

# **Gig Harbor City Council Meeting**



**April 26, 1999**



## **AGENDA FOR GIG HARBOR CITY COUNCIL MEETING**

**April 26, 1999 - 7:00 p.m.**

### **CALL TO ORDER:**

### **CONSENT AGENDA:**

*These consent agenda items are considered routine and may be adopted with one motion as per Gig Harbor Ordinance No. 799.*

1. Approval of the Minutes of the April 12, 1999, City Council meeting.
2. Correspondence / Proclamations:
3. Approval of Payment of Bills for April 26, 1999:  
Checks #22375 through #22467 (excepting #22377) in the amount of \$107,646.23.

### **OLD BUSINESS:**

1. Second Reading of Ordinance - Amendments to Chapter 18.04.230, Establishing Separate Comment and Appeal Period under SEPA.

### **NEW BUSINESS:**

1. Indemnification Agreement (Talmo, Inc.).
2. Moratorium - Commercial Stimulant Card Games

### **PUBLIC COMMENT/DISCUSSION:**

### **COUNCIL COMMENTS:**

### **STAFF REPORTS:**

Gig Harbor Police Department - Stats for the Month of March.  
Quarterly Finance Report

### **ANNOUNCEMENT OF OTHER MEETINGS:**

Council Workshop to continue discussion of the Concurrency and Definitions Ordinances:  
Tuesday, May 4, 1999, 6:00 p.m. in the Council Chambers at City Hall.

**EXECUTIVE SESSION:** For the purpose of discussing pending litigation per RCW 42.30.110(i). No action will be taken.

### **ADJOURN:**



**DRAFT**

**REGULAR GIG HARBOR CITY COUNCIL MEETING OF APRIL 12, 1999**

**PRESENT:** Councilmembers Ekberg, Young, Platt, Owel, and Picinich. Councilmember Dick was absent. Markovich acted as Mayor Pro Tem in Mayor Wilbert's absence.

**CALL TO ORDER:** 7:03 p.m.

**PUBLIC HEARING:** Formation of a LID for Construction of the East-West Road.

Mayor Pro Tem Markovich explained that the public hearing on this item had been continued from the last council meeting. He opened the public hearing at 7:05 and invited anyone interested to speak.

Bob Elderkin - 16610 163<sup>rd</sup> Place SE, Renton. Mr. Elderkin explained that he was representing Logan International Corporation, one of the major landholders in the Gig Harbor North project. He said that he would postpone his comments in the hopes that there would be continuation of discussion on this item as there are negotiations currently in process. He added that with a little more time, they felt an amiable solution could be reached.

Greg McCarry - PO Box 1780, Poulsbo. Mr. McCarry said he was representing Olympic Resource Management / Pope Resources in place of John Rose. Mr. McCarry said that hoped that Council would continue the hearing until after receipt of the special benefits study.

Scott Miller - 6602 Cromwell Drive. Mr. Miller said that he mirrored the comments from Mr. Elderkin and Mr. McCarry that action should be postponed until the results of the special benefits study had been obtained.

**MOTION:** Move to recess the public hearing on this item until the May 10<sup>th</sup> meeting.  
Owel/Ekberg - unanimously approved.

**CONSENT AGENDA:**

*These consent agenda items are considered routine and may be adopted with one motion as per Gig Harbor Ordinance No. 799.*

1. Approval of the Minutes of the March 22, 1999, City Council meeting.
2. Correspondence / Proclamations:
  - a) Award of Certificate for Water Distribution Manger 2 to Anthony Poling.
  - b) Roundtable Discussion on State and Local Year 2000 Issues.
  - c) Building Cities of Green.
  - d) Pierce County Library Accomplishments.
  - e) Thank you letter to Patsy Irwin for donation.
  - f) Thank you letter to Travis Leland for service project.
3. Approval of Payment of Bills for April 12,1999;

- Checks #22250 through #22374 in the amount of \$101,026.37.
4. Approval of Payroll for the month of March:  
Checks # 17938 through #18075 in the amount of \$272,936.69.
  5. Liquor License Renewals:  
Harvester Restaurant

**MOTION:** Move to approve the consent agenda as presented.  
Picinich/Young - unanimously approved.

**OLD BUSINESS:**

1. Second Reading – Formation of a LID for Construction of the East/West Road. No report was given as this will return at the May 10<sup>th</sup> Council meeting.

**NEW BUSINESS:**

1. Economic Development Preparation. Mark Hoppen, City Administrator, explained that an administrative objective for the year is to create a process to determine how the city will address economic development. He said that the Economic Development Committee consisting of Councilmembers Owel and Young, has met with Mr. Dave Morris, who is representing the Chamber of Commerce, Mr. Ben Frerichs, and himself to talk about the manner in which the city might proceed. He explained that Mr. Frerichs had suggested a strategy to advance the city's economic develop interests and introduced Mr. Frerichs.

Ben Frerichs - 205 Lake Street South Suite 202, Kirkland. Mr. Frerichs explained that his firm, Huckell/Wienman Associates, Inc., was an economic consultant firm with approximately a dozen plans for a variety of different size communities. He offered to answer any questions.

Councilmember Owel said that one of the objectives of the economic development plan is to expand employment opportunities, and therefore the market for businesses already here. She said that the city has to start somewhere, and the broader objective is to maintain the economic vibrancy of this community.

Councilmember Young said that he was impressed by the wide variety of experience with other cities, both very large and very small. He said they identified a goal to increase the jobs per capita ratio, and recognized an opportunity to do this with the Gig Harbor North community.

Councilmember Owel read the administrative objective, which is to assist Councilmembers on the Mayor's Economic Development Advisory Committee to assess potential moderate to high-salaried jobs-producing businesses that would be suitable for the areas designated and zoned for professional employment, and to involve local businesses and residents in this assessment activity. Finally, to develop a strategy for attracting these businesses to Gig Harbor. She added that initial effort would be to have an economic summit with various residents, businesses, and other officials and speakers. She said that money had been budgeted for this purpose.

**MOTION:** Move to direct staff to develop a consultant services agreement with Mr. Frerichs to be brought back to Council for approval.  
Young/Owel - unanimously approved.

2. Consultant Services Agreement – Materials Testing. Wes Hill, Public Works Director, explained that materials testing was needed for the Rosedale Street Improvement project to ensure that the project meets the requirements and procedures of the Washington State Department of Transportation. He added that WSDOT staff was unavailable to perform the necessary testing, and recommended approval of the agreement with AGRA Earth and Environmental, Inc., to perform the testing.

**MOTION:** Move to authorize execution of the Consultant Services Contract with AGRA Earth and Environmental, Inc., in an amount not to exceed twenty thousand dollars and no cents (\$20,000.00).  
Young/Owel - unanimously approved.

3. Consultant Services Agreement – Pt. Fosdick Drive Improvement Project. Wes Hill gave a brief overview of the project, which will provide a five-lane section extending south to 44<sup>th</sup> Street. He explained that the contract before council was to complete the design, prepare the plans, specification and estimates and any other related services for construction of the project. He added that the project should begin in July.

**MOTION:** Move to authorize execution of the Consultant Services Contract with Skillings-Connolly, Inc., for engineering services for the Point Fosdick Drive Improvement Project, Phase 2, in an amount not to exceed fifty-six thousand five hundred ninety-five dollars and seventy-three cents (\$56,596.73.)  
Owel/Picinich - unanimously approved.

4. Award of Contract – Street Pavement Marking. Wes Hill presented this contract for two separate applications of pavement markings to the city's arterial streets. He explained that two contractors responded to the call for bids, and recommended award of the contract to Stripe Rite, Inc. for paving marking in the amount of \$18,154.84.

**MOTION:** Move to authorize execution of the contract with Stripe Rite Inc., in an amount of eighteen thousand one hundred fifty-four dollars and eight-four cents (\$18,154.84).  
Picinich/Young - unanimously approved.

5. First Reading of Ordinance – Amendments to Chapter 18.04, City Environmental Policy. Steve Osguthorpe presented this ordinance to change the current consolidation of the required 14-day SEPA of the comment period and appeal period. He added that this ordinance would provide additional due process for prospective appellants. This will

return at the next meeting for a second reading.

6. Closed Record Hearing – Appeal of Hearing Examiner Decision, SDP 97-03, Ross Dock. Mayor Pro Tem Markovich explained that this was a quasi-judicial proceeding to consider this appeal. He asked if there are any appearance of fairness issues with any Councilmembers. Councilmember Owel recused herself as the appellant was a close personal friend, and left the Council Chambers.

Mayor Pro Tem Markovich asked if any Councilmembers had an ex parte communication with the appellant or applicant. There was no response to this query so he proceeded to ask if there were any members in the audience who may have appearance of fairness issues with a member of the Council.

Mary Kay High, attorney for the applicant, clarified that the members of the Harborview Condominium Association were also appellants, in addition to Mr. and Mrs. Matlock.

No other comment came forth, and Mayor Pro Tem Markovich proceeded with the closed record hearing. He explained that no new evidence could be presented, but that both parties would have the opportunity to present their position to the Council. Steve Osguthorpe, Planning Associate, explained that this was the second time this issue had been before Council, and that it had initially been remanded back to the Hearing Examiner due to notification issues. He said that it was before Council as the final Hearing Examiner decision, with which the appellant disagrees on several points. He added that staff had included a draft resolution upholding the Hearing Examiner's decision with some changes to errors in the findings.

Stephanie Arend - 1201 Pacific Avenue Suite 2200, Tacoma. Ms. Arend explained that she was the attorney representing the appellants, Ivan and Aurora Matlock and the Harborview Condominium Homeowners Association. She gave an overview of the challenges to several of the Hearing Examiner's findings. The appellants assert that extension of the Ross Dock will preclude or limit the access to the western slips of the Harborview Condominium marina.

Mayor Pro Tem Markovich asked if either party had done a survey. Ms. Arends answered that none had been done, and added that it was the burden of proof for the applicant to prove they meet all the conditions of the permit, not the opponents. He then asked if the appellants were opposed to the status quo in respect to the vessels adversely impacting the marina. Ms. Arends responded by saying that the issue was the increased impact from the proposed float. Several issues were discussed such as the adverse impact on one private property to the benefit of another private property owner and crossing of lease lines during navigation. Ms. Arends recommended that Councilmembers review the video tape that had been made of a boater measuring the distance from his boat to a boat moored at the Ross Dock.



Mary Kay High - 109 Tacoma Avenue North, Tacoma. Ms. High said that it was her client's contention that the City Council must uphold the Hearing Examiner's decision because the proposal both conforms to the city Shoreline Master Program and the Shoreline Management Act, and is fully supported by the substantial evidence and the staff report. She discussed the issues brought about in the appeal.

Ms. High and Steve Osguthorpe answered Council's questions about the dimensions of the proposed extension and setbacks. Ms. High explained that a DNR lease had not been obtained because they required a permit approval from the city before proceeding.

Steve Osguthorpe addressed the issues that had been brought up. He explained that a survey was not a requirement of the shoreline permit application, but that a scaled drawing is required. He said that both drawings submitted were identified as scaled drawings, even though there are discrepancies between the two. He continued to say that the Examiner determined that there was reasonable information to assure that the requirement of the shoreline master program to provide a 12-foot setback from the pier had been met. He added that it was up to the DNR to determine whether or not there is adequate maneuvering room. It is the city's responsibility to make sure that it complies with our Shoreline Master Program, but DNR may still choose not to approve the lease line. Mr. Osguthorpe added that even with the discrepancy in the drawings, there is still more than sufficient setback. He then gave an overview of staff's recommended corrections to the facts and findings outlined in the resolution.

**MOTION:** Move to adopt Resolution No. 531 which approves the issuance of a substantial development permit on the application of Mr. Adam Ross, Sr., which approves the findings and conclusions and decision of the Hearing Examiner with modifications.  
Young/Ekberg - unanimously approved.

Councilmember Young commented on upholding the Hearing Examiner's decision. He said his approval doesn't necessarily mean that he believes that there is sufficient room to maneuver. Rather, his approval affirms that the application followed the letter of the law. When the Shoreline Master Plan comes up for amendment, the sufficiency of the setback distance is a policy issue that is in need of review.

Councilmember Owel returned to the council chambers at this time.

### **PUBLIC COMMENT/DISCUSSION:**

### **COUNCIL COMMENTS:**

### **STAFF REPORTS:**

### **ANNOUNCEMENTS OF OTHER MEETINGS:**

Council Workshop to continue discussion of the Concurrency and Definitions Ordinances:

Tuesday, May 4, 1999, 6:00 p.m. in the Council Chambers at City Hall.

**EXECUTIVE SESSION:** For the purpose of discussing pending and prospective litigation per RCW 42.30.110(i) and to discuss personnel issues per RCW 42.30.110(g).

**MOTION:** Move to adjourn to Executive Session at 8:34 p.m. for approximately five minutes.  
Picinich / Young – unanimously approved.

**MOTION:** Move to return to regular session at 8:39 p.m.  
Picinich/Young - unanimously approved.

**MOTION:** Move to adjust the salary range for the Project Engineer.  
Young/Picinich - unanimously approved.

**ADJOURN:**

**MOTION:** Move to adjourn at 8:40 p.m.  
Platt/Ekberg – unanimously approved.

Cassette recorder utilized  
Tape 526 Both sides.  
Tape 527 Side A 000 - 405.

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Mayor

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City Clerk

# PROCLAMATION OF THE MAYOR OF THE CITY OF GIG HARBOR

WHEREAS, a strong, effective system of free public school education for all children and youth is essential to our democratic system of government; and

WHEREAS, the United States has made considerable progress in the social, technological, and scientific fields due to our system of free and universal public education; and

WHEREAS, much of this progress can be attributed to the qualified and dedicated school personnel entrusted with the educational development of our children to their full potential; and

WHEREAS, our schools' personnel should be accorded high public esteem, reflecting the value the community places on public education; and

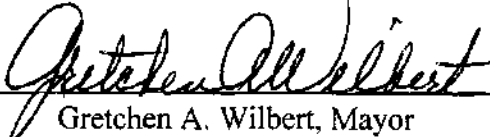
WHEREAS, PTAs on every level nationwide are keenly aware of the importance and impact of our schools' staff on children; and

WHEREAS, it is appropriate that our schools' staff be recognized for this dedication and commitment to educating their students;

NOW, THEREFORE, I Gretchen Wilbert, Mayor of the City of Gig Harbor, hereby proclaim April 26-30, 1999,

## *STAFF APPRECIATION WEEK IN GIG HARBOR*

and urge all citizens to pay tribute to the exceptional and devoted staff at Harbor Heights Elementary School. In Witness Whereof, I have hereunto set my hand and caused the Seal of the City of Gig Harbor to be affixed this 15th day of April, 1999.

  
Gretchen A. Wilbert, Mayor


\_\_\_\_\_  
Harbor Heights Elementary School,  
Parent Teacher Association





*City of Gig Harbor. The "Maritime City"*

DEPARTMENT OF PLANNING & BUILDING SERVICES  
3125 JUDSON STREET  
GIG HARBOR, WASHINGTON 98335  
(253) 851-4278

**TO:**  **MAYOR WILBERT AND CITY COUNCIL**  
**FROM:** **PLANNING-BUILDING DEPT., RAY GILMORE**  
**SUBJECT:** **SECOND READING OF ORDINANCE - AMENDMENT TO SECTION  
18.04.230, ESTABLISHING SEPARATE COMMENT AND APPEAL  
PERIOD UNDER SEPA**  
**DATE:** **APRIL 22, 1999**

#### **BACKGROUND/INTRODUCTION**

The City currently consolidates the required 14-day SEPA comment period with the 14-day appeal period (Section 18.04.230 GHMC). An additional 7 days is allowed beyond the comment period for the filing of an appeal.

#### **POLICY ISSUES**

There have been concerns raised by the general public that the concurrent running of the SEPA comment period with the SEPA appeal period does not provide an adequate opportunity to comment on a proposal prior to considering the filing of an appeal. Staff agrees that the current requirement almost forces the filing of an appeal, as there is limited opportunity for staff review of comments prior to the expiration of an appeal period. Consequently, staff believes that this section of the City's SEPA ordinance should be revised to allow a separate comment and appeal period.

#### **FISCAL IMPACT**

There would not be a fiscal impact to the city from the adoption of this amendment.

#### **RECOMMENDATION**

This is second reading of the ordinance. Staff recommends adoption of the ordinance.

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

**AN ORDINANCE OF THE GIG HARBOR CITY COUNCIL  
ADOPTING AN AMENDMENT TO TITLE 18 OF THE GIG  
HARBOR MUNICIPAL CODE PERTAINING TO THE  
CITY'S ENVIRONMENTAL POLICY ORDINANCE;  
AMENDING SECTION 18.04.230(B) TO PROVIDE FOR  
THE FILING OF AN APPEAL OF A SEPA THRESHOLD  
DETERMINATION AFTER THE COMMENT DUE DATE**

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WHEREAS, the City of Gig Harbor Environmental Policy Ordinance currently provides an appeal period for a SEPA threshold determination concurrent with the public comment period on a SEPA threshold determination; and,

WHEREAS, the current process for SEPA comment and appeal of a threshold determination does not provide adequate time for interested parties to consider an appeal of a SEPA threshold determination prior to filing an appeal; and,

WHEREAS, the public's interest is better served by providing for a separate SEPA comment period, followed by a SEPA threshold determination appeal period.

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

Section 1. Section 18.04.230 (B) of the Gig Harbor Municipal Code is hereby amended to read as follows:

18.04.230 Appeals.

\* \* \*

B. All SEPA appeals must be filed in writing with the responsible official within 14 calendar days after ~~notice of a final decision is issued pursuant to GHMC 19.05.009 or after other notice that the decision has been made and is appealable~~ the final comment due date on a SEPA threshold determination, pursuant to GHMC Section 19.05.009; provided, that in order to allow public comment on a DNS prior to requiring an appeal to be filed, this appeal period shall be extended for an additional seven days. The hearing date for appeals of declarations of significance issued before a decision on the permit shall be not more than 45 days from the date the appeal is filed.

\* \* \*

Section 2. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or

unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. This ordinance shall be in full force and effect five days after its passage and publication as required by law.

APPROVED:

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MAYOR, GRETCHEN A. WILBERT

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MOLLY TOWSLEE, CITY CLERK

**SUMMARY OF ORDINANCE NO. \_\_\_\_\_**  
**of the City of Gig Harbor, Washington**

On the \_\_\_\_\_ day of \_\_\_\_\_, 1999, the City Council of the City of Gig Harbor, passed ordinance No. \_\_\_\_\_. A summary of the content of said ordinance, consisting of the title, provides as follows:

**AN ORDINANCE OF THE GIG HARBOR CITY COUNCIL ADOPTING AN AMENDMENT TO TITLE 18 OF THE GIG HARBOR MUNICIPAL CODE PERTAINING TO THE CITY'S ENVIRONMENTAL POLICY ORDINANCE; AMENDING SECTION 18.04.230(B) TO PROVIDE FOR THE FILING OF AN APPEAL OF A SEPA THRESHOLD DETERMINATION AFTER THE COMMENT DUE DATE**

The full text of this Ordinance will be mailed upon request.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

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





City of Gig Harbor. The "Maritime City"

3105 JUDSON STREET  
GIG HARBOR, WASHINGTON 98335  
(253) 851-8136

**TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS**  
**FROM: WES HILL, P.E., PUBLIC WORKS DIRECTOR**  
**SUBJECT: INDEMNIFICATION AGREEMENT (TALMO, INC.)**  
**DATE: APRIL 21, 1999**

**INTRODUCTION/BACKGROUND**

The property owner-developer (Talmo, Inc.) of a parcel (formerly parcels) bordered by Wollochet Drive on the northwest, State Route 16 on the northeast, and 38<sup>th</sup> Avenue on the east, will be constructing a development project that will require an extension of the City's water system to provide the necessary fire flow. The first leg of the new transmission line will connect to the City's water main in Stinson Avenue at Grandview Street, then proceed west on Grandview Street and under State Route 16 (SR-16) to the eastern terminus of 72<sup>nd</sup> Street. The transmission line will be extended south from 72<sup>nd</sup> Street to connect to existing facilities in Wollochet Drive near the new development.

A bored undercrossing will be required within the Washington State Department of Transportation's (WSDOT's) SR-16 right-of-way for the new transmission line (the new water transmission line will be placed in a steel casing.). WSDOT requires that permits for utility work within its right-of-way be issued to the utility, and not the developer or contractor. The City has obtained the necessary WSDOT Utility Permit for the work.

Due to the nature of the work and potential risks, Council approval is being requested for the attached indemnification agreement between the City and the developer. The agreement sets forth the basis for the agreement, the developer's indemnification of the City, and the form and amounts of required insurance for the work.

The developer will submit a standard City Performance Bond to guarantee satisfactory completion of the work.

**POLICY/FISCAL CONSIDERATIONS**

The Indemnification Agreement limits the City's potential exposure resulting from work in WSDOT's SR-16 right-of-way by Talmo, Inc., it's Contractor and any subcontractors, for the construction and installation of the bored undercrossing and steel-pipe jacketed water transmission line.

**RECOMMENDATION**

Staff recommends Council authorize execution of the attached Indemnification Agreement Between the City of Gig Harbor and Talmo Corporation.

**INDEMNIFICATION AGREEMENT  
BETWEEN THE CITY OF GIG HARBOR  
AND TALMO CORPORATION**

**THIS AGREEMENT** is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1999, by and between the City of Gig Harbor, a Washington Municipal Corporation (hereinafter the "City"), and Talmo, Inc., a Washington Corporation, whose address is P.O. Box 492, Gig Harbor, Washington, (hereinafter "Talmo").

**WITNESSETH:**

WHEREAS, Talmo is engaged in the development of certain parcels of property located at 6627 Wollochet Drive, Gig Harbor, also known as the Memory Lanes Recreation Center site; and

WHEREAS, the City has jurisdiction over this development, and has required that Talmo install certain water system facilities as a condition of development approval; and

WHEREAS, because these facilities will be required to serve the public, Talmo will construct the facilities and then dedicate them to the City; and

WHEREAS, construction of these facilities requires Talmo to bore under State Route-16 (SR-16); and

WHEREAS, the Washington State Department of Transportation (WSDOT) requires a WSDOT Utility Permit before any such boring may take place, and the WSDOT will not issue a permit to a developer; and

WHEREAS, because the City is required to obtain the permit for the construction of these facilities, but the City is neither performing the work nor is it the contracting party; and

WHEREAS, the parties have agreed to execute this indemnification agreement so that Talmo can obtain the necessary authorization from the City to construct these facilities, and the City is not liable for any damages related to any property damage, injury or death arising out of Talmo's construction of the facilities;

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

**Section 1. City's Application for Permit.** The City agrees to submit an application to the State for the necessary WSDOT Utility Permit to allow Talmo to bore under the surface of SR-16 for the purpose of constructing the water system facilities.

**Section 2. Talmo's Indemnification of City.** Talmo agrees to defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorney's fees, arising out of or in connection with the performance of the work involved in the boring under the surface of SR-16, as the same is covered by the WSDOT Utility Permit.

*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 Talmo and the City, its officers, officials, employees, agents and volunteers, Talmo's liability hereunder shall be only to the extent of Talmo's negligence.*

It is further specifically and expressly understood that the indemnification provided herein constitutes Talmo's waiver of immunity under Title 51, Industrial Insurance, solely for the purposes of this indemnification. The parties further acknowledge that they have mutually negotiated this waiver.

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

**Section 3. Talmo's Insurance.** Talmo shall obtain and keep in force for the duration of this Agreement, and until final acceptance by the City of the completed water system facilities, the following insurance with companies or through sources approved by the State Insurance Commissioner pursuant to Chapter 48.05, RCW. The insurance shall be against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Talmo, its agents, representatives, contractors, subcontractors or employees.

The policies of insurance shall specifically name the City as additional insured. The City shall be given thirty (30) days prior written notice by the certified mail, return receipt requested, of any cancellation, suspension or material change in coverage.

Talmo shall not begin work under the WSDOT Utility Permit or City reviewed plans for the water system facilities until the required insurance has been obtained by Talmo and approved by the City. Insurance shall provide coverage to Talmo, all subcontractors, and the City. The coverage shall protect against claims for personal injuries, including accidental death, as well as claims for property damages which may arise from any act or omission of Talmo, Contractors or subcontractors, or by anyone directly or indirectly employed by them.

Talmo shall submit for the City's review Certificates of Insurance for coverage necessary to satisfy the insurance requirements herein, together with a certified and complete copy of all of Talmo's insurance policies represented by the Certificates of Insurance.

The insurance shall provide the minimum coverages set forth below:

- A. Extended Bodily Injury
- B. Employees as Additional Insured
- C. Premises/Operations Liability (M&C)

- D. Owners and Contractors Protective Liability
- E. Products and Completed Operations Liability (through guarantee period)
- F. Blanket contractual Liability
- G. Broad Form Property Damage Liability
- H. Personal Injury, including coverages A,B, C, with no employee exclusion
- I. Stop Gap or Employers Contingent Liability
- J. Automobile Liability, including coverage for owned, nonowned, leased or hired vehicles
- K. Explosion, Collapse, Underground Damage (X.C.U.) as applicable

The form of insurance and coverage limits shall be the following (at a minimum):

1. Owners and Contractors Protective Insurance providing bodily injury and property damage liability with limits of \$1,000,000 per occurrence and in the aggregate, written on Insurance Services Office (ISO) form CG0009.
2. Commercial General Liability Insurance written under ISO Form CG0001 or its equivalent with minimum limits of \$1,000,000 each occurrence and \$2,000,000 in the aggregate for each policy year. Products and completed operations coverage shall be provided for a period of two-years following final acceptance of the work. The commercial general liability insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability. Talmo's insurance shall be primary insurance as respects the City.
3. Commercial Automobile Liability Insurance providing bodily injury and property damage liability coverage for all owned and nonowned vehicles assigned to or used in the performance of the work for a combined single limit of not less than \$1,000,000 each occurrence with the State.

Failure on the part of Talmo to maintain the insurance as required shall constitute a material breach of contract upon which the City may, after giving five working days notice to Talmo to correct the breach, immediately, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand.

It is the intent of this Contract that Talmo's insurance 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 the City. Additionally, Talmo's commercial general liability policy must provide cross-liability coverage as could be achieved under a standard ISO separation of insured's clause.

**Section 4. City's Right of Inspection.** Because the work performed by Talmo on the water system facilities will be in accordance with plans prepared by a professional engineer retained by Talmo, as reviewed by the City, and under a permit obtained by the City from the WSDOT, the work must meet the approval of the City and shall be subject to the City's right of inspection to secure the satisfactory completion thereof.

**Section 5. Work performed at Talmo's Risk.** Talmo shall take all precautions necessary and shall be responsible for the safety of its employees, agents, contractors and subcontractors in the performance of the work described in the permit, and shall utilize all protection necessary for that purpose. All work shall be done at Talmo's own risk.

**Section 6. 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 as a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.

**Section 7. Resolution of Disputes.** 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 Public Works Director, and the City shall determine the term or provision's true intent or meaning.

If any dispute arises between the City and Talmo under any of the provisions of this Agreement which cannot be resolved by the City Public Works Director's determination in a reasonable time, or if Talmo does not agree with the City's decision on a disputed matter, jurisdiction of any resulting litigation shall be filed in Pierce County Superior Court. 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 party's expenses and reasonable attorney's fees.

**Section 8. Written Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary:

Talmo, Inc.  
Attn: Mr. Jim Tallman  
PO Box 492  
Gig Harbor, WA 98335

City of Gig Harbor  
Attn: Public Works Director  
3105 Judson Street  
Gig Harbor, WA 98335

**Section 9. Modification.** No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Talmo.

**Section 10. Assignment.** Any assignment of this Agreement by Talmo without the written consent of the City shall be void. If the City shall give its consent to any assignment, this paragraph shall continue in full force and effect and no further assignment shall be made without the City's consent.

**Section 11. Entire Agreement.** The written terms of this Agreement shall supersede all prior verbal statements of any officer or representative of the City.

IN WITNESS WHEREOF, the parties have executed this Agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 1999.





*City of Gig Harbor. The "Maritime City"*

3105 JUDSON STREET  
GIG HARBOR, WASHINGTON 98335  
(253) 851-8136

**TO: MAYOR WILBERT AND CITY COUNCIL**  
**FROM: MARK HOPPEN, CITY ADMINISTRATOR** *MHA*  
**SUBJECT: MORATORIUM – COMMERCIAL STIMULANT CARD GAMES**  
**DATE: APRIL 21, 1999**

### **INFORMATION/BACKGROUND**

Recent concern over the proliferation of mini-casino card rooms has resulted in a proposed moratorium on such activities at the Washington state level by Governor Locke. Prior to Governor Locke's action, the legislature authorized the Gambling Commission in 1996 to allow card rooms to operate up to 15 separate tables, and removed the limit on fees that a licensee may collect from players. In 1997, the legislature again amended the statutes relating to card games to allow house-banked games. Now, at least provisionally, businesses may operate larger and more lucrative gambling establishments, card rooms can have professional dealers, and game participants can play against the house. As a result, mini-casinos can now have an environment more like Las Vegas or Reno or tribal casinos, and can make a lot more money.

This moratorium allows the City of Gig Harbor six months to address the issue of whether card rooms should be allowed to locate or continue to operate in this jurisdiction.

### **POLICY CONSIDERATIONS**

The City of Gig Harbor is limited in its authority to regulate gambling. It may: (1) tax certain gambling activities; (2) enact as local ordinances any of the state gambling statutes, the violation of which constitutes a misdemeanor or gross misdemeanor; and/or (3) prohibit any or all gambling activities for which licenses are required.

Under the statutory authority to prohibit gambling activities, at least 28 cities and one county have prohibited some type of gambling activity, and one of those cities has prohibited all gambling. Card rooms are the type of gambling activity most frequently prohibited by local governments. The statute that authorizes these local prohibitions, RCW 9.46.295, provides that cities and counties "may absolutely prohibit, but may not change the scope of license, of any or all of the gambling activities for which the license was issued." A city or county that prohibits any or all forms of gambling must notify the gambling commission in writing, so that the commission will not issue or renew a license, which is valid for one year, for the type of gambling prohibited within that jurisdiction (WAC 230-04-55).

There are currently no licensed card rooms within the jurisdictional limits of the City of Gig Harbor.

### **RECOMMENDATION**

Staff recommends that the City Council select a date for the Public Hearing on this moratorium (Section 4.) and immediately approve the attached moratorium ordinance, which has been reviewed by Legal Counsel.

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO BUSINESS LICENSES AND LAND USE PERMITS/APPROVALS, IMPOSING A MORATORIUM ON THE ACCEPTANCE OF APPLICATIONS FOR AND THE ISSUANCE OF BUSINESS LICENSES OR LAND USE/DEVELOPMENT APPROVALS/PERMITS FOR FOOD OR DRINK ESTABLISHMENTS CONDUCTING COMMERCIAL STIMULANT CARD GAMES AND DECLARING AN EMERGENCY.**

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WHEREAS, RCW 9.24.295 authorizes cities such as the City of Gig Harbor to prohibit any or all the gambling activities authorized under chapter 9.46 RCW; and

WHEREAS, the City is prohibited from adopting regulations inconsistent with chapter 9.46 RCW; and

WHEREAS, the State Legislature and State Gambling Commission have recently expanded the ability of gambling licensees to conduct social card games as a commercial stimulant for the licensee's business; and

WHEREAS, the Washington State Legislature is currently considering amendments to chapter 9.46 RCW, and on April 15, 1999, the Governor called for a moratorium on new minicasinos before such amendments are adopted; and

WHEREAS, a number of food or drink establishments conducting commercial stimulant card games have opened recently in the Puget Sound area; and

WHEREAS, other cities in the surrounding Seattle-Tacoma Metropolitan region and elsewhere in the state have adopted ordinances relating to food or drink establishments



conducting commercial stimulant card games based on the impacts of such uses; and

WHEREAS, there is the possibility that the City could, in the near future, receive applications for business license and development/land use approval/permits for such establishments that would significantly increase the number of such uses located within the City; and

WHEREAS, the City's current zoning and business licensing regulations do not address gambling establishments in a comprehensive fashion and may allow such establishments to be located in areas where the impacts associated with gambling may be detrimental to the community; and

WHEREAS, the citizens of Gig Harbor would be well served if the City more fully addressed and understood the potential effects of these uses upon neighboring properties and the community as a whole; and

WHEREAS, the City needs time to review existing information on the effects of these uses and to evaluate whether such gambling activities should be permitted in the future, and if so, to review the Gig Harbor Municipal Code in a comprehensive fashion to determine whether it sufficiently addresses the impacts of such uses, and if not, to adopt appropriate regulations; and

WHEREAS, RCW 35A.63.220 authorizes cities to enact moratoria to preserve the status quo while new plans or regulations are considered and prepared; and

WHEREAS, the City Council finds that the protection of the health, safety and welfare supports imposing a moratorium on food and drink establishments conducting commercial stimulant card games and barring the acceptance of all applications for issuance of any business license, or building, land use or development permit or approval under the Gig Harbor Municipal

Code for these establishments until additional review has been completed and any necessary code revisions have been adopted by the City Council; Now, Therefore,

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

Section 1. Definitions. For the purpose of this ordinance, the following definitions shall apply:

A. "Commercial stimulant" shall have the definition set forth in RCW 9.46.0217, which is hereby adopted by reference.

B. "Gambling" shall have the definition set forth in RCW 9.46.0237, which is hereby adopted by reference.

C. "Social Card Game" shall have the definition set forth in RCW 9.46.0282, which is hereby adopted by reference.

Section 2. Moratorium Established. A moratorium is hereby established upon the filing of business license applications, building permits or any other development permit or approval required for a food and drink establishment conducting social card. A moratorium is hereby established upon the filing of any business license application, building permit or any other development permit or approval required for the expansion of a food and drink establishment conducting social card games. No such application shall be accepted by the City during the effective period of this moratorium.

Section 3. Duration. The moratorium imposed by this Ordinance shall commence on the date of adoption of this Ordinance. As long as the City holds its public hearing and adopts findings of facts and conclusions in support of the moratorium (as contemplated by Section 4

herein), the moratorium shall terminate six (6) months after the date of adoption of this Ordinance, or at the time that the City's comprehensive review and possible amendment/adoption of regulations have been completed, whichever is sooner. The Council shall make this decision to terminate the moratorium by ordinance, and termination shall not otherwise be presumed to have occurred.

Section 4. Public Hearing on Moratorium. Pursuant to RCW 36.70A.390 and/or RCW 35A.63.220, the City Council shall hold a public hearing on this moratorium within sixty (60) days of its adoption. The Council has scheduled a public hearing for \_\_\_\_\_, 1999. Immediately after the public hearing, the City Council shall adopt findings of fact on the subject of this moratorium, and either justify its continued imposition or cancel the moratorium.

Section 5. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 6. Adoption of Statutes by Reference. Pursuant to RCW 35A.12.140, copies of the statutes referenced in Section 1 are attached to this Ordinance.

Section 7. Effective Date and Declaration of Emergency. The City Council hereby declares that an emergency exists necessitating that this Ordinance take effect immediately upon passage by a majority plus one of the whole membership of the Council, and that the same is not subject to a referendum (RCW 35A.12.130). Without an immediate moratorium on the City's acceptance of business licenses, building permits or other types of land use/development permits/approvals, such applications could become vested under regulations subject to immediate

change by the City in this comprehensive review and regulation amendment/adoption process.  
This Ordinance will not affect any existing rights, or any vested applications previously submitted to the City.

APPROVED:

\_\_\_\_\_  
MAYOR, GRETCHEN A. WILBERT

ATTEST/AUTHENTICATED:

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

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY:

BY \_\_\_\_\_

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

**SUMMARY OF ORDINANCE NO.**

of the City of Gig Harbor, Washington

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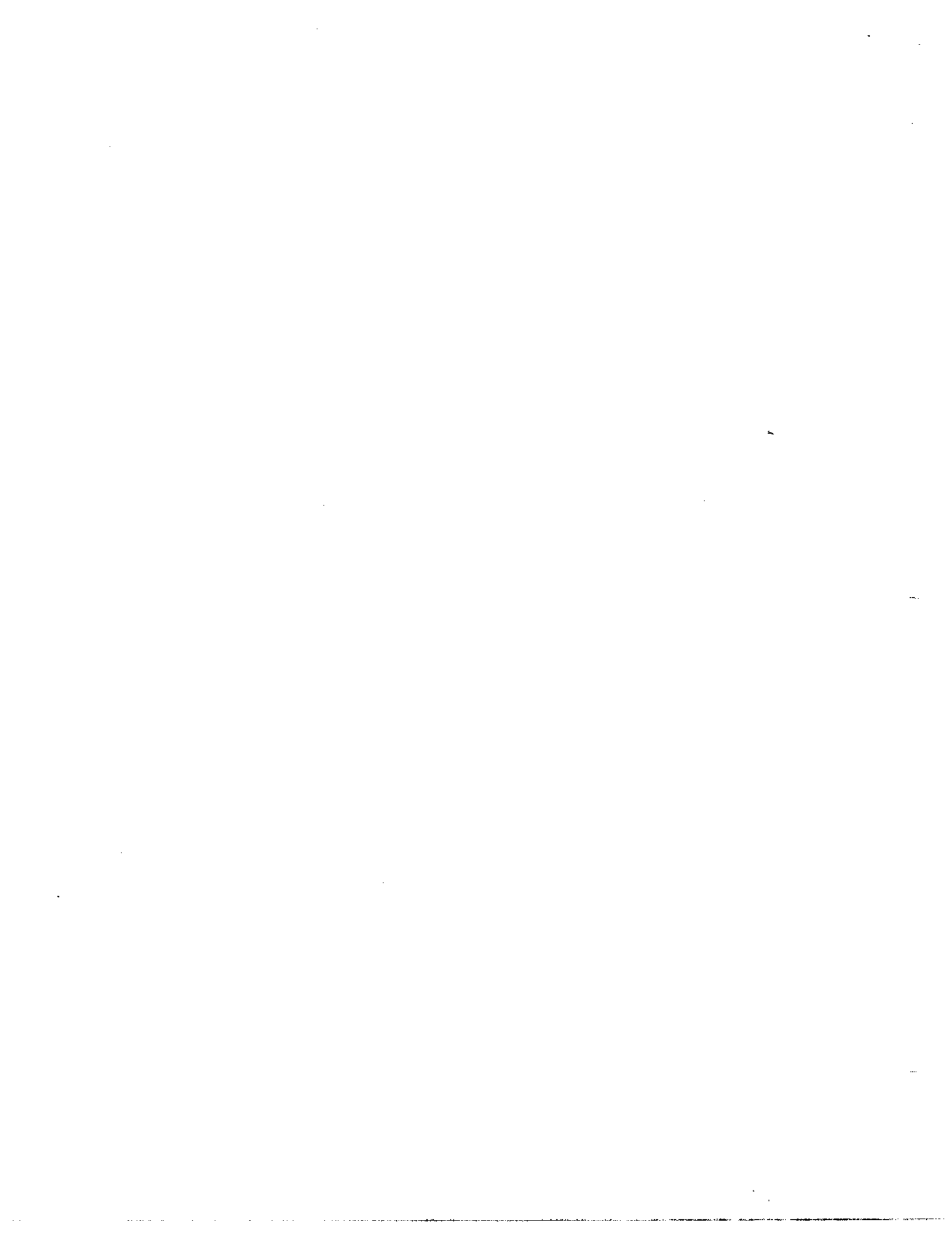
On the \_\_\_\_ day of \_\_\_\_\_, 199\_\_, the City Council of the City of Gig Harbor, passed Ordinance No. \_\_\_\_\_. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO BUSINESS LICENSES AND LAND USE PERMITS/APPROVALS, IMPOSING A MORATORIUM ON THE ACCEPTANCE OF APPLICATIONS FOR AND THE ISSUANCE OF BUSINESS LICENSES OR LAND USE/DEVELOPMENT APPROVALS/ PERMITS FOR FOOD OR DRINK ESTABLISHMENTS CONDUCTING COMMERCIAL STIMULANT CARD AND DECLARING AN EMERGENCY.

The full text of this Ordinance will be mailed upon request.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 199\_.

CITY ADMINISTRATOR, MARK HOPPEN





*City of Gig Harbor Police Dept.*  
3105 JUDSON STREET  
GIG HARBOR, WASHINGTON 98335  
(253) 851-2236

**TO: MAYOR WILBERT AND CITY COUNCIL**  
**FROM: MITCH BARKER, CHIEF OF POLICE** *MB*  
**SUBJECT: MARCH INFORMATION FROM PD**  
**DATE: April 9, 1999**

The March 1999 activity statistics are attached for your review. I have previously forwarded the 1998 Year End Report.

The Reserves supplied 402 hours of service in March. The two new Reserve Officers are continuing their orientation to the department.

The Marine Services Unit displayed the boat at the annual Health & Safety Expo on the 27<sup>th</sup>. The boat will be placed in the water this week and will be used for special evening assignments and available for callout service.

The Explorers completed 162 hours of service in March. This time was split between regularly scheduled post meetings, ride-alongs, and training. The Explorers will be competing in the annual Blue Mountain Challenge in April.

The bicycle patrol provided a few hours in March. This was focused in the west and North Harborview business areas. We will be using the bikes on an increasing basis through the summer.



City of Gig Harbor Police Dept.  
3105 JUDSON STREET  
GIG HARBOR, WASHINGTON 98335  
(253) 851-2236

## GIG HARBOR POLICE DEPARTMENT

### MONTHLY ACTIVITY REPORT

March 1999

	<u>MAR</u> <u>1999</u>	<u>YTD</u> <u>1999</u>	<u>YTD</u> <u>1998</u>	<u>%chg to</u> <u>1998</u>
CALLS FOR SERVICE	413	1152	1177	- 2
CRIMINAL TRAFFIC	25	65	67	- 2
TRAFFIC INFRACTIONS	90	287	208	+ 37
DUI ARRESTS	7	15	31	- 53
FELONY ARRESTS	4	13	8	+ 62
MISDEMEANOR ARRESTS	29	66	36	+ 83
WARRANT ARRESTS	12	33	28	+ 17
CASE REPORTS	96	279	315	- 11
REPORTABLE VEHICLE ACCIDENTS	15	42	32	+ 31





*City of Gig Harbor. The "Maritime City"*

3105 JUDSON STREET  
GIG HARBOR, WASHINGTON 98335  
(253) 851-8136

**TO: MAYOR WILBERT AND CITY COUNCIL**  
**FROM: DAVID RODENBACH** DR  
**DATE: April 21, 1999**  
**SUBJECT: QUARTERLY FINANCIAL REPORTS**

The financial reports for the first quarter of 1999 are attached.

Total resources, including all revenues and beginning cash balances, are at 50% of the annual budget. Revenues, excluding cash balances, are at 15% of the annual budget while expenditures are at 10%.

General Fund revenues (excluding beginning balance) are at 23% of budget. Sales tax receipts for the quarter are slightly ahead of pace at 28%. Property taxes are at 1.5% of budget. Property taxes are mostly collected in the second and fourth quarters.

General Fund expenditures are at 26% of budget. 60% of the non-departmental budget has been spent. This is due to budgeted transfers of \$125,000 and \$285,000 to the Street and LTGO Bond Funds. All other General Fund departments are below 25% of budgeted expenditures.

Street revenues and expenditures are only 3.5 and 3.4% of budget.

We have received \$6,300 in Hotel-Motel taxes. This is 21% of budget. Through March we have distributed \$24,875 in support of budgeted tourism-related projects. This represents 83% of budgeted expenditures for 1999.

Water and Sewer revenues are at 20 and 21% of budget. Water expenditures are 14% of budget while Sewer expenditures are 19%.

All funds have adequate cash on hand to meet upcoming obligations.

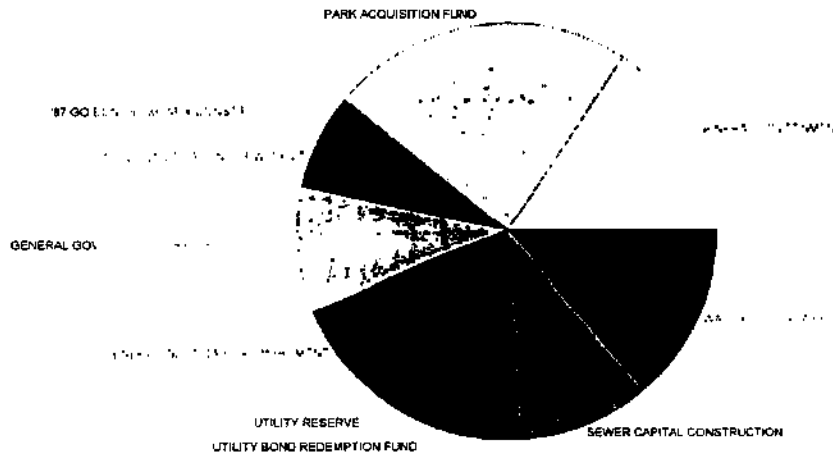
**CITY OF GIG HARBOR  
CASH AND INVESTMENTS  
YEAR TO DATE ACTIVITY  
AS OF MARCH 31, 1999**

FUND NO.	DESCRIPTION	BEGINNING		EXPENDITURES	OTHER CHANGES	ENDING BALANCE
		BALANCE	REVENUES			
001	GENERAL GOVERNMENT	\$1,397,222	\$909,252	\$1,157,022	(\$56,686)	\$1,092,766
101	STREET FUND	137,590	178,509	173,093	(43,568)	99,438
105	DRUG INVESTIGATION FUND	14,089	5,034	2,049	(63)	17,011
107	HOTEL-MOTEL FUND	49,503	6,278	24,876	-	30,905
109	PARK ACQUISITION FUND	1,616,325	18,590	4,250	-	1,630,665
203	'87 GO BONDS - SEWER CONSTR	214,025	4,783	-	-	218,807
208	91 GO BONDS - SOUNDVIEW DRIVE	10,544	286,555	-	-	297,099
301	GENERAL GOVT CAPITAL ASSETS	635,843	41,977	-	-	677,820
305	GENERAL GOVT CAPITAL IMPRVMEN	446,752	39,648	-	-	486,400
401	WATER OPERATING	159,414	144,519	120,186	(11,692)	172,056
402	SEWER OPERATING	115,080	215,754	169,276	(23,895)	137,664
407	UTILITY RESERVE	530,660	11,120	-	-	541,780
408	UTILITY BOND REDEMPTION FUND	388,422	10,326	56,026	-	342,722
410	SEWER CAPITAL CONSTRUCTION	748,364	104,390	147,170	15,011	720,595
411	STORM SEWER OPERATING	20,225	58,862	49,079	4,515	34,522
420	WATER CAPITAL ASSETS	961,698	57,286	10,223	(48,613)	960,149
605	LIGHTHOUSE MAINTENANCE TRUST	2,035	25	-	-	2,061
631	MUNICIPAL COURT	-	21,758	13,582	(8,176)	-
801	CLEARING CLAIMS	-	-	-	-	-
		<b>\$7,447,793</b>	<b>\$2,114,666</b>	<b>\$1,926,832</b>	<b>(\$173,167)</b>	<b>\$7,462,461</b>

**COMPOSITION OF CASH AND INVESTMENTS  
AS OF MARCH 31, 1999**

	MATURITY	RATE	BALANCE
CASH ON HAND			\$300
CASH IN BANK		1.490%	38,465
RESERVE FUND - FINHOLM VIEW CLIMB		4.400%	20,000
LOCAL GOVERNMENT INVESTMENT POOL		4.889%	6,503,696
FEDERAL HOME LOAN BANK	11/26/02	5.755%	100,000
FEDERAL HOME LOAN BANK	09/10/03	6.060%	300,000
FEDERAL HOME LOAN MTG CORP CPN	03/08/04	6.300%	300,000
FEDERAL NATL MTG ASSN MED TERM NOTE	03/12/04	6.000%	200,000
			<b>\$7,462,461</b>

**Ending Cash Balances By Fund No.**

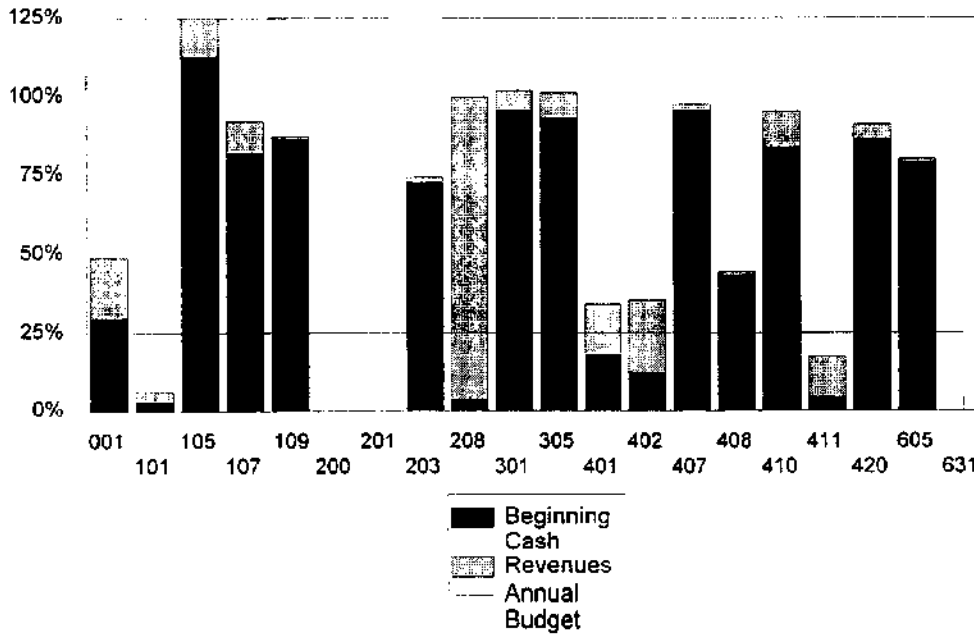


Smaller balances are excluded from chart

**CITY OF GIG HARBOR  
YEAR-TO-DATE RESOURCE SUMMARY  
AND COMPARISON TO BUDGET  
FOR PERIOD ENDING MARCH 31, 1999**

FUND NO.	DESCRIPTION	ESTIMATED RESOURCES	ACTUAL Y-T-D RESOURCES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT	\$4,713,941	\$2,306,474	\$2,407,467	48.93%
101	STREET FUND	5,080,500	316,099	4,764,401	6.22%
105	DRUG INVESTIGATION FUND	12,500	19,123	(6,623)	152.98%
107	HOTEL-MOTEL FUND	60,500	55,781	4,719	92.20%
109	PARK ACQUISITION FUND	1,875,000	1,634,915	240,085	87.20%
203	'87 GO BONDS - SEWER CONSTR	295,000	218,807	76,193	74.17%
208	91 GO BONDS - SOUNDVIEW DRIVE	297,500	297,099	401	99.87%
301	GENERAL GOVT CAPITAL ASSETS	665,000	677,820	(12,820)	101.93%
305	GENERAL GOVT CAPITAL IMPROVEMENT	480,000	486,400	(6,400)	101.33%
401	WATER OPERATING	891,500	303,933	587,567	34.09%
402	SEWER OPERATING	933,037	330,835	602,202	35.46%
407	UTILITY RESERVE	555,000	541,780	13,220	97.62%
408	UTILITY BOND REDEMPTION FUND	898,500	398,748	499,752	44.38%
410	SEWER CAPITAL CONSTRUCTION	893,500	852,754	40,746	95.44%
411	STORM SEWER OPERATING	456,448	79,087	377,361	17.33%
420	WATER CAPITAL ASSETS	1,115,000	1,018,984	96,016	91.39%
605	LIGHTHOUSE MAINTENANCE TRUST	2,575	2,061	515	80.02%
631	MUNICIPAL COURT	-	21,758	(21,758)	NA
		<b>\$19,225,501</b>	<b>\$9,562,459</b>	<b>\$9,663,042</b>	<b>49.74%</b>

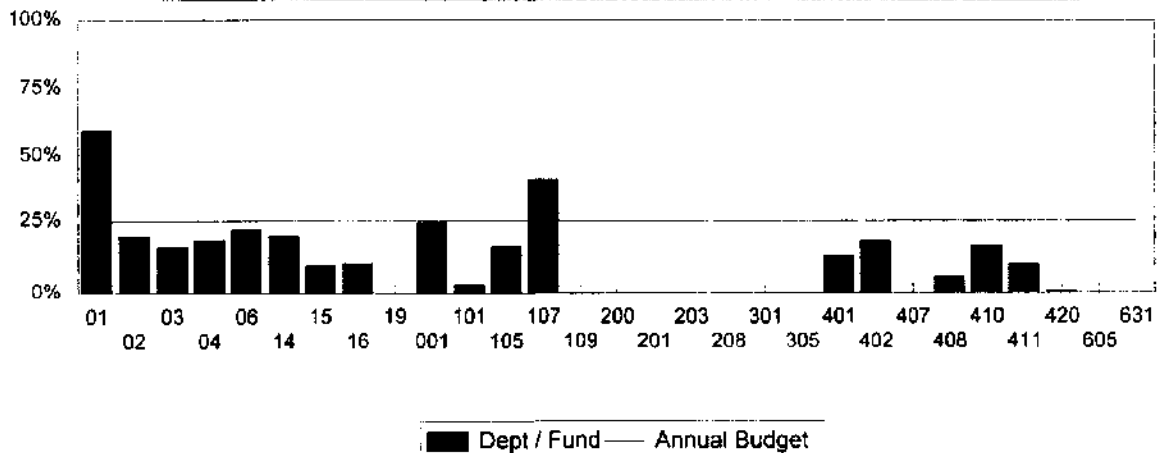
**Resources as a Percentage of Annual Budget**



**CITY OF GIG HARBOR  
YEAR-TO-DATE EXPENDITURE SUMMARY  
AND COMPARISON TO BUDGET  
FOR PERIOD ENDING MARCH 31, 1999**

FUND NO.	DESCRIPTION	ESTIMATED EXPENDITURES	ACTUAL Y-T-D EXPENDITURES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT				
01	NON-DEPARTMENTAL	\$858,100	\$512,220	\$345,880	59.69%
02	LEGISLATIVE	30,150	6,036	24,114	20.02%
03	MUNICIPAL COURT	297,430	48,715	248,715	16.38%
04	ADMINISTRATIVE/FINANCIAL	550,988	101,775	449,213	18.47%
06	POLICE	1,367,918	305,239	1,062,679	22.31%
14	COMMUNITY DEVELOPMENT	521,850	103,794	418,056	19.89%
15	PARKS AND RECREATION	634,295	65,708	568,587	10.36%
16	BUILDING	123,770	13,535	110,235	10.94%
19	ENDING FUND BALANCE	329,440	-	329,440	-
001	TOTAL GENERAL FUND	4,713,941	1,157,022	3,556,919	24.54%
101	STREET FUND	5,080,500	173,093	4,907,407	3.41%
105	DRUG INVESTIGATION FUND	12,500	2,049	10,451	16.39%
107	HOTEL-MOTEL FUND	60,500	24,876	35,624	41.12%
109	PARK ACQUISITION FUND	1,875,000	4,250	1,870,750	0.23%
203	'87 GO BONDS - SEWER CONSTR	295,000	-	295,000	-
208	91 GO BONDS - SOUNDVIEW DRIVE	297,500	-	297,500	-
301	GENERAL GOVT CAPITAL ASSETS	665,000	-	665,000	-
305	GENERAL GOVT CAPITAL IMPROVEM	480,000	-	480,000	-
401	WATER OPERATING	891,500	120,186	771,314	13.48%
402	SEWER OPERATING	933,037	169,276	763,761	18.14%
407	UTILITY RESERVE	555,000	-	555,000	-
408	UTILITY BOND REDEMPTION FUND	898,500	56,026	842,474	6.24%
410	SEWER CAPITAL CONSTRUCTION	893,500	147,170	746,330	16.47%
411	STORM SEWER OPERATING	456,448	49,079	407,369	10.75%
420	WATER CAPITAL ASSETS	1,115,000	10,223	1,104,777	0.92%
605	LIGHTHOUSE MAINTENANCE TRUST	2,575	-	2,575	-
631	MUNICIPAL COURT	-	13,582	(13,582)	NA
		\$19,225,501	\$1,926,832	\$17,298,669	10.02%

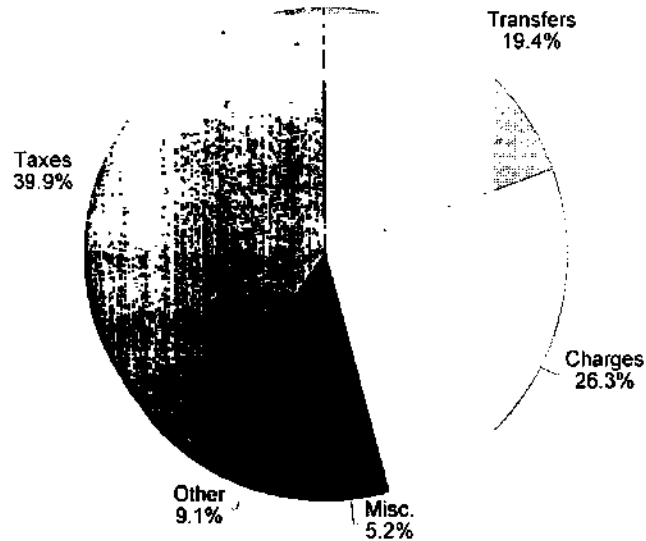
**Expenditures as a Percentage of Annual Budget**



**CITY OF GIG HARBOR  
YEAR-TO-DATE REVENUE SUMMARY  
BY TYPE  
FOR PERIOD ENDING MARCH 31, 1999**

<u>TYPE OF REVENUE</u>	<u>AMOUNT</u>
Taxes	\$844,357
Licenses and Permits	38,698
Intergovernmental	99,290
Charges for Services	556,600
Fines and Forfeits	26,780
Miscellaneous	110,385
Non-Revenues	27,480
Transfers and Other Sources of Funds	411,076
Total Revenues	2,114,666
Beginning Cash Balance	7,447,793
Total Resources	<u>\$9,562,459</u>

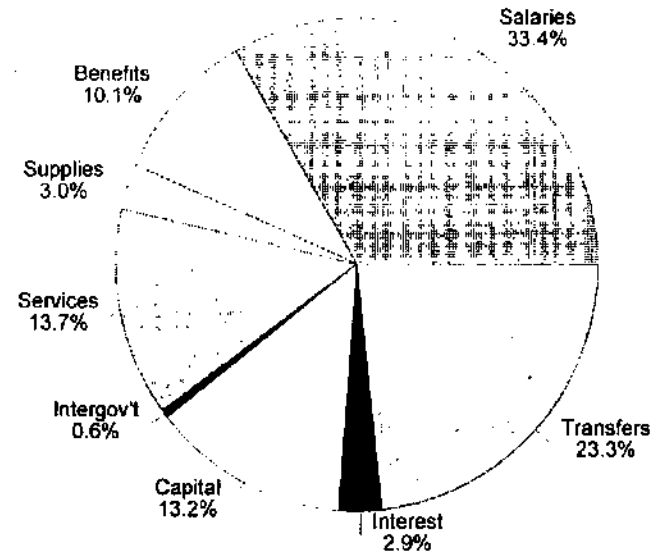
**Revenues by Type - All Funds**



**CITY OF GIG HARBOR  
YEAR-TO-DATE EXPENDITURE SUMMARY  
BY TYPE  
FOR PERIOD ENDING MARCH 31, 1999**

<u>TYPE OF EXPENDITURE</u>	<u>AMOUNT</u>
Wages and Salaries	\$643,441
Personnel Benefits	193,981
Supplies	57,008
Services and Other Charges	263,456
Intergovernmental Services and Charges	11,042
Capital Expenditures	253,420
Principal Portions of Debt Payments	(0)
Interest Expense	56,026
Transfers and Other Uses of Funds	448,457
Total Expenditures	1,926,832
Ending Cash Balance	7,462,461
Total Uses	<u>\$9,389,292</u>

**Expenditures by Type - All Funds**



**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF MARCH 31, 1999**

	SPECIAL REVENUE FUNDS								TOTAL SPECIAL REVENUE
	001 GENERAL GOVERNMENT	101 STREET	105 DRUG INVESTIGATION	107 HOTEL - MOTEL	109 PARK ACQUISITION	301 GENERAL GOVT CAPITAL ASSETS	305 GENERAL GOVT CAPITAL IMP	605 LIGHTHOUSE MAINTENANCE	
CASH	\$25,818	\$587	\$100	\$182	\$7,851	\$3,999	\$2,870	\$12	\$15,601
INVESTMENTS	1,066,948	98,851	16,910	30,723	1,622,815	673,821	483,531	2,048	2,928,699
RECEIVABLES	31,660	23,604	-	-	-	-	-	-	23,604
FIXED ASSETS	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$1,124,426</b>	<b>\$123,042</b>	<b>\$17,011</b>	<b>\$30,905</b>	<b>\$1,630,665</b>	<b>\$677,820</b>	<b>\$486,400</b>	<b>\$2,061</b>	<b>\$2,967,904</b>
<b>LIABILITIES</b>									
<b>CURRENT</b>	<b>\$6,333</b>	<b>\$2,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$2,633</b>
<b>LONG TERM</b>	<b>20,640</b>	<b>20,640</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,640</b>
<b>TOTAL LIABILITIES</b>	<b>26,972</b>	<b>23,272</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,272</b>
<b>FUND BALANCE:</b>									
<b>BEGINNING OF YEAR</b>	<b>1,345,224</b>	<b>94,354</b>	<b>14,026</b>	<b>49,503</b>	<b>1,616,325</b>	<b>635,843</b>	<b>446,752</b>	<b>2,035</b>	<b>2,858,839</b>
<b>Y-T-D REVENUES</b>	<b>909,252</b>	<b>178,509</b>	<b>5,034</b>	<b>6,278</b>	<b>18,590</b>	<b>41,977</b>	<b>39,648</b>	<b>25</b>	<b>290,061</b>
<b>Y-T-D EXPENDITURES</b>	<b>(1,157,022)</b>	<b>(173,093)</b>	<b>(2,049)</b>	<b>(24,876)</b>	<b>(4,250)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(204,268)</b>
<b>ENDING FUND BALANCE</b>	<b>1,097,453</b>	<b>99,770</b>	<b>17,011</b>	<b>30,905</b>	<b>1,630,665</b>	<b>677,820</b>	<b>486,400</b>	<b>2,061</b>	<b>2,944,632</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$1,124,426</b>	<b>\$123,042</b>	<b>\$17,011</b>	<b>\$30,905</b>	<b>\$1,630,665</b>	<b>\$677,820</b>	<b>\$486,400</b>	<b>\$2,061</b>	<b>\$2,967,904</b>

**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF MARCH 31, 1999**

	203	DEBT SERVICE 208	TOTAL
	87 GO BONDS SEWER CONST	91 GO BONDS SOUNDVIEW DR	DEBT SERVICE
CASH	\$1,291	\$1,753	\$3,044
INVESTMENTS	217,516	295,347	512,863
RECEIVABLES	7,054	-	7,054
FIXED ASSETS	-	-	-
OTHER	-	-	-
<b>TOTAL ASSETS</b>	<b>\$225,861</b>	<b>\$297,099</b>	<b>\$522,961</b>
<b>LIABILITIES</b>			
CURRENT	-	-	-
LONG TERM	6,168	-	6,168
<b>TOTAL LIABILITIES</b>	<b>6,168</b>	<b>-</b>	<b>6,168</b>
<b>FUND BALANCE:</b>			
BEGINNING OF YEAR	214,911	10,544	225,455
Y-T-D REVENUES	4,783	286,555	291,337
Y-T-D EXPENDITURES	-	-	-
<b>ENDING FUND BALANCE</b>	<b>219,693</b>	<b>297,099</b>	<b>516,793</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$225,861</b>	<b>\$297,099</b>	<b>\$522,961</b>

**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF MARCH 31, 1999**

	PROPRIETARY							TOTAL PROPRIETARY
	401 WATER OPERATING	402 SEWER OPERATING	407 UTILITY RESERVE	408 89 UTILITY BOND REDEMPTION	410 SEWER CAP. CONST.	411 STORM SEWER OPERATING	420 WATER CAP. ASSETS	
CASH	\$914	\$814	\$247	\$2,022	\$4,251	\$389	\$5,665	\$14,302
INVESTMENTS	171,142	136,850	541,534	340,700	716,344	34,133	954,484	2,895,186
RECEIVABLES	94,881	110,239	1,550	1,711,519	9,021	39,917	-	1,967,127
FIXED ASSETS	1,770,881	9,131,380	-	-	-	634,086	-	11,536,347
OTHER	-	-	-	18,397	-	-	-	18,397
<b>TOTAL ASSETS</b>	<b>\$2,037,818</b>	<b>\$9,379,283</b>	<b>\$543,330</b>	<b>\$2,072,638</b>	<b>\$729,616</b>	<b>\$708,525</b>	<b>\$960,149</b>	<b>\$16,431,359</b>
<b>LIABILITIES</b>								
CURRENT	(\$259)	\$839,792	-	\$404,710	\$55,484	(\$150)	-	\$1,299,577
LONG TERM	19,520	88,673	-	2,715,562	-	10,205	-	2,833,960
<b>TOTAL LIABILITIES</b>	<b>19,262</b>	<b>928,465</b>	<b>-</b>	<b>3,120,272</b>	<b>55,484</b>	<b>10,055</b>	<b>-</b>	<b>4,133,537</b>
<b>FUND BALANCE:</b>								
BEGINNING OF YEAR	1,994,223	8,404,340	532,210	(996,212)	716,912	688,688	913,085	12,253,246
Y-T-D REVENUES	144,519	215,754	11,120	4,604	104,390	58,862	57,286	596,536
Y-T-D EXPENDITURES	(120,186)	(169,276)	-	(56,026)	(147,170)	(49,079)	(10,223)	(551,959)
ENDING FUND BALANCE	2,018,556	8,450,818	543,330	(1,047,634)	674,132	698,471	960,149	12,297,822
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$2,037,818</b>	<b>\$9,379,283</b>	<b>\$543,330</b>	<b>\$2,072,638</b>	<b>\$729,616</b>	<b>\$708,526</b>	<b>\$960,149</b>	<b>\$16,431,359</b>



**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
AS OF MARCH 31, 1999**

	FIDUCIARY	ACCOUNT GROUPS		
	631 MUNICIPAL COURT	820 GENERAL FIXED ASSET GROUP	900 GENERAL L-T DEBT GROUP	TOTAL ACCOUNT GROUPS
CASH	-	-	-	-
INVESTMENTS	-	-	-	-
RECEIVABLES	-	-	-	-
FIXED ASSETS	-	6,129,396	-	6,129,396
OTHER	-	-	2,570,021	2,570,021
<b>TOTAL ASSETS</b>	-	<b>\$6,129,396</b>	<b>\$2,570,021</b>	<b>\$8,699,417</b>
<b>LIABILITIES</b>				
CURRENT	-	-	-	-
LONG TERM	-	-	2,570,021	2,570,021
<b>TOTAL LIABILITIES</b>	-	-	<b>2,570,021</b>	<b>2,570,021</b>
<b>FUND BALANCE:</b>				
BEGINNING OF YEAR	-	6,129,396	-	6,129,396
Y-T-D REVENUES	21,758	-	-	-
Y-T-D EXPENDITURES	(13,582)	-	-	-
<b>ENDING FUND BALANCE</b>	-	<b>6,129,396</b>	-	<b>6,129,396</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	-	<b>\$6,129,396</b>	<b>\$2,570,021</b>	<b>\$8,699,417</b>

**CITY OF GIG HARBOR  
STATEMENT OF FINANCIAL POSITION  
BY FUND TYPE  
AS OF MARCH 31, 1999**

	GENERAL GOVERNMENT	SPECIAL REVENUE	DEBT SERVICE	TOTAL GOVERNMENTAL	PROPRIETARY	FIDUCIARY	ACCOUNT GROUPS	TOTAL ALL FUND TYPES
<b>ASSETS</b>								
CASH	\$25,818	\$15,601	\$3,044	\$44,463	\$14,302	-	-	\$58,765
INVESTMENTS	1,066,948	2,928,699	512,863	4,508,510	2,895,186	-	-	7,403,696
RECEIVABLES	31,660	23,604	7,054	62,318	1,967,127	-	-	2,029,445
FIXED ASSETS	-	-	-	-	11,536,347	-	6,129,396	17,665,743
OTHER	-	-	-	-	18,397	-	2,570,021	2,588,418
<b>TOTAL ASSETS</b>	<b>\$1,124,426</b>	<b>\$2,967,904</b>	<b>\$522,961</b>	<b>\$4,615,291</b>	<b>\$16,431,359</b>	<b>-</b>	<b>\$8,699,417</b>	<b>\$29,746,067</b>
<b>LIABILITIES</b>								
CURRENT	6,333	2,633	-	8,965	1,299,577	-	-	1,308,543
LONG TERM	20,640	20,640	6,168	47,448	2,833,960	-	2,570,021	5,451,429
<b>TOTAL LIABILITIES</b>	<b>26,972</b>	<b>23,272</b>	<b>6,168</b>	<b>56,413</b>	<b>4,133,537</b>	<b>-</b>	<b>2,570,021</b>	<b>6,759,971</b>
<b>FUND BALANCE:</b>								
BEGINNING OF YEAR	1,345,224	2,858,839	225,455	4,429,518	12,253,246	-	6,129,396	22,812,160
Y-T-D REVENUES	909,252	290,061	291,337	1,490,650	596,536	21,758	-	2,108,944
Y-T-D EXPENDITURES	(1,157,022)	(204,268)	-	(1,361,291)	(551,959)	(13,582)	-	(1,926,832)
<b>ENDING FUND BALANCE</b>	<b>1,097,453</b>	<b>2,944,632</b>	<b>516,793</b>	<b>4,558,878</b>	<b>12,297,822</b>	<b>-</b>	<b>6,129,396</b>	<b>22,986,096</b>
<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$1,124,426</b>	<b>\$2,967,904</b>	<b>\$522,961</b>	<b>\$4,615,290</b>	<b>\$16,431,360</b>	<b>-</b>	<b>\$8,699,417</b>	<b>\$29,746,067</b>