
SR 10/21/15
ADK 10/21/15

Expenditure Required	\$16,600.00	Amount Budgeted	\$16,600.00	Appropriation Required	\$0
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INFORMATION/BACKGROUND

An identified 2015-2016 Wastewater Operating Objective provides for the Updating of the Sewer Hydraulic Model. The model results will aid in updating the flow data and the development of our GIS program.

FISCAL CONSIDERATION

This project is included in the 2015-2016 Wastewater Operating Objectives.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION/MOTION

Authorize the Mayor to execute Professional Services Contract with HDR Engineering, Inc. an amount not to exceed \$16,600.00.

**PROFESSIONAL SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
HDR Engineering, Inc.**

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

RECITALS

WHEREAS, the City is presently engaged in Updating the Sewer Hydraulic Model and desires that the Consultant perform services necessary to provide the following consultation services; and

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

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

TERMS

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

2. **Payment.**

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Sixteen Thousand Six Hundred Dollars (\$16,600) for the services described in Section 1 herein. This is the maximum amount to be paid under this Agreement for the work described in **Exhibit A**, and shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed supplemental agreement.

The Consultant's staff and billing rates shall be as described in **Exhibit B – Schedule of Rates and Estimated Hours**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit B** or bill at rates in excess of the hourly rates shown in **Exhibit B**, unless the parties agree to a modification of this Contract, pursuant to Section 17 herein.

B. The Consultant shall submit monthly invoices to the City after such services have been performed, and a final bill upon completion of all the services described in this Agreement. The City shall pay the full amount of an invoice within forty-five (45) days of receipt. If the City objects to all or any portion of any invoice, it shall so notify the Consultant of the same within fifteen (15) days from the date of receipt and shall pay that portion of the invoice not in dispute, and the parties shall immediately make every effort to settle the disputed portion.

3. **Duration of Work.** The City and the Consultant agree that work will begin on the tasks described in **Exhibit A** immediately upon execution of this Agreement. The parties agree that the work described in **Exhibit A** shall be completed by March 31, 2016; provided however, that additional time shall be granted by the City for excusable days or extra work.

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

5. **Non-Discrimination.** The Consultant agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, color, creed, religion, national origin, marital status, sex, sexual orientation, age or handicap, except for a bona fide occupational qualification. The Consultant understands that if it violates this provision, this Agreement may be terminated by the City and that the Consultant may be barred from performing any services for the City now or in the future.

6. **Independent Status of Consultant.** The parties to this Agreement, in the performance of it, will be acting in their individual capacities and not as agents, employees, partners, joint ventures, or associates of one another. The employees or agents of one party shall not be considered or construed to be the employees or agents of the other party for any purpose whatsoever.

7. **Indemnification.**

A. The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers, harmless from any and all claims, injuries, damages, losses or

v.2014{AXS1249315.DOC;1/00008.900000/ }

suits including attorneys fees, arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees or volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

8. Insurance.

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

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

1. Business auto coverage for any auto no less than a \$1,000,000 each accident limit, and
2. Commercial General Liability insurance no less than \$1,000,000 per occurrence with a \$2,000,000 aggregate. Coverage shall include, but is not limited to, contractual liability, products and completed operations, property damage, and employers liability, and
3. Professional Liability insurance with no less than \$1,000,000 per occurrence. All policies and coverages shall be on an occurrence basis by an 'A' rated company licensed to conduct business in the State of Washington.

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

D. The City of Gig Harbor shall be named as an additional insured on the Consultant's commercial general liability policy. This additional insured endorsement shall be included with evidence of insurance in the form of a Certificate of Insurance for

coverage necessary in Section B. The City reserves the right to receive a certified and complete copy of all of the Consultant's insurance policies upon request.

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

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

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

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

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

12. Work Performed at the Consultant's Risk. The Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and subconsultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Consultant's own risk, and the

Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Consultant for use in connection with the work.

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

14. Resolution of Disputes and Governing Law.

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

B. If any dispute arises between the City and the Consultant under any of the provisions of this Agreement which cannot be resolved by the City Engineer or Director of Operations determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

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

CONSULTANT:
HDR Engineering, Inc.
ATTN: Tim Hume
606 Columbia St. NW, Suite 200
Olympia, WA 98501
(360) 570-4400

City of Gig Harbor
ATTN: Jeff Langhelm
3510 Grandview Street
Gig Harbor, WA 98335
(253) 851-6170

16. Subcontracting or Assignment. The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. If applicable, any subconsultants approved by the City at the outset of this Agreement are named on **Exhibit C** attached hereto and incorporated herein by this reference as if set forth in full.

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

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

CONSULTANT

CITY OF GIG HARBOR

By: _____
Its: _____

By: _____
Mayor Jill Guernsey

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT A - SCOPE OF SERVICES

City of Gig Harbor Wastewater System *Hydraulic Model Physical Update*

The City of Gig Harbor (City) requested HDR, Inc. (HDR) to update the physical component data of the City's wastewater collection system hydraulic model, originally developed by HDR for the City's 2009 Wastewater Comprehensive Plan, by adding new data based on constructed as-built drawing data for components built since the last model update in 2009.

Task 100 - Project Management

Objective

The purpose of this task is to monitor, control, and adjust the scope, schedule, and budget as well as provide monthly status reporting, accounting, and invoicing, and management of the project team including subconsultants in coordination with City staff.

HDR Services

1. Prepare monthly invoices and status reports describing services completed during the period, issues to be addressed, and services planned for the next period.

City Responsibilities

1. Prompt processing and payment of compliant invoices. The City will make one progress payment each month provided they are complete and accurate from the consultant and in the format requested by the City.

Assumptions

1. The project duration is estimated to be 2 months.

Deliverables

1. Monthly reports and invoices

Task 200 – Update Physical Model

Objective

Add new components (pipes and manholes) to the model that have been constructed since the last model was developed in 2009.

HDR Services

1. Review as-built drawings provided by City and add pertinent manhole and pipe data to hydraulic model.

2. Identify discrepancies in data identified during data input.

City Responsibilities

1. Provide the as built drawings desired to be added to the model.
2. Review, respond and direct the resolution of any conflicting data identified by HDR.

Assumptions

1. Budget includes up to 98 labor hours for HDR’s hydraulic modeling staff to input additional physical model data. After receiving as built drawings from City but before beginning input of data to model, HDR will notify City whether all drawings provided can be input within budget allowance, or HDR will estimate the approximate portion of data that can be input.

Deliverables

1. Updated hydraulic model database containing physical attributes
2. Updated map showing pipes/manholes that are included in model.

Fee Estimate for Professional Services

The estimated fee to complete the professional services identified in this Scope of Services is offered on a **time-and-materials basis**. The estimated fee will not be exceeded without prior agreement and authorization between the City and HDR. Following are estimated professional services costs for the tasks provided in this scope of services. The following table is provided only to show the City an approximate breakdown of estimated costs.

Task		Estimated Task Cost
100	Project Management	\$2,000
200	Update Physical Model	\$14,600
	Total	\$16,600

Notes:

- (1) *Direct Expenses are included in the estimated task costs, and may include hourly technology charge, mileage, telephone, printing, and postage.*

Exhibit B – Schedule of Rates and Estimated Hours									
Wastewater Model Update									
HDR ENGINEERING LABOR ESTIMATE									
Task #	Tasks & Subtasks	Hume, Timothy D Project Manager	Habermeier, Eric G Hydraulic Modeler	Tamura, Lisa Y Model QC	French, Cameron C CAD	Cody, Sandy R Project Assistant	Young, Gudrun E Project Controller	Total Hours	
	Billing Rates	218.64	127.42	154.89	95.63	79.82	125.48		
100	Project Management								
	Prepare monthly invoices and progress reports	4	0	0	0	2	8	14	
		4				2	8	14	
200	Update Physical Model								
	Review drawings and input corresponding data	8	80	5	4	1	0	98	
		8	80	5	4	1		98	
	Task Total Hours	12	80	5	4	3	8	112	



Business of the City Council
City of Gig Harbor, WA

Subject: Historic Skansie Netshed –
Lease with Skansie NetShed Foundation

Proposed Council Action: Approve and authorize the Mayor to execute a lease with the Skansie NetShed Foundation to conduct certain programs and to complete a grant for the Skansie Netshed.

Dept. Origin: Administration

Prepared by: Ron Williams

For Agenda of: October 26, 2015

Exhibits: Contract

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Initial & Date

JG 10-20-15
Ron W 10/19/15
PER EMAIL

Expenditure	See Fiscal Consideration below
\$0	

INFORMATION / BACKGROUND

The City entered into a contract with the Coastal Heritage Alliance to make certain improvements to the Skansie Netshed. The Coastal Heritage Alliance secured a grant through the Heritage Capital Projects, administered by the State Historical Society to make those improvements to the netshed and to operate certain programs. For a variety of reasons, the Coastal Heritage Alliance sought to be released from its contract with the city and that request was granted in consultation with the State Historical Society.

The State Historical Society agreed to transfer the rights and obligations of that grant from Coastal Heritage Alliance to the City of Gig Harbor. The city next issued a RFP for any organization which would be willing to carry out the remaining items from that grant, along with operating the netshed per the city's direction. We received one response to that RFP from a new organization known as the Skansie NetShed Foundation. A small RFP committee of the city administrator and councilmember Kadzik reviewed the RFP and agreed that the organization met the minimum requirements of the city. Attached is a proposed lease between the city and the Skansie NetShed Foundation to carry out the remaining items on the grant list and to operate the netshed on behalf of the city.

FISCAL CONSIDERATION

There remains \$29,540.00 of available grant funds to complete the work left to do under this contract. The representatives of the State Historical Society has made assurances that there will be enough money available to pay for the remaining work to be done,

however the contract language does not necessarily reduce such assurances to writing. New Business - 1
The city does not propose to pay the Skansie NetShed Foundation for their work under this Page 2 of 43
lease, but instead will lease the building for \$1 per year.

RECOMMENDATION / MOTION

Move to: Approve and authorize the Mayor to execute the attached lease with the Skansie NetShed Foundation for operation of the Skansie Netshed.

**LEASE AGREEMENT
BETWEEN THE CITY OF GIG HARBOR
AND THE SKANSIE NETSHED FOUNDATION**

THIS LEASE AGREEMENT, entered into by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter referred to as "Lessor" or the "City") and the Skansie NetShed Foundation, a 501(c)(3) non-profit corporation (hereinafter referred to as "Lessee" or the "Foundation").

W I T N E S S E T H:

WHEREAS, the City owns the property located at 3207 Harborview Drive, Gig Harbor, WA (hereinafter referred to as the "Property") which includes the building commonly known as the Skansie Net Shed; and

WHEREAS, the Skansie Net Shed was used in the past for the construction and repair of commercial fishing nets and related fishing gear and equipment; and

WHEREAS, Lessee has proposed that it lease the Skansie Net Shed to perpetuate the historic function of the site; and

WHEREAS, Lessee also proposes to use the Skansie Net Shed as a gathering place where commercial fishing family heritage comes alive through direct experience and where the historical and contemporary working waterfront is enjoyed, preserved and passed along to future generations; and

WHEREAS, Lessee proposes to use the Skansie Net Shed to provide opportunities for the public to experience a seafaring culture and a variety of vocationally-based maritime educational programming; and

WHEREAS, the City reserves the right to use the facility at no cost for special events in coordination and consideration of Lessee's schedule of events and programming; and

WHEREAS, the benefits derived by the public from Lessee's activities (as specifically detailed in Section 5 herein) are sufficient that the City is willing to lease the Premises to the Lessee for one dollar per year; and

Trust For Historic Preservation for the partial restoration of the Skansie Net Shed, and the grant has been extended to provide until June 30, 2017, to complete work under the grant; and

WHEREAS, this Lease includes provisions for the Lessee to complete the remaining restoration work under the grant on a reimbursement basis; and

WHEREAS, given the limitations on the use of the premises as generally described above and more specifically described in the Terms Section of this Lease, the parties hereto agree as follows:

T E R M S

1. Purpose and Identification of the Premises. The purpose of this Agreement is to lease the portion of the Skansie Net Shed property outlined on the map marked Exhibit A, which is attached hereto and incorporated herein by this reference. The tax description of the Property is:

Section 08 Township 21 Range 02 Quarter 21 PARCEL A DBLR 2004-06-02-5005 DESC AS FOLL COM AT NW COR SEC 8 TH S 88 DEG 18 MIN 20 SEC E ALG NLY LI SD SEC 1797.63 FT TO INTER OF ROSEDALE ST NW & HARBORVIEW DR NW TH S 88 DEG 18 MIN 46 SEC E 35.31 FT TO ELY R/W & POB TH N 30 DEG 08 MIN 34 SEC W 20.70 FT TH N 28 DEG 30 MIN 24 SEC W 12.52 FT TH N 37 DEG 22 MIN 14 SEC E 176.57 FT TH S 52 DEG 37 MIN 46 SEC E 60 FT TH S 37 DEG 22 MIN 14 SEC W 59.5 FT TO GOVT ML TH S 33 DEG 38 MIN 46 SEC E 108.49 FT TO MEANDER COR BET SECS 8 & 5 TH S 68 DEG 56 MIN 21 SEC E 149.27 FT TH S 34 DEG 03 MIN 39 SEC W 257.22 FT TH N 30 DEG 08 MIN 34 SEC W 313.96 FT TO POB TOG/W 2ND CL TDLDS ABUTT COMB OF 2-020, 2-019, 02-21-05-3120 & 765000-011-0 SEG 2005-1190BL 01-26-05BL

The leased portion includes what is commonly known as the Skansie Net Shed. In addition to the Skansie Net Shed, this Lease shall include the exclusive right to use the two mooring pilings and the tidal grid; as well as the non-exclusive right to use the outside areas of the Skansie Brothers Park as shown on Exhibit A, along with reasonable entry and egress to the Skansie Net Shed building. The area shown in the outline in Exhibit A is defined to be the "Premises." The leased area does not include the tidelands adjacent to the Premises.

2. Conditions Precedent to Possession. In the event of the City's inability to deliver possession of the Premises as described herein, neither Lessor nor any of its officers, employees or agents shall be liable for any damage caused thereby.

3. Inspection. Other than set forth to the contrary herein, the City makes no representation regarding the condition of the Premises, improvements located on the Premises, the suitability of the Premises for Lessee's permitted use, or the existence of

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hazardous substances on the Premises. Lessee has inspected the Premises as it exists at the time of the signing of this document and accepts it "as is".

4. Use.

A. Lessee shall commit to a minimum of 300 hours of programming in the first full calendar (January 1 through December 31) year and a minimum of 400 hours of programming, the second full calendar year and a minimum of 600 hours per calendar year thereafter. One hour equals one hour of programming for one participant. The purpose of the programming is to pursue for the public's benefit the interpretation of historic and contemporary commercial fishing family cultural heritage. Activities shall include, but not be limited to, any combination of three or more of the following maritime heritage programs (free or for a fee), unless the City otherwise approves other activities.

1. The construction, repair and restoration of commercial fishing gear and equipment, both historic and contemporary in nature. (Some activities, like net construction and the loading and unloading of objects may periodically go beyond the confines of the building described in this lease.)
2. Public presentations (e.g. skills demonstrations, oral histories, documentaries, guest presenters, visiting cultural tradition bearers and artisans)
3. Heritage tourism. Lessee agrees to explore the possibility of conducting tours aboard historic fishing vessels of Gig Harbor and/or surrounding areas.
4. Documentation projects of fishing families and net shed activities (e.g. still and video photography, audio recordings, media coverage to promote Gig Harbor's fishing culture.)
5. Structured and university accredited internship opportunities for students of Historic Preservation, Cultural Sustainability, Museum Studies, Folklore, Anthropology and other related disciplines.
6. Organized seafaring apprenticeships (job training and placement) for those interested in learning the skills necessary to qualify for a crew position on commercial fishing vessels, thereby helping to sustain the contemporary fishing culture (e.g. net mending, rigging, navigation, boat handling, deck duties, fish boat cooking, ships caulking, vessel maintenance).
7. Fresh fish vending.

B. Lessee will also provide the following for public access and benefit:

1. Year-round interpretive signs and displays.
2. Observation area(s) where the public can view net construction and educational activities from the interior of the building. Such observation areas shall be open to the public when net construction and educational activities are occurring, and the lessee shall indicate with exterior signage, clearly visible to the public, that the building is open.
3. Retail sales of items related to maritime heritage activities.

C. Record keeping. Lessee promises to provide the City with a written report and supporting documentation of the activities performed by Lessee during the prior year by March 31 of each year. Lessee shall review and reevaluate with the City, at 5-year increments, the Lessee's performance of the activities described in Subsection A. In the event that Lessee does not perform as required by this section, the City may institute the procedures set forth in Section 25 to demand remedy of the default and terminate the Lease.

5. Restoration Work; Reimbursement. Lessee agrees to complete the remaining work and capital improvements set forth on Attachment B (the "Restoration Work") to the Washington State Historical Society Grant Agreement, attached hereto as Exhibit B and incorporated herein by this reference (the "Grant"). All Restoration Work must be performed in accordance with the terms of the Grant, including the payment of prevailing wages where required by law, and must be completed no later than June 30, 2017 in order to be eligible for reimbursement. As each of the seven items of Restoration Work are completed, the Lessee shall submit an invoice supported by invoices and documentation of the costs and proof of payment to the City. The City will reimburse Lessee the costs of the Restoration Work where in compliance with the Grant and approved for reimbursement by the Washington State Historical Society.

6. Rent and Consideration for Lease.

A. Lessee's Lease is specifically conditioned on its performance of the activities described in Section 4, "Use", as the consideration for the rent of the Premises, and Lessee's failure to timely perform those activities may result in termination of the Lease.

B. The City agrees to lease the Premises to Lessee for one dollar per year, in exchange for Lessee's agreement to perform the public benefit activities specifically described in Section 4 "Use" above, on the deadlines set forth therein, as well as all other terms of this lease.

7. Term.

A. The term of this Lease shall commence on the date this Lease Agreement is executed by both of the duly authorized representatives of the parties. This Lease shall terminate on December 31, 2035, unless terminated sooner pursuant to the terms and conditions of this Lease. Nothing herein shall obligate the City to enter into any additional Lease Agreements or addenda with the Lessee in the future.

B. Hold Over. If the Lessee remains in possession of the Premises after the Termination Date, the occupancy shall not be an extension or renewal of the Term.

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The occupancy shall be a month-to-month tenancy, on terms identical to the terms of this Lease, which hold-over occupancy may be terminated by either party on thirty (30) days' notice.

8. Restrictions on Use.

A. Lessee agrees that the following activities may occur on the Premises and no others and that these activities shall be conducted in compliance with all applicable regulations. In the event Lessee desires to conduct an activity that is not identified below, Lessee shall make written application to be able to conduct such activity to the City. The City's decision shall be final.

1. The display and interpretation of traditional and contemporary commercial fishing objects and equipment.
2. The display and interpretation of both historic and modern commercial fishing vessels (upon the restoration of the net shed dock).
3. The construction and repair of commercial fishing gear and equipment.
4. The reproduction, repair and restoration of fishing vessel components as related to the net shed's historic use by the Skansie family.
5. The hosting of public gatherings for educational and fund raising purposes.
6. The retail sale of Lessee's mission-related goods and services.
7. Vessel loading and unloading of persons and goods as pertains to Lessee's dock).

B. Lessee shall use the Premises only for the purposes and activities identified herein. Lessee acknowledges that the City has agreed to execute this Lease with Lessee under the terms and conditions set forth, with the understanding that Lessee is a non-profit organization, and shall retain that status throughout the term of this Lease. The use of the Premises by the Lessee shall not be of a religious or partisan political nature. Such use shall be made in a responsible and prudent manner continuously during the terms of the Lease. Lessee shall neither permit on the Premises any act or storage that may be prohibited under standard forms of fire insurance policies, nor use the Premises for any such purpose.

C. Lessee shall not intentionally cause or permit any damage to the Premises or any other portion of the Property. Lessee shall also not cause or permit any release of a hazardous substance or any filling activity to occur on the Property. This prohibition includes any deposit or spill of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other hazardous substances or pollutants, or other matter in or on the Property, except as approved in writing by the City.

D. Lessee shall not permit any waste, damage or injury to the Premises, use the Premises for anything that will increase the rate of insurance, maintain anything on the Premises that may be hazardous to life or limb, permit any objectionable odor,

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permit anything to be done on the Premises or use the Premises in any way that tends to create a public or private nuisance not in keeping with the waterfront commercial zoning, historical waterfront commercial net shed activities, and applicable state and local laws; or use or permit the Premises to be used for lodging or sleeping purposes.

E. The prohibitions in this Section against damage to natural resources, filling, deposition of any unapproved materials, and waste, shall also apply to protect any City, private, or state-owned aquatic lands adjacent to the Premises from any of Lessee's activities related to Lessee's occupation of the Premises. All obligations imposed by this Section on Lessee to cure any violation of the prohibited activities in this Section shall also extend to City, private, or state-owned aquatic lands adjacent to the Premises when the violation arose from the Lessee's activities related to Lessee's occupation of the Premises.

9. Conformance with Laws. The Lessee shall, at all times, keep current and comply with all conditions and terms of any permits, licenses, certificates, regulations, ordinances, statutes and other government rules and regulations regarding its use or occupancy of the Premises. Lessee agrees that it will not perform any activity on the Premises without obtaining the necessary permits from the agency(ies) with jurisdiction. Lessee agrees that the performance of such activities without the required permits may cause a breach of this Lease and render the Lessee liable in any resulting enforcement action, which may include penalties, costs or attorney's fees. The City makes no warranties concerning permit requirements. Lessee is solely responsible for determining permit requirements and conformance with such permits.

10. Environmental Liability/Risk Allocation.

A. Definition. "Hazardous Substance" means any substance which now or in the future becomes regulated or defined under any federal, state or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection, contamination or cleanup, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601 et seq. and Washington's Model Toxics Control Act ("MTCA"), RCW 70.105D.010 et seq.

B. Use of Hazardous Substances. Lessee covenants and agrees that Hazardous Substances will not be used, stored, generated, processed, transported, handled, released or disposed of in, on, under or above the Premises, except in accordance with applicable laws.

C. Current Conditions, Duty of Utmost Care and Duty to Investigate. The City makes no representation about the condition of the Property or Premises. Hazardous Substances may exist in, on, under or above the Premises. With regard to any Hazardous Substances that may exist in, on, under or above the Property, the City disclaims any and all responsibility to perform investigations, or to review any City

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records, documents or files, or to obtain or supply any information to the Lessee.

The Lessee shall use the utmost care with respect to both Hazardous Substances in, on under or above the Premises, and any Hazardous Substances that are discovered to be located in, on, under or above the Premises during the term of this Lease, along with the foreseeable acts or omissions of third parties affecting those Hazardous Substances, and the foreseeable consequences of those acts and omissions.

D. Notification and Reporting. The Lessee shall immediately notify the City if the Lessee becomes aware of any of the following:

- 1) A release or threatened release of Hazardous Substances in, on, under or above the Property, any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Premises;
- 2) Any problem or liability related to, or derived from, the presence of any Hazardous Substance in, on, under or above the Property, any adjoining property subject to use by the Lessee in conjunction with its use of the Property;
- 3) Any actual or alleged violation of any federal, state or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Premises, or Property, any adjoining property or any other property subject to use by the Lessee in conjunction with its use of the Premises;
- 4) Any lien or action with respect to any of the foregoing; or
- 5) Any notification from the U.S. Environmental Protection Agency (EPA) or the Washington State Department of Ecology (DOE) that remediation or removal of Hazardous Substances is or may be required at the Property or concerning alleged permit violations.

Upon request, the Lessee shall provide the City with copies of any and all reports, studies, or audits which pertain to environmental issues or concerns associated with the Property, and which were prepared for the Lessee and submitted to any federal, state or local authorities pursuant to any federal, state or local permit, license or law. These permits include, but are not limited to, any National Pollution Discharge and Elimination System Permit, any Army Corps of Engineers permit, any State Hydraulics permit, any State Water Quality certification, or any Substantial Development Permit.

E. Indemnification – Hazardous Substances.

1. The Lessee shall fully indemnify, defend and hold the City harmless from and against any and all claims, demands, damages, natural resource damages, response costs, remedial costs, clean-up costs, losses, liens, liabilities, penalties, fines, lawsuits, other proceedings, costs and expenses (including attorney's fees and disbursements), that arise out of or are in any way related to:

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(i) The use, storage, generation, processing, transportation, handling or disposal of any Hazardous Substance by the Lessee, its contractors, agents, employees, guests, invitees or affiliates in, on, under or above the Premises or any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Premises, during the Term of this Lease or during any time when the Lessee occupies or occupied the Premises;

(ii) The release or threatened release of any Hazardous Substance, or the exacerbation of any Hazardous Substance contamination, in, on, under or above the Premises or any adjoining property, or any other property subject to use by the Lessee in conjunction with its use of the Premises, which release, threatened release, or exacerbation occurs or occurred during the Term of this Lease or during any time when the Lessee occupies or occupied the Premises or the Property.

2. In addition to the indemnifications provided in this Section, the Lessee shall fully indemnify the City for any and all damages, liabilities, costs or expenses (including attorney's fees and disbursements) that arise out of or are in any way related to the Lessee's breach of the obligations of this Section and Sections 8 and 9 herein. This obligation is not intended to duplicate the indemnity provided within this Section and applies only to damages, liabilities, costs or expenses that are associated with a breach of such Sections and which are not characterized as a release, threatened release or exacerbation of Hazardous Substances. The Lessee and City acknowledge that this indemnification section is not intended to indemnify the City for any pre-existing conditions or for any discharges related to the City's storm water drainage system or any other third party releases.

F. Cleanup. If a release of Hazardous Substances occurs in, on, under or above the Premises or any other City-owned property arising out of any action or inaction of Lessee, the Lessee shall, at its sole expense, promptly take all actions necessary or advisable to clean up the Hazardous Substances. Cleanup actions shall include, without limitation, removal, containment and remedial actions and shall be performed in accordance with all applicable laws, rules, ordinances, and permits. The Lessee shall also be solely responsible for all cleanup, administrative and enforcement costs of governmental agencies, including natural resource damage claims, arising out of any action, inaction, or event described herein.

G. Sampling by City, Reimbursement and Split Samples. The City may conduct sampling, tests, audits, surveys or investigations ("Tests") of the Premises or the Property at any time to determine the existence, scope or effects of Hazardous Substances on the Premises, the Property, or any adjoining property in conjunction with its use of the Premises, or any natural resources. If such tests, along with any other information, demonstrate the existence, release, or threatened release of Hazardous Substances arising out of any action or inaction of Lessee, the Lessee shall

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promptly reimburse the City for all costs associated with such tests.

11. Assumption of Risk. The placement and storage of personal property on the Premises by Lessee shall be the responsibility, and at the sole risk, of Lessee.

12. Restroom Facilities. The parties acknowledge that the Premises has no restroom facilities. However, existing restrooms located on the Park grounds will be available for use by the Lessee and the Lessee's program participants.

13. Utilities. The City agrees to allow the lessee to use, at no charge, the existing electricity and water located in the Park.

14. Leasehold Taxes. Lessee shall pay promptly, and before they become delinquent, the leasehold excise tax under chapter 82.29A RCW and all other taxes on merchandise and personal property, whether existing on the Premises at the time of the execution of this Lease or at any time during the term of this Lease.

15. Liens. Lessee shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Lessee. Lessee shall not suffer or permit any lien to be filed against the Premises or any part thereof or the Lessee's leasehold interest, by reason of work, labor, services or materials performed or supplied to Lessee or anyone holding the Premises or any part thereof under the Lessee. If any such lien is filed against the Premises, Lessee shall hold the Lessor harmless from any loss by reason of the lien and shall cause the same to be discharged of record within thirty (30) days after the date of filing of same.

16. Indemnification and Waiver. In addition to the indemnification obligations in Section 10 herein, Lessee agrees to defend, indemnify, and hold harmless the Lessor, its officers, elected officials, employees and volunteers harmless from any and all claims, injuries, penalties, damages, losses or suits, including costs and attorney's fees, arising out of or in connection with the performance of this Lease or Lessee's enjoyment of the Premises, except for injuries or damages caused solely by the negligence of the Lessor, its officers, officials, employees and volunteers. In the event of liability for injuries or damages which are the result of the concurrent negligence of the Lessee and Lessor, each party shall be responsible only to the extent of its own negligence.

In addition to the above, Lessee shall provide a waiver of right of subrogation releasing and relieving the Lessor from responsibility and waiving the entire claim or right of recovery for any loss or damages to the Premises, any of Lessee's improvements placed on the Premises, any personal property located anywhere on the Premises, or any other loss sustained by the Lessee, including earlier termination of this Lease by destruction of the Premises through natural causes or any other reason, and whether any such loss is insured or not and irrespective of the cause of such loss.

Lessee hereby agrees and acknowledges that any loss of Lessee's property, including personal property or any improvements made to the Premises by the Lessee, is the responsibility of the Lessee. If, for any reason, the Lessee's personal property/improvements or the leased improvements on the Premises are destroyed or otherwise become uninhabitable, Lessor shall not be obligated to make any payments to Lessee related to such loss.

It is further specifically and expressly understood that the indemnification provided herein and in Section 10 constitute Lessee's waiver of immunity under RCW Title 51, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this Section and Section 10 survive the expiration or termination of this Lease.

17. Insurance Purchased by Lessee. At its own expense, the Lessee shall procure and maintain during the Term of this Lease, the insurance coverages and limits described in this Section. This insurance shall be issued by an insurance company or companies admitted and licensed by the Insurance Commissioner to do business in the State of Washington. Insurers must have a rating of A or better by "Best's Insurance Reports," or a comparable rating by another rating company acceptable to the City. If non-admitted or non-rated carriers are used, the policies must comply with chapter 48.15 RCW.

A. Types of Required Insurance.

(1) Commercial General Liability Insurance. The Lessee shall procure and maintain Commercial General Liability Insurance covering claims for bodily injury, personal injury, or property damage arising on the Property and/or arising out of the Lessee's operations. If necessary, commercial umbrella insurance covering claims for these risks shall be procured and maintained. Insurance must include liability coverage with limits not less than those specified below:

Description

Each Occurrence	\$1,000,000
General Aggregate Limit	\$2,000,000

The City may impose changes in the limits of liability:

- (i) Upon a material change in the condition of the Premises or any improvements;
- (ii) Upon any breach of the Sections in this Lease relating to Hazardous Substances;
- (iii) Upon a change in the Permitted Use.

New or modified insurance coverage shall be in place within thirty (30) days

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after changes in the limits of liability are required by the City.

B. **Terms of Insurance.** The policies required under Subsection A shall name the City of Gig Harbor as an additional insured. Furthermore, all policies of insurance described in this Section shall meet the following requirements:

- 1) Policies shall be written as primary policies not contributing with and not in excess of coverage that the City may carry;
- 2) Policies shall expressly provide that such insurance may not be canceled or non-renewed with respect to the City except upon forty-five (45) days prior written notice from the insurance company to the City;
- 3) To the extent of the City's insurable interest, property coverage shall expressly provide that all proceeds shall be paid jointly to the City and the Lessee;
- 4) All liability policies must provide coverage on an occurrence basis; and
- 5) Liability policies shall not include exclusions for cross liability.

C. **Proof of Insurance.** The Lessee shall furnish evidence of insurance in the form of a Certificate of Insurance satisfactory to the City accompanied by a checklist of coverages provided by the City, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements described in this Section, and, if requested, copies of policies to the City. The Certificate of Insurance shall reference the City of Gig Harbor and this Lease. Receipt of such certificates or policies by the City constitute approval by the City of the terms of such policies. The Lessee acknowledges that the coverage requirements set forth herein are the minimum limits of insurance the Lessee must purchase to enter into this Lease Agreement.

These limits may not be sufficient to cover all liability losses and related claim settlement expenses. Purchase of these limits of coverage does not relieve the Lessee from liability for losses and settlement expenses greater than these amounts.

18. **Care of Premises.** At the commencement of this Lease, Lessee and the City shall conduct a walk-through of the Premises to memorialize its condition. Both parties are encouraged to photograph and video-record the walk-through. The condition of the Premises at the time of the walk-through shall constitute the baseline by which Lessee must maintain the Premises, normal wear and tear excepted. Lessee shall not be responsible for any defects in the Premises or non-conformance with any applicable code, statute, ordinance or regulation that pre-existed the completion of the restoration of the Premises. Lessee shall at all times during the term of the Lease, maintain the Premises to substantially comply with any applicable code, statute, ordinance or regulation governing its maintenance or operation, and make all repairs and arrangements necessary to put and keep the Premises in good condition, except as noted in the following paragraph. Lessee shall undertake these responsibilities at its

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own cost and expense, and the Lessor shall not be called upon to pay for any repairs, alterations, additions or improvements to the Premises, other than as stated in this Lease Agreement and in the next paragraph. Lessee shall not permit any waste, damage or injury to the Premises; use the Premises for anything that will increase the rate of fire insurance; maintain anything on the Premises that may be hazardous to life or limb; overload the floors; permit any objectionable noise or odor, if not in keeping with the historical waterfront commercial net shed activities and applicable state and local laws, to escape or to be emitted from the Premises; permit anything to be done on the Premises that may in any way tend to create a nuisance, or use or permit the Premises to be used for lodging or sleeping purposes.

HVAC/Heating maintenance, fire sprinkler system maintenance, plumbing, electrical, pest control, roof maintenance, exterior painting, foundation, furnace maintenance and any general maintenance repairs the sum for which exceeds \$1,000 annually will be paid by the City. After January 1, 2017, this amount shall be increased annually in the amount equal to the CPI-U for the Seattle-Tacoma-Bremerton area, June to June from the year prior. The City shall have the discretion to determine which activities shall be done, when they shall be done and the extent of such repair and/or maintenance.

19. Contractor's Bonds. At the City's option, Lessee shall require each contractor used by Lessee to perform any demolition or construction work in connection with any improvement, alteration, or addition made to the Premises solely by Lessee, to secure and maintain, at no cost to the City, a contract or performance bond, payable to Lessee and the City, in the full amount of the contract, conditioned that all the provisions of the contract shall be faithfully performed by the contractor, or the surety if so required, and indemnifying the Lessee and the City against any direct or indirect damages that shall be suffered or claimed for injuries to persons or property during the carrying out of the work of the contract, and conditioned as required by law for the payment of all laborers, mechanics, subcontractors and material-men, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

20. Alterations. Prior to the Lessee's construction, alteration, replacement, removal or major repair of any improvements on the Premises, the Lessee shall submit to the City plans and specifications which describe the proposed activity. Construction shall not commence until the City has approved those plans and specifications in writing. The plans and specifications shall be deemed approved and the requirement for the City's written consent shall be treated as waived, unless the City notifies the Lessee otherwise within sixty (60) days. At the time the Lessee submits the proposed plans and specifications, the Lessee will declare if the Lessee intends for the improvements to remain at the Premises at the conclusion of the Lease. If the Lessee makes such declaration, the City shall declare that the Lessee must remove the improvements upon the termination of the Lease at the Lessee's expense or that the improvements shall remain at the Premises at no removal-expense to Lessee. Upon completion of construction, the Lessee shall promptly provide the City with as-built plans and

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specifications. Lessee agrees to comply with all laws, ordinances, rules and regulations of any proper public authority in the construction of any improvements or repair, and to save the Lessor harmless from damage, loss or expense. After notice of termination of this Lease, and upon Lessor's request or Lessor's approval, the Lessee shall remove such improvements and restore the Premises to its original condition not later than the termination date, at Lessee's sole cost and expense. If the Lessee-Owned improvements remain on the Premises or Property after the termination date without the City's consent, they will become the property of the City, but the City may remove them and the Lessee shall pay the cost of removal and disposal upon the City's demand.

21. Access. Lessee shall allow Lessor, its officials, employees and agents free access at all reasonable times to the Premises in addition to the access required for environmental matters in Section 10. Nothing herein shall prevent the City's access or free use of the remainder of the Skansie Net Shed Property. Areas of public access are shown in Exhibit B, attached hereto and incorporated herein by this reference.

22. Condemnation. In the event of the taking of the Premises by condemnation or otherwise by any governmental, state or local authority, this Lease shall be deemed terminated as of the date the condemning authority elects to take possession. Lessee shall have no claim to, nor shall it be entitled to, any portion of any condemnation award for damages to the Premises or relocation costs.

23. Fire and Other Casualty. In the event that the Premises are destroyed or damaged by fire, earthquake or other casualty not the fault of the Lessor, and any damage is to such an extent as to render the Premises untenable by the Lessee in whole or substantial part, Lessor shall have the option to terminate this Lease immediately without any further liability or obligation to Lessee. The decision whether the Premises are untenable shall be made by the Lessor, after discussion with Lessee on the feasibility of repair.

24. Signs. All signs or symbols placed on the Premises by Lessee shall be in coordination with the Lessor and shall be subject to the prior approval of Lessor. Lessor reserves the right to co-locate its signs and/or logos on the interior and exterior of the building. In the event Lessee shall place signs or symbols on the Premises not acceptable to Lessor, Lessor may demand immediate removal of such signs or symbols and Lessee shall remove such signs or symbol within 24 hours of notice from Lessor. Any signs placed on the Premises shall be removed on termination of this Lease and any resulting damage to the Premises caused by such sign or symbol shall be repaired by Lessee.

25. Default and termination. In the event Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed or performed by Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from Lessor, or such shorter period as may be reasonable under the

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circumstances; or if Lessee shall abandon, desert, vacate or otherwise leave the Premises; then, in such event, Lessor, at its option, may terminate this Lease together with all of the estate, right, title and interest thereby granted to or vested in Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and Lessor may re-enter the Premises using such force as may be required.

Lessor shall not be in breach of any obligation to perform under this Lease unless Lessor fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after written notice by the Lessee to Lessor specifying the particular obligation that Lessor has failed to perform; Provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for performance, then Lessor shall not be in breach if Lessor commences performance within the 30 day period, and thereafter diligently prosecutes the same to completion.

26. No Relationship. In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of Lessee or any party associated with Lessee in the conduct of Lessee's business or otherwise. This Lease does not make Lessee the agent or legal representative of the City for any purpose whatsoever.

27. Surrender of Premises. Upon expiration or termination of this Lease, including any extensions thereof, Lessee shall quit and surrender the Premises without notice, and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee.

28. Modification, Waiver. No waiver, alteration or modification of any of the provisions of this Lease shall be binding unless in writing and signed by a duly authorized representative of the parties.

29. Entire Agreement. The written provisions of this Lease shall supersede all prior verbal statements of any officer or representative of the Lessor, and such statements shall not be effective or be construed as entering into, forming a part of, or altering in any manner whatsoever, this Lease. The entire agreement between the parties with respect to the subject matter of this Lease is contained herein.

30. Non-Waiver of Breach. The failure of either party to insist upon strict performance of any of the covenants and agreements contained in this Lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such covenant, agreement or option, or any other covenant, agreement or option.

31. Assignment and Subletting. The Lessee shall not, under any circumstances whatsoever, assign this Lease or sublet Premises.

32. Disputes, Governing Law. Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Lease which cannot be resolved between the parties within a reasonable period of time, any resulting litigation shall be filed in Pierce County Superior Court, Pierce County, Washington. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

33. Time is of the Essence. Time is of the essence as to each and every provision of this Lease.

34. Attorney's Fees. The prevailing party in any action or proceeding brought to enforce this Lease shall be entitled to recover its reasonable attorney's fees, costs and expenses in connection with such action or proceeding from the other party. In addition, the Lessee agrees to pay all of the Lessor's attorneys' fees and costs necessitated by the Lessee's failure to comply with any of the provisions of this Agreement, including but not limited to notices, legal fees and costs arising from third party actions against the Lessor arising from acts or omissions of the Lessee related to this Agreement. The rights and remedies of the City under this Lease are cumulative and in addition to all other rights and remedies afforded to the City by law or equity or otherwise.

35. Notices. Notices required to be in writing under this Lease shall be sent by registered or certified mail as follows:

Skansie NetShed Foundation
3309 56th St. NW, Suite 107
Gig Harbor, WA 98335
Attn: Andy Babich
President

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

36. Severability. If any section or provision of this Lease shall be held by a court of competent jurisdiction to be unenforceable, this Lease shall be construed as though such section or provision had not been included in it, and the remainder of the Lease shall be enforced as the expression of the parties' intentions. If any section or provision of this Lease is found to be subject to two constructions, one of which would render such section or provision invalid and one of which would render such section or provision valid, then the latter construction shall prevail.

IN WITNESS WHEREOF, the parties have executed this instrument this _____
_____ day of _____, 2015.

LESSOR:

LESSEE:

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CITY OF GIG HARBOR

SKANSIE NETSHED FOUNDATION

By: _____
Mayor Jill Guernsey

By: _____
Its: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

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

Dated: _____

Printed: _____
NOTARY PUBLIC in and for the State
of Washington
Residing at: _____
My Commission expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the _____ of The Skansie NetShed Foundation, a Washington non-profit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Printed: _____
NOTARY PUBLIC in and for the State
of Washington
Residing at: _____
My Commission expires: _____

EXHIBIT A

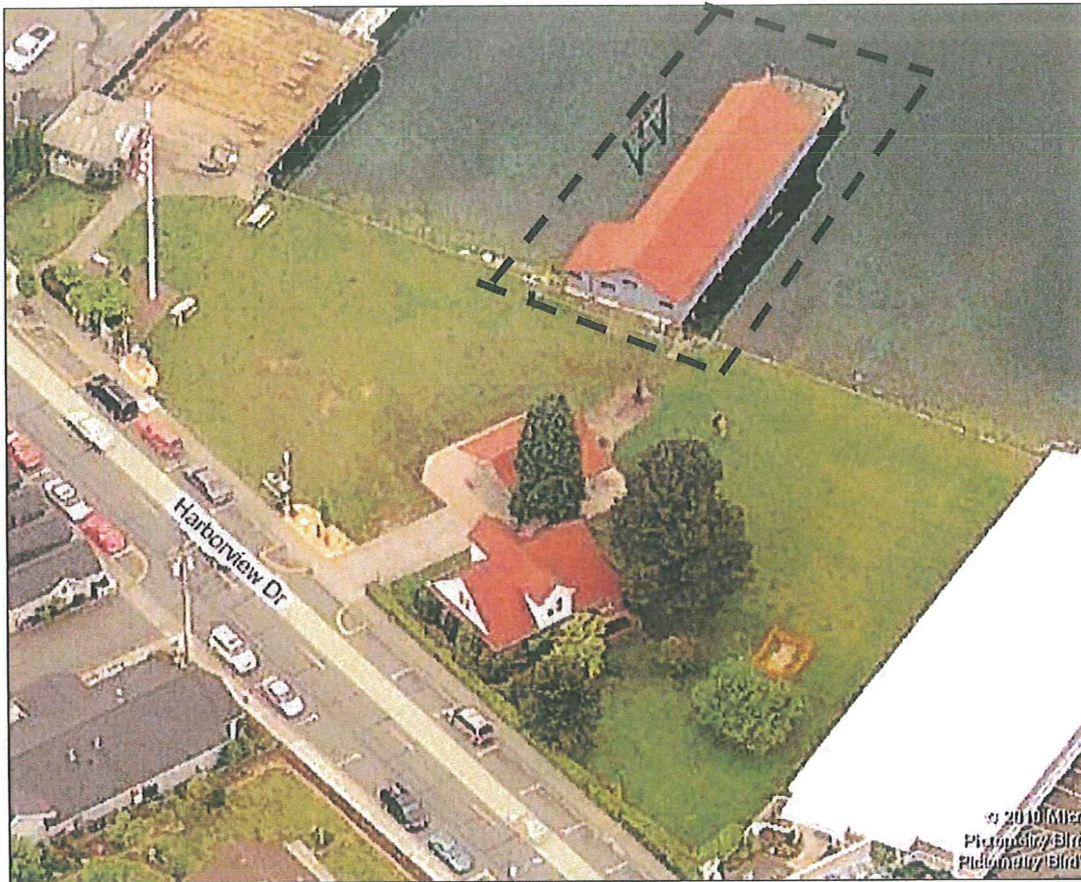
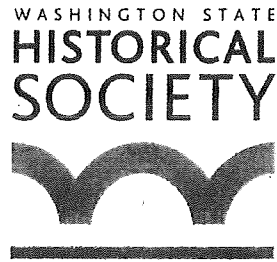


Exhibit B



STATE OF WASHINGTON
WASHINGTON STATE HISTORICAL SOCIETY

HCP 15-22-2
GRANTEE: City of Gig Harbor

1. PARTIES TO THE CONTRACT

This state funded contract for Heritage Capital Projects (Contract) is entered between the City of Gig Harbor, 3510 Grandview Street, Gig Harbor, WA 98335 (GRANTEE) and the Washington State Historical Society, 1911 Pacific Avenue, Tacoma, WA 98402 (AGENCY), and shall be binding upon the agents and all persons acting by or through the parties.

2. PURPOSE OF CONTRACT

This Contract sets out the terms and conditions by which a grant is made for a Heritage Capital Project during the 2013 - 2015 biennium from funds appropriated by the Washington State Legislature in ESSB 5035, which was incorporated into the Capital Budget signed into law by the governor on June 30, 2013. Property control and the project was transferred from the Coastal Heritage Alliance (PRIOR GRANTEE) to the City of Gig Harbor (GRANTEE). RCW 27.34.330 provides statutory authorization for the funding program. The funding is administered by the Agency.

3. DESCRIPTION OF HERITAGE CAPITAL PROJECT

Funds awarded under this Contract shall be used by the GRANTEE solely to complete the project, Saving What Matters/Phase Two, as described in ATTACHMENT B (SCOPE OF WORK), and for the express purpose of the grant as described in ATTACHMENT C (PROJECT PURPOSE).

4. CONSIDERATION

The parties agree that, in exchange for the grant money awarded pursuant to this contract, the State of Washington and the Agency shall receive in consideration the preservation and interpretation of historical sites and artifacts that have the potential to provide lifelong learning opportunities for the citizens of the state.

5. AMOUNT OF GRANT

The Washington State Legislature appropriated eighty-two thousand dollars (\$82,000.00) for this project. Of this appropriation, the total available to be reimbursed for eligible project costs was seventy-nine thousand, five hundred forty dollars (\$79,540.00), with the AGENCY retaining three

percent (3.0%) of the appropriation, two thousand, four hundred sixty dollars (\$2,460.00) as the cost of administering the grant and the contract.

During the original contract, the PRIOR GRANTEE expended and claimed fifty thousand dollars (\$50,000.00) of the original seventy-nine thousand, five hundred forty dollars (\$79,540.00) on eligible project costs. The total remaining funds available to the GRANTEE for reimbursement of eligible project costs is twenty-nine thousand, five hundred forty dollars (\$29,540.00).

During the original contract, the AGENCY retained one thousand, five hundred forty-six dollars (\$1,546.00) of the original two thousand, four hundred sixty dollars (\$2,460.00) administration fee; and, the AGENCY shall retain the total remaining administration fee of nine hundred fourteen dollars (\$914.00).

6. COST SHARE

- a) The total cost of the project shall include only those costs that are eligible expenditures as described in ATTACHMENT D (PROJECT BUDGET). The non-state portion of the total cost of the project shall be the GRANTEE's cost share of the total cost of the project. The remaining amount of cost share shall be fifty-nine thousand, one hundred five dollars and fifty cents (\$59,105.50).
- b) A minimum of twenty-four thousand, four hundred ninety-six dollars and twenty cents (\$24,496.20) of the GRANTEE's cost share of the total project must be cash. A maximum of thirty four thousand, six hundred nine dollars and thirty cents (\$34,609.30) of the GRANTEE's cost share of the total project may be in-kind, which may include the remaining value of the lease, nineteen thousand nine hundred seventeen dollars (\$19,917.00).
- c) By signing this agreement, GRANTEE warrants that, at the time of this contract's effective date, ATTACHMENT E (SOURCE OF AVAILABLE FUNDS) accurately represents the cash and in-kind contributions, whether pledged, held by the GRANTEE or expended on this project.
- d) Project expenditures incurred after the Capital Budget is signed into law and prior to the effective date of this contract are eligible for reimbursement only if they are consistent with the terms and conditions of this contract and the GRANTEE complies with the billing procedures described in ATTACHMENT A (GENERAL PROVISIONS). Project expenditures incurred prior to the date the Capital Budget is signed into law by the governor shall not be reimbursed.

7. PERIOD OF PERFORMANCE

The period of performance under this contract shall be from the date of the last signature of the contracting parties to June 30, 2015. Without further appropriation from the legislature, expenditures beyond this date shall not be reimbursed. The requirement to maintain ownership or a lease on the subject property and to use it for the express purposes of the grant, as stated in Section 8, shall remain in full force and effect for thirteen years following GRANTEE's completion of the project.

8. CAPITAL IMPROVEMENTS TO BE HELD BY GRANTEE

- a) Capital improvements funded by the Heritage Capital Projects Fund are to be used for the express purpose of this grant. No funds appropriated from the Heritage Capital Projects Fund

shall be used for capital improvements not included in the legislative appropriation and specifically designated in this grant contract with the AGENCY.

- b) As required by RCW 27.34.330, capital improvements funded by this grant shall be held by the GRANTEE for at least thirteen (13) years beyond project completion; the facilities shall be used for the express purpose of the grant; and, if mobile, used primarily in Washington State. GRANTEE agrees that it will maintain ownership or lease of ALL property to be held, as described in ATTACHMENT G (PROPERTY PARCEL NUMBER(S) AND LEGAL DESCRIPTION(S)), for thirteen (13) years beyond the date of project completion. Failure to maintain ownership or a lease on the subject property for thirteen years following GRANTEE's completion of the project shall constitute a breach of this contract.
- c) This provision shall not be construed to prohibit the GRANTEE from selling any property described in this section, provided that; 1) any sale shall be subject to prior review and approval by the AGENCY, and 2) the GRANTEE retains the right to lease and maintain the property for the full thirteen years required in b) above, and to use it for the express purpose of the grant.
- d) Any failure to comply with this provision shall constitute a breach of this contract, and the GRANTEE shall repay all funds received to the state general fund plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

9. REAPPROPRIATION

The parties hereto agree and understand that any state funds not expended and billed by end of the biennium, June 30, 2015, will lapse on that date unless reappropriated by the Washington State Legislature. If funds are so reappropriated, the AGENCY'S obligation under the terms of this contract shall be contingent upon the terms of such reappropriation. GRANTEE may not rely to its detriment upon use of funds not properly billed or not reappropriated. The GRANTEE shall be allowed only two requests for reappropriation of the funds awarded in this contract. Approval of such requests is not guaranteed.

10. RIGHTS AND OBLIGATIONS

All rights and obligations of the parties to this Contract are subject to this Contract and its attachments including the following, which by this reference, are made a part of this Contract:

- ATTACHMENT A (GENERAL PROVISIONS)
- ATTACHMENT B (SCOPE OF WORK)
- ATTACHMENT C (PURPOSE OF PROJECT)
- ATTACHMENT D (PROJECT BUDGET)
- ATTACHMENT E (SOURCE OF AVAILABLE FUNDS)
- ATTACHMENT F (CERTIFICATION OF AGREEMENT TO FOLLOW ALL LAWS)
- ATTACHMENT G (PROPERTY PARCEL NUMBER(S) AND LEGAL DESCRIPTION(S))
- ATTACHMENT H (LEASES, CONTRACTS, AND AGREEMENTS)

11. ENTIRE CONTRACT

This Contract and all attachments contain all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this contract and attachments shall be deemed to exist or to bind any of the parties.

12. CONTRACT REPRESENTATIVES


The GRANTEE'S representative shall be the contact person for all communications and billings regarding the performance of this Contract. The GRANTEE's representative shall be:

Jill Guernsey, Mayor, City of Gig Harbor, 3510 Grandview Street, Gig Harbor, WA 98335, 253-853-7611, Guernseyj@cityofgigharbor.net.

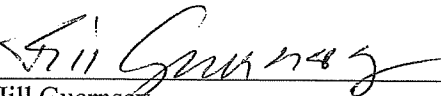
The AGENCY's representative shall be the contact person for all communications and billings regarding the performance of this Contract. The AGENCY's representative shall be:

Jennifer Kilmer, Executive Director, Washington State Historical Society, 1911 Pacific Avenue, Tacoma, WA 98402, 253-798-5909, Jennifer.kilmer@wshs.wa.gov

13. SIGNATURES



Jennifer Kilmer
Executive Director
Washington State Historical Society



Jill Guernsey
Mayor
City of Gig Harbor

Federal Tax ID #: 91-6001435

Date: 6/29/15

Date: Jun 22, 2015

PRE-APPROVED AS TO FORM ON FILE BY THE STATE ASSISTANT ATTORNEY GENERAL
MAY 20, 2015.

HCP-15-22-2
ATTACHMENT A
GENERAL PROVISIONS

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A. HEADINGS AND DEFINITIONS

1. HEADINGS

Headings used in this Contract are for reference purposes only and shall not be considered a substantive part of this Contract.

2. DEFINITIONS

AGENCY – The Washington State Historical Society.

Authorized Representative – The director and/or the designee authorized in writing to act on the director's behalf.

Cash Match – The liquid financial contributions to a project from the GRANTEE organization or from other sources, which can include available money from grants from foundations, non-state governmental agencies, individuals, corporations, and others.

Cost Share – The GRANTEE's share of the total cost of the project. Includes costs that will be, paid by both cash match and in-kind contributions to complete the project described in the Contract.

Date of Authorization of the Grant – The date the Washington State Legislature initially appropriated funds for the project.

GRANTEE – The applicant that has been awarded a grant of funds and is bound by this executed Contract, including any of the officers, employees, or agents lawfully representing the GRANTEE.

Heritage Capital Project – The project for which the GRANTEE has been awarded a grant of funds and meeting the requirements of RCW 27.34.330 and WAC 255-02.

In-Kind Contributions – The contributions to a project that are not part of the cash match. They may include contributions of materials and supplies, professional consultation, legal and accounting services, architectural design fees, volunteer time, and labor.

Real Property Value – Fair market value of real property, when such property is acquired solely for the purpose of the project, as established and evidenced by a current fair market appraisal performed by a qualified, professional real estate appraiser; a current property tax statement; or evidence of the purchase price paid by the GRANTEE. With AGENCY approval, GRANTEE may use real property value as a cash match contribution if the real property was acquired solely for the purpose of this project.

Total Cost of the Project – The amount sought from the Heritage Capital Project's Fund and the amount the applicant will provide as cost share.

B. GENERAL CONTRACT TERMS

3. ORDER OF PRECEDENCE

The items listed below are incorporated by reference herein. In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable federal and Washington State statutes and regulations
2. State executive orders
3. Terms and conditions of this Contract
4. ATTACHMENT A (GENERAL PROVISIONS)
5. All attachments or material incorporated by reference

4. CONTRACT MODIFICATIONS

- a) This Contract may be modified by mutual agreement of the parties. Such modification shall not be binding unless in writing and signed by both parties prior to implementation of the modification. Any oral understanding or agreement not incorporated herein shall not be binding.
- b) Budget modification of not more than ten (10) percent of any line item and as described herein is excepted from this clause; but shall not increase the total amount available to the Grantee in this grant.
- c) Notwithstanding any other provision of this Contract, the GRANTEE may, at its discretion, make modifications not to exceed ten (10) percent of each line item in the Project Budget (Attachment B, hereto). The GRANTEE shall notify the AGENCY in writing prior to making any budget modification or combination of budget modifications that would exceed ten (10) percent of any budget line item. Budget modifications exceeding ten (10) percent of any line item constitutes a Contract Modification and must be approved by both parties in writing prior to implementation of the modification.

5. NO WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing signed by authorized representatives of the AGENCY and the GRANTEE.

C. PERFORMANCE AND GENERAL RESPONSIBILITIES

6. NONASSIGNABILITY

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the GRANTEE, without advance written permission from the AGENCY.

7. INDEPENDENT CAPACITY OF GRANTEE

The parties intend that an independent relationship will be created by this Contract. The GRANTEE and its employees or agents performing under this Contract are not employees or agents of the AGENCY. The GRANTEE and its employees or agents will not hold themselves out as nor claim to be officers or employees of the AGENCY or of the State of Washington by reason of this Contract and will not make any claim, demand, or application to or for any right or privilege which would accrue to such employee under law. Conduct and control of the work will be solely with the GRANTEE.

8. OWNERSHIP OF PROJECT/CAPITAL FACILITIES

The AGENCY makes no claim to any real property improved or constructed with funds awarded under this Contract and does not assert and will not acquire any ownership interest in or title to the capital facilities and/or equipment constructed or purchased with state funds under this Contract. This provision does not extend to claims that the AGENCY may bring against the GRANTEE in recapturing funds expended in violation of this Contract.

9. HOLD HARMLESS

To the extent permitted by law, the GRANTEE shall defend, protect and hold harmless the State of Washington and the AGENCY, its employees, agents, officers, and assigns from and against all claims, suits, or actions arising from the GRANTEE's acts which are libelous or slanderous, which result in injury to persons or property, which violate a right of confidentiality, or which constitute an infringement of any copyright, patent, trademark, or tradename through use or reproduction of material of any kind. The GRANTEE shall be required to indemnify, defend, and hold harmless the State only to the extent claim is caused in whole or in part by negligent acts or omissions of the GRANTEE.

The GRANTEE waives its immunity under Title 51 RCW (Industrial Insurance) to the extent required to indemnify, defend and hold harmless AGENCY, the state of Washington and agencies, officials, agents or employees of the state.

10. ACKNOWLEDGEMENT

The GRANTEE shall announce in its publicity materials, on a posted sign during the project, and on a permanent marker that the State of Washington is a source and the Washington State Historical Society the administrator of these funds unless such requirement is modified or waived in writing by the AGENCY.

11. ETHICS COMPLIANCE

The AGENCY may, by written notice to the GRANTEE, terminate this Contract if it is found after due notice and examination by the AGENCY that there is a violation of the Code of Ethics for Municipal Officers (Chapter 42.23 RCW) or any similar statute involving the GRANTEE in the procurement of, or performance under, this Contract.

12. PUBLIC DISCLOSURE/CONFIDENTIALITY

- a) The GRANTEE acknowledges that the AGENCY is subject to Chapter 42.56 RCW, the Public Records Act and that this Contract shall be a public record as defined in Chapter 42.56 RCW. Any specific information that is claimed by the GRANTEE to be confidential or proprietary must be clearly identified as such by the GRANTEE. If a request is made to view the GRANTEE's information marked as confidential, the Agency will notify the GRANTEE of the request and the date that such records will be released to the requester unless the GRANTEE obtains a court order enjoining that disclosure. If the GRANTEE fails to obtain the court order enjoining disclosure, the AGENCY will release the requested information on the date specified.
- b) The GRANTEE shall not use or disclose any information concerning the AGENCY, or information which may be classified as confidential for any purpose not directly connected with the administration of this Contract except (1) with prior written consent of the AGENCY, or (2) as may be required by law.

D. COMPLIANCE WITH LAWS, RECORDS AND INSPECTIONS

13. COMPLIANCE WITH APPLICABLE LAW

- a) The GRANTEE agrees to be aware of, and comply with, all applicable and current federal, state, and local laws, regulations, and policies. The GRANTEE's confirmation of this requirement is contained in ATTACHMENT F (CERTIFICATION OF AGREEMENT TO FOLLOW ALL LAWS). AGENCY is not responsible for determining compliance.
- b) In the event of the GRANTEE's noncompliance or refusal to comply with any applicable law or policy, the Contract may be suspended or terminated in whole or in part, and the GRANTEE and the project may be declared ineligible for further grant awards from the AGENCY.
- c) The GRANTEE further agrees to indemnify and hold harmless the AGENCY from all liability, damages and costs of any nature including but not limited to costs of suits and attorneys' fees assessed against Agency, as a result of the failure of the GRANTEE to so comply.

14. RECORDS, REPORTS and AUDITS

- a) The GRANTEE shall maintain books, records, documents and other evidence of accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. These records shall be subject at all reasonable times to inspection, review, or audit by personnel duly authorized by the AGENCY, the Office of the State Auditor, and federal officials so authorized by law, rule, regulation, or Contract. The GRANTEE will retain all books, records, documents, and other materials relevant to this Contract for six years after the full termination or expiration of the Contract, which includes the 13 year holding period, and make them available for inspection by persons authorized under this provision. If any litigation, claim or audit is started before the

expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

- b) The GRANTEE shall comply with all auditing requirements, including audit requirements for the expenditure of more than \$100,000 or more in total state funds in a fiscal year, if applicable.

15. RIGHT OF ENTRY

The GRANTEE shall provide right of access of its facilities to the AGENCY, or to any of its officers, or to any other authorized agent or official of the state of Washington or the federal government at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Contract.

16. EVALUATION AND MONITORING

- a) The GRANTEE shall cooperate with and fully participate in any monitoring or evaluation activities conducted by the AGENCY that are relevant to compliance with this Contract, including providing initial and updated project plans for AGENCY review and approval and facilitating record production and periodic site inspections.
- b) The GRANTEE shall provide the AGENCY with digital images and narratives that depict the progress made on the project. Such images will be used by the AGENCY to support reimbursement requests and to inform the public about the grant program on the web and elsewhere. Images and narratives shall be provided with each request for reimbursement.

17. HAZARDOUS SUBSTANCES

The GRANTEE will defend, protect and hold harmless the AGENCY, and any and all of its employees and/or agents, from and against any and all liability, cost (including but not limited to all costs of defense and attorney's fees) and any and all loss of any nature from any and all claims or suits resulting from the presence of, or release or threatened release of, hazardous substances, as defined in RCW 70.105D.0200, on the property covered by the Contract.

18. GOVERNOR'S EXECUTIVE ORDER 05-05

The GRANTEE shall comply with Governor's Executive Order 05-05. In the event that historical or cultural artifacts are discovered at the project site during construction, the GRANTEE shall immediately stop construction and notify the local historical preservation officer and the state historical preservation officer at the Washington State Department of Archaeology and Historic Preservation.

19. PREVAILING WAGE LAW

The project funded under this Contract may be subject to state Prevailing Wage law (RCW 39.12). The GRANTEE is advised to consult with the Industrial Statistician at the Washington State Department of Labor and Industries to determine whether prevailing wages must be paid. The AGENCY is not responsible for determining whether

prevailing wage applies to this project or for any prevailing wage payments that may be required by law.

20. INDUSTRIAL INSURANCE COVERAGE

The GRANTEE shall comply with all applicable provisions of Title 51 RCW (Industrial Insurance).

21. NONDISCRIMINATION PROVISION

- a) During the performance of this Contract, the GRANTEE shall abide by all applicable federal and state nondiscrimination laws and regulations, including, but not limited to Chapter 49.60 RCW (Washington's Law Against Discrimination) and 42 U.S.C. 12101 et. seq. (The Americans with Disabilities Act [ADA]).
- b) In the event of the GRANTEE'S noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy, this Contract may be suspended or terminated in whole or in part, and the GRANTEE may be declared ineligible for further Contracts with the AGENCY. The GRANTEE shall, however, be given a reasonable time in which to remedy any such noncompliance. Any dispute may be resolved in accordance with the "Dispute Resolution" procedure set forth in Section 25 of this Contract Attachment.

E. FUNDING, REIMBURSEMENT AND BUDGET

22. REIMBURSEMENT

- a) Payments to the GRANTEE shall be made on a reimbursement basis only, for eligible costs incurred, using forms provided by the AGENCY. Reimbursement shall be allowed for (1) actual costs incurred and paid or (2) actual costs incurred and payable within a minimum of thirty (30) days from the date the reimbursement is requested. No advance payments shall be made to the GRANTEE. Purchases of goods will be reimbursed upon receipt, and services will be reimbursed upon completion of the work.
- b) Each request for reimbursement shall include a state voucher form and digital images and a narrative report describing the work completed and the status of the project. The reimbursement request shall not include any costs already reimbursed by or charged against any other grant or other source. The voucher must be certified by an official of the GRANTEE with authority to bind the GRANTEE.
- c) After receiving and approving the voucher and accompanying information, the AGENCY shall promptly remit a warrant to the GRANTEE. The obligation of the AGENCY to pay any amount(s) under this Contract is expressly conditioned upon compliance with the terms of this Contract by the GRANTEE.
- d) The expenditure of state funds shall not exceed the intended state share of the total cost of the project at any time, and shall be consistent with the Legislative appropriation.

- e) The final request for reimbursement under this Contract shall be submitted by the GRANTEE to the AGENCY within fifteen (15) days following the completion of the work or other termination of the Contract and be accompanied by a final narrative report and digital images of the completed project.

23. RECAPTURE OF FUNDS

In the event that the GRANTEE fails to expend state funds in accordance with state law and/or the provisions of this Contract, the AGENCY reserves the right to recapture state funds in an amount equivalent to the extent of noncompliance. Repayment by the GRANTEE of state funds under this recapture provision shall occur within thirty (30) days of demand. In the event that the AGENCY is required to institute proceedings to enforce this recapture provision, the AGENCY shall be entitled to its cost thereof, including reasonable attorneys' fees.

24. REDUCTION IN FUNDS

In the event state funds appropriated for the work contemplated under this Contract are withdrawn, reduced, or limited in any way by the Governor or the Washington State Legislature during the Contract period, AGENCY may suspend or terminate the Contract under the Termination for Convenience clause without advance notice, subject to renegotiation at the AGENCY's discretion, under those new funding limitations and conditions.

F. TERMINATION AND DISPUTES

25. DISPUTE RESOLUTION

- a) The parties shall make every effort to resolve disputes arising out of or relating to this Contract through negotiation.
- b) Except as otherwise provided in this Contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing according to the process set out in this Section. Either party's request for dispute hearing must be in writing and clearly state:
 - 1. The disputed issue(s);
 - 2. The relative positions of the parties;
 - 3. The GRANTEE's name, address and project title.
- c) In order for this Section to apply to the resolution of any specific dispute or disputes, the other party must agree in writing that the procedure under this Section shall be used to resolve those specific issues. The dispute shall be heard by a panel of three persons consisting of one person selected by the GRANTEE, one person selected by the AGENCY, and a third person chosen by the two persons initially appointed.
- d) Any hearing under this Section shall be informal, with the specific processes to be determined by the dispute panel according to the nature and complexity of the issues involved. The process may be solely based upon written material if the parties so

agree. The dispute panel shall be governed by the provisions of this Contract in deciding the dispute(s).

- e) The parties shall be bound by the decision of the dispute panel, unless the remedy directed by that panel shall be without the authority of either or both parties to perform, as necessary, or is otherwise unlawful.
- f) Request for a dispute hearing under this Section by either party shall be delivered or mailed to the other party. The request shall be delivered or mailed within thirty (30) days of the date the requesting party has received notice of the action or position of the other party that it wishes to dispute. The written agreement to use the process under this Section for resolution of those issues shall be delivered or mailed by the receiving party to the requesting party within thirty (30) days of receipt by the receiving party of the request.
- g) All costs associated with implementation of this process shall be shared equally by the parties.

26. TERMINATION OR SUSPENSION FOR CAUSE

- a) In the event the Agency determines the GRANTEE has failed to comply with the conditions of this Contract in a timely manner, the AGENCY has the right to suspend or terminate the Contract. Before suspending or terminating the Contract, the AGENCY shall notify the GRANTEE in writing of the need to take corrective action. If corrective action is not taken within 30 days of receiving notice, the Contract may be terminated or suspended.
- b) In the event of termination or suspension for cause, the AGENCY may require the GRANTEE to repay any portion of the state funds paid to the GRANTEE prior to termination.
- c) The AGENCY may enforce this Contract by the remedy of specific performance, which usually will mean completion of the project as described in this Contract. However, the remedy of specific performance shall not be the sole or exclusive remedy available to the AGENCY. No remedy available to the AGENCY shall be deemed exclusive. The AGENCY may elect to exercise any combination, or all of the remedies available to it under this Contract, or under any provision of law, common law, or equity.

27. TERMINATION FOR CONVENIENCE

- a) Notwithstanding any provisions of this Contract, either party may terminate this Contract by providing the other party with written notice of such termination, specifying the effective date thereof, at least thirty (30) days prior to such date.
- b) In the event this Contract is terminated, the GRANTEE shall be reimbursed for eligible expenses incurred prior to the effective date of such termination and not otherwise paid for by the AGENCY, as the AGENCY reasonably determines.

28. TERMINATION FOR FRAUD OR MISREPRESENTATION

In the event the GRANTEE commits fraud or makes any misrepresentation in connection with the grant application or during the performance of this Contract, the AGENCY reserves the right to terminate or amend this Contract accordingly, including the right to recapture all funds disbursed to the GRANTEE under the grant.

29. TERMINATION PROCEDURES

- a) After receipt of a notice of termination, except as otherwise directed by the AGENCY, the GRANTEE shall:
- b) Stop work under the Contract on the date, and to the extent specified, in the notice;
- c) Place no further orders or subgrants for materials, services, or facilities related to the Contract;
- d) Preserve and transfer any materials, Contract deliverables and/or AGENCY property in the GRANTEE's possession as directed by the AGENCY.
- e) Upon termination of the Contract, the AGENCY shall pay the GRANTEE for any service provided by the GRANTEE under the Contract prior to the date of termination. The AGENCY may withhold any amount due as the AGENCY reasonably determines is necessary to protect the AGENCY against potential loss or liability resulting from the termination. The AGENCY shall pay any withheld amount to the GRANTEE if the AGENCY later determines that loss or liability will not occur.
- f) The rights and remedies of the AGENCY under this Section are in addition to any other rights and remedies provided under this Contract or otherwise provided under law.

30. GOVERNING LAW AND VENUE

This Contract shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, the laws of the state of Washington. Venue of any suit between the parties arising out of this Contract shall be the Superior Court of Thurston County, Washington. The GRANTEE, by execution of this Contract acknowledges the jurisdiction of the courts of the State of Washington.

31. SEVERABILITY

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of the Contract which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Contract, and to this end the provisions of this Contract are declared to be severable.

**HCP-15-22-2
ATTACHMENT B
PROJECT SCOPE OF WORK**

Saving What Matters (SWM) is a multi-phased project:

SWM Phase 1- This earlier phase accomplished the restoration of the historic Skansie built purse seine vessel *Commencement* which was funded in part with the assistance of HCPF (#WHPG 11-37).

SWM Phase 2- This current phase is focused on the long term-lease and capital improvements to the dock and the interior of the Skansie Netshed. In 2008, SWM/Phase 2- began by performing an *Inventory of Historic Objects* regarding the fishing equipment contained in the net shed; mapping their location by means of still photos, video documentation and drawings. The objects were then moved to a secure off-site storage facility to accommodate the restoration of the net shed structure itself. The *Inventory* process was considered a necessary part of the overall net shed preservation project. Expenditures related to this work are being applied as Cost Share for the current grant #HCPF 15-22. Following a June 2011 Request for Proposals from the City of Gig Harbor, CHA was selected as the programming tenant to lease the shed.

On April 29, 2015, the lease to the property was terminated and all rights were restored to the City of Gig Harbor. As a result of the loss of rights to the property, the grant contract with CHA was also terminated and is being replaced by the new contract with the City of Gig Harbor for completion of the work. With HCPF funding assistance, the project will be completed and the Skansie Net Shed will be opened and accessible to the public by June 30, 2015.

The CHA completed approximately 2/3 of the Project Scope of Work prior to termination of the lease and grant contract. The following remaining work will complete Saving What Matters/Phase Two:

- 1) Design, construct and install safety railing around the end on the net shed dock.
- 2) Complete design & construction of movable maritime skill training stations for a total of five. See drawings submitted as part of grant application.
- 3) Purchase and installation of smoke alarms.
- 4) Purchase and installation of a decorative wood stove and heating system insofar as it is feasible given fire code and other safety considerations.
- 5) Re-install hundreds of the net shed's original fishing objects to create permanent displays.
- 6) Complete the creation of object labels, and construct and install interior & exterior interpretive signage.
- 7) Construct display panels (changeable for various exhibits) and install a historic photo gallery.

PROJECT SCOPE OF WORK BY ARCHITECTURAL DIVISIONS

Division 5 METALS

Metal sockets will possibly be fastened to the perimeter of the net shed dock in order to accommodate the installation of wooden safety railing posts.

Division 6 WOOD, PLASTICS AND COMPOSITES

Skill stations will be built of wood. These items will not be affixed to the actual net shed structure; but will be able to be re-positioned within the building as needed to accommodate the anticipated "multi-use" of the facility.

Division 9 FINISHES

The fixtures that are being created may receive a painted or oiled finish.

Division 10 SPECIALTIES

A large part of this project involves the design and installation of interpretive displays that feature the net shed's original collection of fishing objects. Signage will be a component of the displays; as well as both historic and contemporary photos. Instructional signage will also be required at the various interactive "skill stations". The "skill stations" to include a ships caulking station, a knot tying station, a fish net mending station, net hanging benches and a rigging station. Interpretive signage.

Division 21 FIRE SUPPRESSION

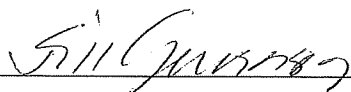
Smoke alarms will be purchased and installed.

Division 23 HEATING VENTILATING AND AIR CONDITIONING (HVAC)

A small decorative wood stove should be installed but need not be functional to produce heat in light of fire code concerns. Grantee should also consult with the City of Gig Harbor fire marshal to determine whether any other heating system is feasible given the historical constraints and the fire code issues with this structure.

CERTIFICATION

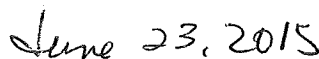
The City of Gig Harbor, by its signature, certifies that the Project Scope of Work set forth above has been reviewed and approved by the City of Gig Harbor governing body or board of directors, as applicable, as of the date written below. The City of Gig Harbor shall make all plans and documents funded in whole or in part by this contract available to the AGENCY upon reasonable request.



CITY OF GIG HARBOR REPRESENTATIVE



TITLE



DATE

**HCP-15-22-2
ATTACHMENT C
PROJECT PURPOSE**

The purpose of Saving What Matters/Phase Two is to bring the 103 year old Skansie Brothers Net Shed into operational condition so that the doors can finally be opened to the public on a safe and regularly scheduled basis. The proposed restoration upgrades will allow the new GRANTEE, City of Gig Harbor, and other community civic organizations the opportunity to enhance their current heritage-based educational programming activities to a significant extent. The Skansie Brothers Net Shed will become the only authentically preserved commercial fishing net shed in Gig Harbor to accommodate visitation by the general public, both tourists the residents alike.

The physical location of the restored Net Shed will ensure a large number of visitors per year. The exact schedule of public programming operation upon completion of the Net Shed project has yet to be decided. Specific uses of the restored site will be: 1) open for self-guided and guided tours; 2) maritime skill demonstrations and training; 3) cultural heritage story telling and oral history documentation; 4) facility to load and unload harbor tour passengers aboard vessel ~~Commencement~~; 5) viewing of local fishermen building and repairing their nets; 6) unique waterfront viewing location; 7) guest speakers and maritime documentary presentations; 8) open for special events during Skansie Park festivals, farmers market, community gatherings, etc.

CERTIFICATION

The GRANTEE, by its signature, certifies that the express purpose of the grant as described in the Project Purpose set forth above has been reviewed and approved by the GRANTEE's governing body or board of directors, as applicable, as of the date written below.

Bill Gumbert
CITY OF GIG HARBOR REPRESENTATIVE

MAYOR
TITLE

June 23, 2015
DATE

HCP 15-22-2
ATTACHMENT D
PROJECT BUDGET

Cost Category	Grantee Cost Share		HCPF	Totals
	Cash Match	In-kind	Grant Funds	
Project staff	0	0	Not Eligible	0
Architecture/Engineering	0	0	0	0
Construction/Rehabilitation	0	0	0	0
Permanent exhibitions	0	0	0	0
Consultants	0	0	0	0
Site Work	0	0	0	0
Value of lease	Not Eligible	19,917.00	Not Eligible	0
SUBTOTALS	Minimum \$24,496.20	Maximum \$34,609.30	\$29,540.00	\$88,645.50
HCPF Administration – 3%	Not Eligible	Not Eligible	\$914.00	\$914.00
GRANTEE/HCPF TOTALS	\$59,105.50		\$30,454.00	\$89,559.50

CERTIFICATION

The GRANTEE, by its signature, certifies that the Project Budget set forth above has been reviewed and approved by the GRANTEE's governing body or board of directors, as applicable, as of the date written below, and that the total GRANTEE cost share required for the project shall be received and expended by June 30, 2015.

John Gorkness
CITY OF GIG HARBOR REPRESENTATIVE

MAYOR
TITLE

June 23, 2015
DATE

**HCP 15-22-2
ATTACHMENT E
SOURCE OF AVAILABLE FUNDS**

<u>TYPE OF FUNDS</u>	<u>AMOUNT</u>
HCPF FUNDS – Total Legislative Appropriation	\$30,454.00
GRANTEE’S FUNDS – Cash Match or In-kind Contributions:	\$59,559.50
Sources and amounts to be listed here:	
TOTAL PROJECT FUNDS	\$89,559.50

CERTIFICATION

The GRANTEE, by its signature, certifies that the project funding set forth above in the Source of Available Funds has been reviewed and approved by the GRANTEE’s governing body or board of directors, as applicable, as of the date written below.

At least 75% of the GRANTEE’s funds shall have been expended for eligible project expenses, or shall be committed in writing and available, and will remain committed and available solely and specifically for carrying out the project as described elsewhere in this contract. Up to 25% of the GRANTEE’s funds may be projected to be received by June 30, 2015.

The GRANTEE shall maintain records sufficient to evidence that it has expended or has access to the committed funds, and shall make such records available for the AGENCY’s review upon request.

Bill Gray
GIG HARBOR REPRESENTATIVE

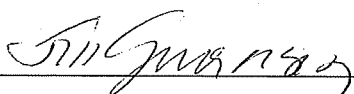
Mayor
TITLE

June 23, 2015
DATE

HCP 15-22-2
ATTACHMENT F
CERTIFICATION OF AGREEMENT TO FOLLOW ALL LAWS

The GRANTEE, by its signature, certifies that it shall be aware of and comply with all applicable and current federal, state, and local laws, regulations, policies, as now or hereinafter amended including, but not limited to those related to:

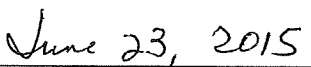
- Hazardous Substances - RCW 70.105D.0200
- Governor's Executive Order 05-05
- Prevailing Wage Law - RCW 39.12
- Industrial Insurance - RCW 51
- Nondiscrimination - RCW 49.60
- Americans with Disabilities Act - 42.U.S.C. 12101 et.esq.
- High Performance Public Buildings (LEED) - RCW 39.35D



GIG HARBOR REPRESENTATIVE



TITLE



DATE

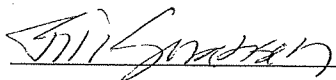
HCP 15-22-2
ATTACHMENT H
LEASES, CONTRACTS AND AGREEMENTS

Document Title	Parties	Date of Execution	Recorded in:
Contract for Skansie Netshed Grant with attachments A through H	City of Gig Harbor and State of Washington	June 22, 2015	Pierce County

CERTIFICATION

The GRANTEE, by its signature, certifies that the leases, contracts and agreements as described in the grant application and defined above (Document Title, Parties, Date of Execution and Date of Expiration) have been reviewed and approved by the GRANTEE's governing body or board of directors, as applicable, as of the date written below.

The GRANTEE shall provide the AGENCY with notice of any and all modifications to these leases, contracts and agreements made during the Contract Period of Performance or during the thirteen years following GRANTEE's completion of the project.



GRANTEE

major

TITLE

June 24, 2015

DATE

HCP 15-22-2
ATTACHMENT G
PROPERTY PARCEL NUMBER(S) AND LEGAL DESCRIPTION(S)

Address: The Saving What Matters/Phase Two project is located at the Skansie Netshed in the Skansie Brothers Park, 3207 Harborview Drive, Gig Harbor, WA, 98335.

Washington State Legislative District: #26.

GPS Coordinates: Lat.47.330526 Long. 122581877

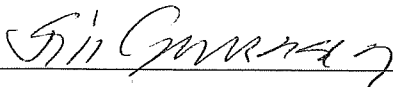
Parcel Number: 022082232

Legal Description:

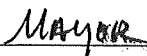
Section 08 Township 21 Range 02 Quarter 21 PARCEL A DBLR 2004-06-02-5005 DESC AS FOLL
COM AT NW COR SEC 8 TH S 88 DEG 18 MIN 20 SEC ALG NLYLI SD SEC 1797.63 FT TO
INTER OF ROSEDALE ST NW & HARBORVIEW DR NW TH 88 DEG 18 MIN 46 SEC E 35.31 FT
TO ELY R/W & POB TH N DEG 08 MIN 34 SEC W 20.70 FT TH 28 DEG 30 MIN 24 SEC W 12.52
FT TH N 37 DEG 22 MIN 14 SEC E 176.57 FT TH S 52 DEG 37 MIN 46 SEC E 60 FT TH S 37 DEG
22 MIN 14 SEC W 59.5 FT TO GOVT ML TH S 33 DEG 38 MIN 46 SEC 108.49 FT TO MEANDER
COR BET SECS 8 & 5 TH S 68 DEG 56 MIN 21 SEC E 149.27 FT TH S 34 DEG 03 MIN 39 SEC W
257.22 FT TH N 30 DEG 08 MIN 34 SEC W 313 96 FT TO POB TOG/W 2ND CL TDLDS ABUTT
COMB OF 2-020, 2019, 02-21-05-3120 & 765000-011 0 SEC 2005-1190BL 01-26-05BL

CERTIFICATION

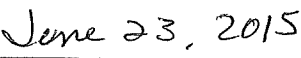
The GRANTEE, by its signature, certifies that the property parcel number(s) and legal description(s) set forth above have been reviewed and approved by the GRANTEE's governing body or board of directors, as applicable, as of the date written below.



GIG HARBOR REPRESENTATIVE



TITLE



DATE

STATE OF WASHINGTON
WASHINGTON STATE HISTORICAL SOCIETY
HCP 15-22-2
AMENDMENT No. 1


WHEREAS, the WASHINGTON STATE HISTORICAL SOCIETY, 1911 Pacific Avenue, Tacoma, WA 98402 (AGENCY) and the City of Gig Harbor, 3510 Grandview Street, Gig Harbor WA 98335 (GRANTEE), desire to amend HERITAGE CAPITAL PROJECT CONTRACT HCP 15-22-2, Saving What Matters – Phase II (CONTRACT) to provide for an extension of the expiration date of the grant from June 30, 2015 to June 30, 2017, the CONTRACT is hereby amended as follows:

“The parties hereto agree and understand that any state funds not expended by the end of the biennium, June 30, 2015, will lapse on that date” is deleted and replaced in its entirety to read as follows:

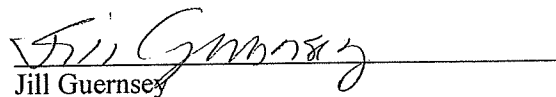
“The parties hereto agree and understand that any state funds not expended by the end of the biennium, June 30, 2017, will lapse on that date.”

The effective date of this Amendment is the last date of execution. All other terms and conditions of this CONTRACT remain in full force and effect.

IN WITNESS WHEREOF, the parties hereby execute this Amendment.



Jennifer Kilmer
Executive Director
Washington State Historical Society



Jill Guernsey
Mayor
City of Gig Harbor

Date: 6-30-15

Date: 6/24/15

PRE-APPROVED AS TO FORM BY THE STATE ASSISTANT ATTORNEY GENERAL, JUNE 13, 2011.

STATE OF WASHINGTON
WASHINGTON STATE HISTORICAL SOCIETY
HCP 15-17
AMENDMENT No. 2

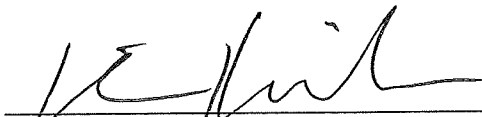
WHEREAS, the WASHINGTON STATE HISTORICAL SOCIETY, 1911 Pacific Avenue, Tacoma, WA 98402 (AGENCY) and the City of Gig Harbor, 3510 Grandview Street, Gig Harbor WA 98335 (GRANTEE), desire to amend HERITAGE CAPITAL PROJECT CONTRACT HCP 15-17, Eddon Boat Restoration – Phase III (CONTRACT) to provide for an extension of the expiration date of the grant from June 30, 2015 to June 30, 2017, the CONTRACT is hereby amended as follows:

“The parties hereto agree and understand that any state funds not expended by the end of the biennium, June 30, 2015, will lapse on that date” is deleted and replaced in its entirety to read as follows:

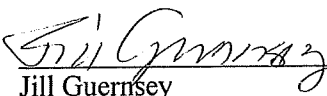
“The parties hereto agree and understand that any state funds not expended by the end of the biennium, June 30, 2017, will lapse on that date.”

The effective date of this Amendment is the last date of execution. All other terms and conditions of this CONTRACT remain in full force and effect.

IN WITNESS WHEREOF, the parties hereby execute this Amendment.



Jennifer Kilmer
Executive Director
Washington State Historical Society



Jill Guernsey
Mayor
City of Gig Harbor

Date: 6-30-15

Date: 6/24/15

PRE-APPROVED AS TO FORM BY THE STATE ASSISTANT ATTORNEY GENERAL, JUNE 13, 2011.



Business of the City Council City of Gig Harbor, WA

Subject: Grandview Forest Park Tree Removal Phase 2 Project – Construction Bid Award

Proposed Council Action:

1. Approve a Small Public Works Contract with Woodland Industries GC, Inc. in the amount of \$5,414.15 for tree removal.

2. Authorize the Public Works Superintendent to approve additional expenditures up to \$2,000.00 to cover any cost increases.

Dept. Origin: Public Works/Engineering

Prepared by: Marcos McGraw
Project Engineer

For Agenda of: October 26, 2015

Exhibits: Small Public Works Contract

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Public Works Director:

Approved by City Engineer:

Initial & Date

JG 10/21/15
Ron W 10/21/15
 via email
DR 10/21
JWA 10/21/15
JG 10-21-15

Expenditure Required	\$7,414.15	Amount Budgeted	<i>See Fiscal Consideration Below</i>	Appropriation Required	\$0
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INFORMATION/BACKGROUND

This contract provides for the removal of two diseased trees located within the Grandview Forest Park and two within the Skate Park.

BID RESULTS

In accordance with the City's Small Works Roster Process (Resolution No. 884), staff solicited quotes from logging and forestry contractors on the Small Works Roster and obtained the following quotes to complete the scope of work. The Engineer's Opinion of Probable Cost is \$12,444.44. Two (2) bid proposals were received by the City of Gig Harbor on October 20, 2015. Bid results from each bidder are summarized below showing the total bid amounts including Washington State sales tax (WSST).

No.	BIDDER	TOTAL BID AMOUNT
1	Woodland Industries	\$ 5,414.15
2	K-A Gen. Construction Contractor LLC	\$ 8,677.95

FISCAL CONSIDERATION

This project, as expressed by Council, is an unbudgeted item. However, due to the priority of this project, Staff recommends proceeding with the work as proposed. Sufficient funds exist within the Parks Development ending fund balance.

Budgeted Local Funds	\$ 0
Anticipated Construction Expenses:	
Base Bid – Soundview Drive Tree Removal	\$ 5,414.15
Change Order Authority for Public Works Contract	\$ 2,000.00
Total Anticipated Expenses:	\$ 7,414.15

BOARD OR COMMITTEE RECOMMENDATION

The condition of the diseased trees in Grandview Forest Park was discussed at the Public Works Committee meeting on October 13, 2014. Committee members recommended proceeding with a contract.

RECOMMENDATION/MOTION

1. Approve a Small Public Works Contract with Woodland Industries GC, Inc. in the amount of \$5,414.15 for tree removal.
2. Authorize the Public Works Superintendent to approve additional expenditures up to \$2,000.00 to cover any cost increases.

**CITY OF GIG HARBOR
SMALL PUBLIC WORKS CONTRACT**

THIS CONTRACT is made and entered into this _____ day of _____, 20____, by and between the City of Gig Harbor, Washington (the "City"), and Woodland Industries General Contracting Inc., a Washington Corporation (the "Contractor").

FOR AND IN CONSIDERATION of the mutual benefits and conditions hereinafter contained, the parties hereto agree as follows:

1. Scope of Work.

The Contractor agrees to furnish all material, labor, tools, equipment, apparatus, etc. necessary to perform and complete in a workmanlike manner the work set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference.

2. Time of Performance and Completion.

The work to be performed under this Contract shall commence as soon as the Contractor has received a Notice to Proceed from the City and in accordance with the schedule set forth in the Scope of Work.

Within ten (10) working days of the Notice of Contract Award date from the City the Contractor shall execute this Contract and provide to the City all necessary insurance information required by this Contract.

The Contractor shall provide to the City all necessary bonding documents required by this Contract within ten (10) working days after the Notice to Award date from the City.

The Contractor shall provide to the City all necessary prevailing wage information required by this Contract within ten (10) working days after the Notice to Proceed date.

All work performed under this Contract related to felling trees shall be completed no later than November 24, 2015.

A "working day" is defined for convenience as any day, unless it is a nonworking day or the City-determined unworkable day. A nonworking day is defined as a Saturday, a Sunday, a day on which the contract specifically suspends work, or one of these holidays: January 1, the third Monday of January, the third Monday of February, Memorial Day, July 4, Labor Day, November 11, Thanksgiving Day, the day after Thanksgiving, and Christmas day. When the holiday falls on a Saturday, the preceding Friday shall be a nonworking day.

When any of these holidays fall on a Sunday, the following Monday shall be a nonworking day.

3. Payments.

The Contractor agrees to perform all work called for at the rate of Five Thousand Four Hundred Fourteen Dollars and Fifteen Cents (\$5,414.15), including applicable Washington State Sales Tax. Said sum shall constitute full compensation for all labor, materials, tools, appliances, etc. required to perform the required services. Total compensation shall not exceed Five Thousand Four Hundred Fourteen Dollars and Fifteen Cents (\$5,414.15).

4. Retainage.

[This section intentionally left blank.]

5. Performance and Payment Bond - 50% Letter.

[This section intentionally left blank.]

6. Warranty/Maintenance Bond.

[This section intentionally left blank.]

7. Indemnity.

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

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees or volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

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

8. Insurance.

A. The Contractor shall secure and maintain in force throughout the duration of this Contract, business auto coverage for any auto no less than a \$1,000,000 each accident limit.

B. The Contractor shall secure and maintain in force throughout the duration of this Contract, comprehensive general liability insurance with a minimum coverage of not less than a limit of \$1,000,000 per occurrence, \$2,000,000 annual aggregate for bodily injury, including death, and property damage. The insurance will be written on an occurrence basis, by an 'A' rated company licensed to conduct business in the State of Washington. The general liability policy shall name the City as an additional insured and shall include a provision prohibiting cancellation, changes and reductions of coverage under said policy except upon thirty (30) days prior written notice to the City. Certificates of coverage as required by this Section shall be delivered to the City with the signed Contract. Under this Agreement, the Contractor's insurance shall be considered primary in the event of a loss, damage or suit. The City's own comprehensive general liability policy will be considered excess coverage with respect to defense and indemnity of the City only and no other party. Additionally, the commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

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

D. In addition, the Contractor shall secure and maintain workers' compensation insurance pursuant to the laws of the State of Washington.

9. Prevailing Wage.

A. The prevailing rate of wage to be paid to all workmen, laborers, or mechanics employed in the performance of any part of this Contract shall be in accordance with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries. The rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Contract will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are attached hereto and by reference made a part of this Contract as though fully set forth herein.

B. On or before the date of commencement of the work, the Contractor and all approved subcontractors shall file a statement under oath with the City and with the

Director of Labor and Industries certifying the rate of hourly wage paid and to be paid each classification of laborers, workmen, or mechanics employed upon the work by the Contractor or any Subcontractor, which shall not be less than the prevailing rate of wage. Such statement and any subsequent statement shall be filed in accordance with the practices and procedures required by the Department of Labor and Industries.

10. Termination.

A. Termination for Contractor's Default. If the Contractor refuses or fails to make adequate progress of the work, or to prosecute the work or any separable part thereof with such diligence that will insure its completion within the time specified in this Contract, or defaults under any provision or breaches any provision of this Contract, the City may serve notice upon the Contractor and its surety of the City's intention to terminate by default the right of the Contractor to perform the Contract, and unless within ten (10) days after the serving of such notice, the Contractor shall satisfactorily arrange to cure its failure to perform and notify the City of the corrections to be made, the right of the Contractor to proceed with the work shall terminate. In the event of any such termination, the City shall serve notice thereof upon the Surety and the Contractor, provided, however, that if the Surety does not commence performance thereof within twenty (20) days from the date of the mailing to such Surety of the notice of termination, the City may take over the work and prosecute the same to completion by Contract or otherwise for the account and at the expense of the Contractor. In the case of termination for default, the Contractor shall not be entitled to receive any further payment until the work is finished.

B. Termination by City for Convenience. The performance of work under this Contract may be terminated by the City in accordance with this paragraph in whole or in part, whenever the City shall determine that such termination is in the best interest of the City. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which performance or work under the Contract is terminated, and the date upon which such termination becomes effective. The Contractor shall stop work on the project upon the date set forth in the Notice of Termination and shall take such actions as may be necessary, or as the City may direct, for the protection and preservation of the work. After receipt of a Notice of Termination, the Contractor shall submit to the City its termination claim, in the form and with the certification prescribed by the City. Such claim shall be submitted promptly but in no event later than 3 months from the effective date of the termination. Upon approval by the City, the termination claim shall be paid.

C. Termination by Contractor. If the work should be stopped under an order of any court, or other public authority, for a period of thirty (30) days, through no act or fault of the Contractor or of anyone employed by him, then the Contractor may, upon seven (7) days written notice to the City, terminate this Contract and recover from the City payment for all work executed and any proven loss sustained. Should the City fail to pay to the Contractor, within the payment period provided for in this Contract, any sum due and

owing, then the Contractor may, upon seven (7) days written notice to the City, stop the work or terminate this Contract.

11. Compliance with Laws. The Contractor shall at all times comply with all applicable state and local laws, rules, ordinances and regulations.

12. Nondiscrimination. Except to the extent permitted by a bona fide occupational qualification, the Contractor agrees that the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, honorably discharged veteran or military status, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability.

13. Independent Contractor. No agent, employee or representative of the Contractor shall be deemed to be an agent, employee or representative of the City for any purpose. Contractor shall be solely responsible for all acts of its agents, employees, representatives and subcontractors during the performance of this contract.

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

15. Legal Action. In the event that either party shall bring suit to enforce any provision of this Contract or to seek redress for any breach, the prevailing party in such suit shall be entitled to recover its costs, including reasonable attorneys' fees.

16. Entire Agreement. This Contract, together with all attachments, represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations and agreements, whether written or oral. This Contract may be amended only by written change order, properly signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first written above.

CITY OF GIG HARBOR

CONTRACTOR

MAYOR JILL GUERNSEY
Date: _____

By: _____
Title: _____
Date: _____

ATTEST/AUTHENTICATED:

MOLLY TOWSLEE, CITY CLERK

APPROVED AS TO FORM:
Office of the City Attorney

EXHIBIT A – DESCRIPTION OF WORK

Summary

The Civic Center of the City of Gig Harbor located at 3510 Grandview Street is bounded on the east by the 8.6 acre park "Grandview Forest Park" and it is bounded on the west side by the Skate Park. The park amenities include walking trails surfaced by bark mulch and asphalt with various benches. There is a public restroom located in the northeast corner of the park. Well No. 4 including two water storage tanks are located on the east side of the park adjacent to Grandview Street. The Skate Park includes playground equipment, various benches and cement concrete skating 'bowl'.

After the trees are felled associated logs, branches and debris shall be moved off public access surfaces including but not be limited to asphalt, concrete and play area. The logs and debris will be removed by others.

Any damage to park trails, utilities, infrastructure or structures shall be repaired by the contractor at no additional cost to the City.

Specifications

Felling and hauling Equipment:

Vehicular access to the site is off Grandview Street. All equipment and tools shall be in good working order. Personnel with experience described in the Invitation to Bidders shall be on site every day work is performed. All appurtenant felling tools and equipment are to be considered incidental to the associated work, available to the project as needed, and delivered to the site as a function of job mobilization.

Site Preparation

1. Temporarily close all public access points into the park using traffic control devices compliant with the current MUTCD and temporary security fencing, as described below. This closure shall be in place prior to mobilization throughout the work processes until demobilization and cleanup is complete; and
2. The westerly entrance to the Civic Center, which is also the main entrance to the Skate Park, shall not be closed on Tuesday or Wednesday of any week; and
3. Place all temporary erosion control BMP's prior to commencing work; and
4. Temporary security fencing shall consist of orange plastic temporary construction fencing (min. 15 mil) and be installed as needed; and
5. Install temporary driving surfaces and working surfaces where deemed necessary.

Site Clearing and Development

Clearing of the site is limited to the trees identified in this contract and using the following methods in the order shown:

1. Site mobilization:
 - a. The contractor shall submit a traffic control plan showing devices proposed for park closure and vehicular traffic on adjacent streets as needed; and
 - b. Site access is limited to existing access points for vehicles.

2. Pre-development inspection:
 - a. The Contractor shall conduct a pre-redevelopment inspection of the park to identify each tree included in the contract; and
 - b. The Contractor shall note the condition of all paths, structures and amenities throughout the park.
3. Tree removal:
 - a. The Contractor shall comply with all national and local safety regulations related to the work described; and
 - b. The Contractor shall fall each tree in a direction away from streets, parking lots and all structures; and
 - c. Tree removal shall not occur on a Tuesday, Wednesday, or Sunday.
4. Removal of debris:
 - a. The Contractor shall maintain all public access areas clean and free of all wood debris; and
 - b. All logs and branches from the felled trees in non-public access areas will be removed by City forces.
5. Post-redevelopment inspection:
 - a. The Contractor shall conduct a post-redevelopment inspection of the park; and
 - b. The Contractor shall remove all tools, equipment and debris associated with the work.

Site Cleanup and Restoration

1. Remove temporary security fencing.
2. Restore the site to the original condition with repairing driving surfaces, removing temporary surfaces, and repairing grass landscaping surfaces.
3. Coordinate with the City for final acceptance inspection.

***** END OF EXHIBIT A *****

EXHIBIT B - BID PROPOSAL

A. Acknowledgement

The undersigned bidder declares they have read the Contract, understands the conditions of the Contract, has examined the site, and has determined for itself all situations affecting the work herein bid upon.

Further, the bidder proposes and agrees, if this proposal is accepted, to provide at bidder's own expense, all labor, machinery, tools, materials, etc. including all work incidental to, or described or implied as incidental to such items, according to the Contract, and that the bidder will complete the work within the time stated, and further, the bidder will accept in full payment for the unit prices(s) indicated for the Work as set forth in the Contract.

The work under this Contract shall be fully completed within the times specified in the Contract.

Any bid proposal with an incomplete unit price shall be considered non-responsive.

B. Bid Schedule

Show unit prices in figures only.

BID ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL PRICE
1	Grandview Park Tree Felling	1	L.S.	\$	\$ 4990 ⁰⁰
SALES TAX @ 8.5 %					\$ 424 ¹⁵
BID TOTAL					\$ 5414 ¹⁵

C. Measurement and Payment

The Contractor shall provide all labor, materials, tools, equipment, transportation, supplies, and incidentals required to complete all Work for the items included in the Proposal.

1. "Grandview Park Tree Felling" The lump sum price shall be full pay for all work as specified. No additional payment will be made unless specifically authorized by the City in writing. It shall include all fees incidental to the described work. It shall include all costs associated with providing all labor and furnishing and operating all equipment and tools necessary to perform the work described in this contract. Site preparation, gaining access to the park, setup and removal of all equipment and restoration of the site disturbed by the Contractor's means and methods will be considered incidental to this item.

The Contractor shall be responsible for proper maintenance of the site and periodic

removal of all wastes. Upon completion, the Contractor shall remove all equipment, extra materials, and wastes, and restore the site to its original condition as directed by the City.

D. Bid Proposal Signature:

Bidder Signature: 

Printed Bidder Name: DANA SCHMEOT

Company Name: WOODLAND INDUSTRIES

Mailing Address: 10715 66th Ave E
Puyallup, WA 98373

Phone: 253-770-9663

Fax: 253-446-0509

Email: dana@woodlandindustries.net

*** END OF EXHIBIT B ***



ForeverGreen Trails

Connecting Pierce County Communities with Trails

proudly presents the

2015

Pierce County Trails Outstanding Project Award

to

The Cushman Trail City of Gig Harbor

*For significant accomplishment made to
further the vision of a regional trail
system in Pierce County, Washington.*

Bryan Bowden
President

Jane Moore
Executive Director