

AGENDA
GIG HARBOR CITY COUNCIL MEETING
Monday, July 26, 2021 – 5:30 p.m.
Council Chambers

This may also be accessed through Zoom at <https://zoom.us/j/93216056382> or by calling (253) 215-8782 and entering Meeting ID 932 1605 6382. Please see the City Council Meeting Procedures at the end of this agenda for information on options to make public comment.

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

CHANGES TO THE AGENDA

CONSENT AGENDA

1. City Council Minutes

Documents:

City Council Parks Commission Joint Study Session Minutes - July 8, 2021.pdf
City Council Meeting Minutes - July 12, 2021.pdf

2. Receive & File

Documents:

Planning and Building Committee Minutes - May 3, 2021.pdf
Intergovernmental Affairs Committee Minutes - July 19, 2021.pdf
BCCRC Minutes - July 12, 2021.pdf
Arts Commission Minutes - July 14, 2021.pdf

3. Appointment of William Appleton to the Parks Commission

Documents:

[AGENDA BILL Parks Commission Appointment.pdf](#)

4. Austin Park Honoring Project - Amendment to Peterson Structural Engineering

Documents:

[AGENDA BILL Austin Park Honoring Art Project Amendment No. 1.pdf](#)

5. Jerkovich Aquatic Sublease Agreement

Documents:

6. Approval of Vouchers

Checks #95718 through #95826 and ACH payments in the amount of \$377,673.36.

PRESENTATIONS

1. Gig Harbor Peninsula FISH Foodbank

Documents:

[FISH Presentation.pdf](#)

MAYOR'S REPORT

1. Masonic Temple Update

CITY ADMINISTRATOR'S REPORT

STAFF REPORT

1. Austin Park Honoring Project - Public Works Director Jeff Langhelm

Documents:

[Honoring Symbol Report.pdf](#)

2. Lodging Tax Grant Policy - Tourism & Communications Director Laura Pettitt

Documents:

[Lodging Tax Report.pdf](#)

3. Second Quarter Budget Update - City Administrator Tony Piasecki and Finance Director Dave Rodenbach

Documents:

[AGENDA BILL 2nd Quarter Budget Update.pdf](#)

PUBLIC COMMENT ON NON-AGENDA ITEMS

NEW BUSINESS

1. First Reading of Ordinance Providing for the Issuance and Sale of Limited Tax General Obligation (LTGO) Refunding Bonds 2021

- a) Report: Finance Director Dave Rodenbach
- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL LTGO Bond.pdf](#)

2. Council Chambers Audio/Video Upgrades

- a) Report: ITS Manager Keith Smith
- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL Chambers AV Upgrades.pdf](#)

3. First Reading and Adoption of Ordinance 1463 - Budget Amendment for Staffing

- a) Report: Human Resources Director Kameil Borders
- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL Ordinance 1463 Budget Amendment.pdf](#)
[HR Job Duties by Position.pdf](#)

4. South Sound Housing Affordability Partners – Intergovernmental Agreement

- a) Report: Community Development Director Katrina Knutson
- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL SSHAP Intergovernmental Agreement.pdf](#)

5. Stinson/Harborview Intersection Improvements – Public Works Construction Contract Award and Professional Services Contracts for Construction Support and Materials Testing Services

- a) Report: Public Works Director Jeff Langhelm
- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL Harborview Drive and Stinson Avenue Improvements.pdf](#)

6. Community Paddler's Dock - Public Works Construction Contract Award and Professional Services Contracts

- a) Report: Public Works Director Jeff Langhelm

- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL Community Paddlers Dock Project.pdf](#)

7. Eddon Boat Park Brick House Remodel – Chimney Reconstruction Change Order

- a) Report: Public Works Director Jeff Langhelm
- b) Clarifying questions from Council
- c) Public Comment
- d) Council deliberation and action

Documents:

[AGENDA BILL Eddon Boat Brick House Chimney Reconstruction.pdf](#)

COUNCIL REPORTS / COMMENTS

- 1. Intergovernmental Affairs Committee Meeting of July 19 - Councilmember Denson**

ANNOUNCEMENT OF UPCOMING MEETINGS

- 1. Board & Commission Candidate Review Committee Special Meeting Meeting - Monday, August 2, 2021 at 2:00 p.m.**
- 2. Planning & Building Committee Meeting - Monday, August 2 at 3:00 p.m.**

ADJOURN

PUBLIC COMMENT & DECORUM

The City Council desires to allow a maximum opportunity for public comment. However, the business of the City must proceed in an orderly, timely manner. The purpose of a Council meeting is to conduct the City's business; it is not a public forum. The Open Public Meetings Act does not require that members of the public be allowed to participate or speak.

Speakers will be allotted 3 minutes per individual, unless revised by the Mayor. In-person comments shall be made from the microphone, first giving the speaker's name and address.

When there are 30 seconds remaining a yellow light will alert you to summarize your comments. At the end of your comments, the light will turn red and you will hear a beep signifying the end of your comment period. Anyone making "out of order" comments may be subject to removal from the meeting.

Public comment may be made remotely via Zoom or by phone during designated portions of the meeting. To speak during the meeting, press the Raise Hand button near the bottom of your Zoom window or press *9 on your phone. Please refrain from raising your hand until the Mayor has announced that he has opened the public comment portion of the meeting. Your name or the last three digits of your phone number will be called out when it is your turn to speak. When using your phone to call in, you may need to press *6 to unmute yourself. All speakers will have up to three

minutes to speak.

Instead of speaking live, you may submit comments in writing by email before the meeting. Your comments must be provided to the City Clerk by 3:00 p.m. on the day of the meeting. All written comments must be able to be read in 3 minutes or less to be included in the record and must state "FOR PUBLIC COMMENT" in the subject line of the email. In addition, comments must include the name and address of the person submitting the comments. Email comments to cityclerk@gigharborwa.gov. Written comments will be read during the appropriate agenda item.

All remarks shall be addressed to the Council as a body and not to any specific councilmember. All speakers shall be courteous in their language and deportment and shall not engage in or discuss or comment on personalities or indulge in derogatory remarks or insinuations with regard to any councilmember, the Mayor, or any member of the staff or the public.

There will be no demonstrations during or at the conclusion of any public comment. These guidelines are intended to promote an orderly system of holding a public meeting, to give every person an opportunity to be heard and to ensure that no individuals are embarrassed by voicing their opinions

AMERICANS WITH DISABILITIES (ADA) ACCOMMODATIONS

ADA accommodations can be provided upon request. Those requiring special accommodations should contact the City Clerk at (253) 853-7613 or cityclerk@gigharborwa.gov at least 24 hours prior to the meeting.

MINUTES
City Council/Parks Commission Joint Study Session
July 8, 2021 – 3:00 p.m.

CALL TO ORDER / ROLL CALL: Mayor Kuhn called the meeting to order and called roll. Councilmembers Abersold, Franich, Himes, Markley, Rodenberg, and Woock were present with Councilmember Denson excused. Parks Commissioners Ben Coronado, Mary Barber, Roger Henderson, Louise Tieman, and Anastasia Wright were also present. Interim City Administrator Tony Piasecki, Public Works Director Jeff Langhelm, and Interim Clerk Josh Stecker were present from staff along with Steve Duh, consultant from Conservation Technix.

DISCUSSION ITEMS:

Parks Recreation and Open Space (PROS) Plan: Review Scoped Optional Tasks

– Steve Duh and Jeff Langhelm gave an overview of the PROS Plan update process and outlined the optional scope items included in the agreement with the consultant. Councilmembers expressed support to maintain the optional items as approved in the agreement.

Councilmembers and Parks Commissioners discussed the timing and effectiveness of public outreach endeavors including public open houses.

Mayor's Comments – The Mayor reported on the challenges of renewing the franchise agreement with PenLight that expired in 2015.

ADJOURN: The meeting adjourned at 4:50 p.m.

Joshua Stecker
Interim City Clerk

MINUTES FOR GIG HARBOR CITY COUNCIL MEETING
Monday, July 12, 2021 – 5:30 p.m.

Due to public health concerns, this meeting was held remotely

CALL TO ORDER / ROLL CALL: Mayor Kuhn called the meeting to order and called roll. Present: Councilmembers Abersold, Denson, Franich, Himes, Markley, Rodenberg, and Woock.

Staff: Interim City Administrator Tony Piasecki, Public Works Director Jeff Langhelm, Interim City Clerk Josh Stecker, Police Chief Kelly Busey, Finance Director Dave Rodenbach, and City Attorney Daniel Kenny.

PLEDGE OF ALLEGIANCE:

CHANGES TO THE AGENDA: There were none.

CONSENT AGENDA:

1. City Council Minutes: City Council Meeting Minutes - June 28, 2021; City Council Special Meeting Minutes - June 28, 2021
2. Receive & File: Arts Commission Meeting Minutes - June 9, 2021; Arts Commission Meeting Minutes - June 11, 2021; Planning Commission Minutes - June 17, 2021
3. Authorization to Accept American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Funds
4. Police Officer Hiring
5. Approval of Payroll for July 12, 2021 - Checks #8280 through #8286 and direct deposit transactions in the total amount of \$472,688.95.
6. Approval of Vouchers for July 12, 2021 - Checks #95627 through 95717 and ACH payments in the amount of \$958,958.59.

MOTION: Move to approve the Consent Agenda (Rodeberg/Himes)

VOTE: Unanimously approved

MAYOR'S REPORT: Mayor Kuhn introduced Interim City Administrator Tony Piasecki. The Mayor also acknowledged that July 12 was the 75th Anniversary of the City of Gig Harbor and thanked all the elected officials and staff that have helped make Gig Harbor a great city.

CITY ADMINISTRATOR'S REPORT: Interim City Administrator Tony Piasecki thanked the Mayor and Council for bringing him on board and reported on changes to the bi-weekly department update provided to Council.

PUBLIC COMMENT ON NON-AGENDA ITEMS: The Mayor opened the public comment period. Mary Ellen Gilmore commented on the role of the Jerkovich family in providing the Community Paddler's Dock. Tom Wick commented on past public records requests. The Mayor closed the public comment period.

NEW BUSINESS:

1. Emergency Water Intertie – Canterwood Blvd – Professional Services

Contract: Public Works Director Jeff Langhelm gave an overview of the project and noted that City is seeking Public Works Trust Fund Loans to help finance the project.

The Mayor opened the public comment period. There were no public comments.
The Mayor closed the public comment period.

MOTION: Authorize the Mayor to execute a Professional Services Contract with Carollo Engineers, Inc. in an amount not to exceed \$146,065. (Markley/Woock)

VOTE: Unanimously approved

2. Residential Lease Agreement Authorization – 7601 Soundview: Mayor Kuhn gave an overview of the property and stated past tenants had left so now we can get the market rate. Mayor Kuhn recommend that the next lease include a rent increase up to \$3000 per month or more. Interim City Administrator Tony Piasecki will oversee the leasing process. Councilmembers will tour the empty home with the Mayor later this week.

The Mayor opened the public comment period. There were no public comments.
The Mayor closed the public comment period.

MOTION: Authorize the Mayor to execute a one-year lease agreement for the house at 7601 Soundview Drive with a minimum monthly rent of \$3000.00 plus leaseholder excise tax. (Franich/Himes)

VOTE: Unanimously approved

STAFF REPORT: Police Chief Kelly Busey reported on 2020 crime statistics in Gig Harbor.

COUNCIL REPORTS / COMMENTS:

Planning & Building Committee, July 5 - Councilmember Himes reported that the committee discussed the Vision 2050 plan and the buildable lands report.

Parks Commission, July 7 - Councilmember Abersold reported that Parks Commission discussed the PROS Plan amendment process.

Board and Commission Candidate Review Committee Meeting, July 12 - Councilmember Abersold reported that the committee interviewed Parks Commission and Design Review Board candidates and recommended William Appleton for appointment to the Parks Commission.

Councilmember Woock and Councilmember Franich thanked the Jerkovich family for their support of the Community Paddler's Dock. Councilmember Woock asked for an

update on the Austin Park Honoring Symbol at the July 26 Council meeting.
Councilmember Abersold commented on the uncleanliness of the Post Office.

ANNOUNCEMENT OF OTHER MEETINGS:

- 1. City Offices Closed on July 5 - Independence Day Holiday**
- 2. Planning & Building Committee - Tuesday, July 6 at 3:00 p.m. CANCELLED**
- 3. City Council Study Session - Thursday, July 8 at 3:00 p.m.**

ADJOURN:

MOTION: Move to adjourn at 6:55 p.m. (Franich/Rodenberg)
VOTE: Unanimously approved

Joshua Stecker
Interim City Clerk



"THE MARITIME CITY"

COMMUNITY DEVELOPMENT

Minutes
Planning & Building Committee
Monday, May 3, 2021
3:00 P.M. – 4:30 P.M.

3:04 p.m. - Call to order, roll call Councilmember Franich, Councilmember Markley & Chair Councilmember Himes
Community Development Director, Katrina Knutson; Senior Planner, Carl deSimas;
Building Official/Fire Marshal, Paul Rice; Planning Technician, Michelle Thomas;
Mayor, Kit Kuhn & City Administrator, Bob Larson

Approval of Minutes: April 5, 2021 Motion Franich/Markley all in favor, minutes approved as written



Agenda Items:

I. Residential Growth Target Discussion – Background and what is needed from the Committee -Staff Presentation Carl deSimas and Committee discussion



II. Comprehensive Plan Amendments and Annexation Analysis Updates – Update Carl de Simas consultant selections have been made on the Comprehensive Plan Update which includes the Cultural Art amendment and the Annexation Analysis. Contracts are coming to Council at the next meeting on the Consent Agenda.

III. Council Comments – Zoning and Comprehensive map alignment

Other Business

Next Meeting Monday, May 17, 2021 3:00 P.M.

Adjournment Motion Franich /Markley All in favor, meeting adjourned at 4:35 P.M.

MINUTES
Intergovernmental Affairs Committee

July 19, 2021 – 4:00 p.m.

Call to Order: Chair Robyn Denson called the meeting to order. Committee members Tracie Markley, Le Rodenberg and Mayor Kuhn were present at roll call; City Staff: Interim City Administrator Tony Piasecki, Public Works Director Jeff Langhelm and Interim City Clerk Joshua Stecker; Gordon Thomas Honeywell Lobbyists: Dale Learn, Josh Weiss and Annika Vaughn.

Approval of Minutes: The minutes of March 22, 2021 were unanimously approved.

Discussion Items:

- 1. Update on 2021 Interim Plan** – Josh Weiss gave an update of activities on the 2021 Interim Plan. The committee discussed potential goals for the 2022 legislative agenda, including a potential capital funding request of up to \$1.5 million. Public Works Director Jeff Langhelm will bring back capital funding options to the committee at the next meeting. Josh Weiss estimated that the City may be able to ask for a larger allocation in 2023.
- 2. Update on Federal Appropriation Requests** – Dale Learn reported on activities at the federal level. The City is still awaiting determination on 2021 earmark requests. He noted that the City should be preparing for earmark requests in 2022. The committee discussed potential opportunities for future earmark requests.

Adjourn: The meeting adjourned at 4:56 p.m.

Joshua Stecker, CMC
Interim City Clerk

**Minutes
Board and Commission Candidate Review Committee**

July 12, 2021 3:00 p.m.

Call to Order: Councilmember Abersold called the meeting to order at 3:00 p.m. Councilmembers Woock and Denson were in attendance along with Interim Clerk Josh Stecker, Design Review Board Chair Brett Marlo DeSantis, and Community Development Director Katrina Knutson. Public Works Director Jeff Langhelm joined the meeting at 4:00 p.m.

Approval of Minutes: The minutes of June 21, 2021, were unanimously approved.

Design Review Board Interviews: The committee interviewed Tom Brown for appointment to the Design Review Board. Larry Bradbury was unavailable for his scheduled interview. The committee deferred decision on appointments until more candidates could be interviewed at the next meeting.

Parks Commission Interview: The Committee interviewed Mike Kiley, Peter Baker and William Appleton for appointment to the Parks Commission. The committee recommended William Appleton for appointment to the vacancy on the Parks Commission.

Adjourn: The meeting adjourned at 4:50 p.m.

Joshua Stecker
Interim City Clerk

MINUTES GIG HARBOR ARTS COMMISSION MEETING

Wednesday, July 14, 2021 10:00 a.m.

CALL TO ORDER / ROLL CALL: Chair Charlee Glock-Jackson called the meeting to order. Commissioners Lynn Stevenson, Dan Bozich, Samantha Kelly, Linda Sutherland and Jennifer Beard were present. Robin Avni joined the meeting at 10:40 a.m.

Staff present included Mayor Kit Kuhn, Public Works Director Jeff Langhelm, and Interim City Clerk Josh Stecker.

APPROVAL OF MINUTES: The minutes of the meetings of June 9 and June 11 were unanimously approved.

DISCUSSION ITEMS

1. **Harborview/Stinson Roundabout Art Update** – Public Works Director Jeff Langhelm updated the Commission on the status of the Harborview/Stinson roundabout. Construction may be completed by August 2022. The Commission will discuss the timeline for the art installation at a future meeting.
2. **Historic Markers Update** - Pylon Project Members Lita Dawn Stanton, Linda Pitcher, Jennifer Keating, Brandon Reynon, and Charlotte Basch presented a proposal for historic markers in the txʷaalqəl Estuary. Representatives from the Puyallup Tribe expressed their support and approval of the project and text as presented.

Commissioners discussed ways to link the project to other educational information from the Puyallup Tribe.

A motion to accept the text as written (Bozich/Stevenson) was unanimously approved.

The subcommittee and staff will explore options for production and installation of the plaques.

3. **Harbor Arbor Art Project** – Commissioner Lynn Stevenson presented a proposed location for the next Harbor Arbor art project. The Commission discussed the merits of putting all projects in one park or spreading them to other parks. Commissioners will visit parks individually to look for potential sites.
4. **2022 Budget** – The Commission briefly reviewed the 2021 Budget and will discuss the 2022 budget at their August 11 meeting.

COMMISSIONER COMMENTS / REPORTS

1. Cultural Arts District Report – Commissioner Robin Avni presented a report on a proposed Cultural Arts District. Stephanie Lile of the Harbor History Museum will be invited to the September 8 Arts Commission meeting to present the proposal.

ANNOUNCEMENT OF OTHER MEETINGS: A special meeting will be held on July 23. The next regular meeting is scheduled for August 11.

ADJOURN: The meeting adjourned at 12:11 p.m.

Joshua Stecker
Interim City Clerk



Business of the City Council City of Gig Harbor, WA

Subject: Appointment of William Appleton to the Parks Commission

Proposed Council Action: Move to approve the appointment of William Appleton to the Parks Commission with a term expiring March 31, 2023.

Dept. Origin: Administration

Prepared by: Josh Stecker

For Agenda of: July 26, 2021

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Initial &
Date

KV 7/15/21

AT 7/14/21

N/A

N/A

N/A

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

The Board & Commission Candidate Review Committee met on July 12 and recommended that Council appointment William Appleton to the Parks Commission.

FISCAL CONSIDERATION

None

BOARD OR COMMITTEE RECOMMENDATION

See above.

RECOMMENDATION/MOTION

Move to approve the appointment of William Appleton to the Parks Commission with a term expiring March 31, 2023.



Business of the City Council City of Gig Harbor, WA

Subject: Austin Park Honoring Art Project – Amendment #1 to the Professional Services Contract

Proposed Council Action: Approve and authorize the Mayor to sign an amendment to the professional services contract with Peterson Structural Engineers in the amount of \$1,200.

Dept. Origin: Public Works

Prepared by: Jeff Langhelm, PE
Public Works Director

ALX

For Agenda of: July 26, 2021

Exhibits: Amendment and Proposed Scope/Fee

Initial &
Date

Concurred by Mayor:

KK 7-29-21

Approved by City Administrator:

AP 7/16/21

Approved as to form by City Atty:

VIA EMAIL 7/16/21

Approved by Finance Director:

CDP 7/16/21

Approved by Department Head:

ALX 7/16/21

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

In March 2020 the City entered into a contract with Peterson Structural Engineers (PSE) to design and permit the concrete foundation for the City's Austin Park Honoring Art. PSE completed the initial foundation design but suspended all contract work in April 2020 to allow the City time to consider a revision the City's Shoreline Master Program related to public art.

This amendment will provide for additional tasks as outlined the proposed scope and fee, increase the contract amount by \$1,200, and extend the contract end date to December 31, 2021.

FISCAL CONSIDERATION

This project is funded in the 2021 Budget in the Public Art Capital Projects fund. Below is the summary of anticipated 2021 revenues and expenses.

Anticipated 2021 Revenues	
2021 Budget Public Art Capital Projects, Objective No. 1	\$75,000
Anticipated 2021 Expenses:	
Previous Payment to Artist	(\$ 5,000)
Professional Services Contract and Amendment with PSE	(\$ 6,950)
Public Works Construction Contract	(\$ 15,000)
Materials Testing Contract	(\$ 1,500)
Change Order Authority	(\$ 1,500)
Future Payment to Artist	(\$ 22,000)
Total 2021 Expenses =	(\$ 51,950)
Remaining 2021 Budget =	\$ 23,050

Note: Highlighted expenses are estimated future expenses.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION/MOTION

Approve and authorize the Mayor to sign an amendment to the professional services contract with Peterson Structural Engineers in the amount of \$1,200.

**FIRST AMENDMENT
TO
PROFESSIONAL SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
PETERSON STRUCTURAL ENGINEERS**

THIS FIRST AMENDMENT is made to that certain Professional Services Contract dated March 2, 2020 (the "Agreement"), by and between the City of Gig Harbor, a Washington municipal corporation (hereafter the "City"), Peterson Structural Engineers, a Washington organized under the laws of the State of Washington (hereafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in completing the Austin Estuary Honoring Project and desires to extend consultation services in connection with the project; and

WHEREAS, section 17 of the Agreement requires the parties to execute an amendment to the Agreement in order to modify the scope of work to be performed by the Consultant and to amend the amount of compensation paid by the City;

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

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

2. Payment. Section 2(A) of the Agreement is amended to increase compensation to the Consultant for the work to be performed as described in **Exhibit A** in an additional amount not to exceed One Thousand Two Hundred Dollars and Zero Cents (\$1,200.00), as shown in **Exhibit A**, attached to this Amendment and incorporated herein.

3. Duration of Work. Section 3 of the Agreement is amended to extend the duration of this Agreement to December 31, 2021.

[Remainder of page intentionally left blank.]

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

IN WITNESS WHEREOF, the parties have executed this Amendment on this _____ day of _____, 20__.

CONSULTANT

CITY OF GIG HARBOR

By: William J. Sandbo
Its Principal
William J Sandbo, PSE Principal

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney



TACOMA OFFICE

708 Broadway
Suite 110
Tacoma, WA 98402
Phone: 253.830.2140

Jeff Langhelm, PE
Public Works Director
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335
253.853.7630

7/16/21

RE: Austin Estuary Monument Foundation Engineering – Amendment #1

Project #: 2002-0025

Dear Jeff-

This memo summarizes additional scope required to complete design services for the Austin Estuary Monument Foundation project for the City of Gig Harbor (CPP #1926). Scope described above is in addition to previously approved contract agreement, dated March 2nd, 2020. Contract terms are unchanged except as described below.

Proposed Additional Scope

PSE proposes the following scope of work for project completion:

1. Additional Scope - Fee \$1200

- a. Site visit to review and document as-built artwork to confirm geometry and suitability of anchorage connection.
- b. Coordination with City of Gig Harbor to ensure structural and aesthetic requirements are fulfilled for the foundation and anchorage.
- c. Update to 2018 International Building Code.
- d. Account for updates to PSE's 2021 Fee schedule.

Proposed Fee and Schedule

Based upon the scope above, we have estimated additional fees of \$1,200 for additional scope described above. Total project fees are not to exceed \$5,750 (original) + \$1,200 (amendment) = \$6,950 (total). Should revisions to this scope and fee estimate be affected by pending information or scope changes, we will apprise you of that situation before proceeding. PSE estimates that project deliverables will be available for review prior to August 27th, 2021.

The above proposal has been generated assuming that the structural engineering services are to be initiated within a six-month period from the proposal date and substantially completed within twelve months of the proposal date. If the schedule of work exceeds the projected time, we reserve the right to revise our fee estimate accordingly.

AUSTIN ESTUARY MONUMENT FOUNDATION ENGINEERING
City of Gig Harbor
Exhibit A

7/16/21

Contract Approval

If the proposal is acceptable, please provide written notice to proceed. PSE assumes the existing contract will be modified with information described above. Thank you again for including us and we look forward to working with you on this project. Please call if you have any questions.

Sincerely,

Peterson Structural Engineers, Inc.

A handwritten signature in black ink, appearing to read "Bill" followed by a stylized surname.

Bill Sandbo, PE, SE
PSE Principal

Sent via email to Jeff Langhelm on 7/16/2021 <JLanghelm@gigharborwa.gov>



AUSTIN ESTUARY MONUMENT FOUNDATION ENGINEERING
City of Gig Harbor

7/16/21

Exhibit A

PETERSON STRUCTURAL ENGINEERS

2021 Hourly Rates

Principal-in-Charge	\$232
Associate / Senior Structural Engineer	\$203
Project Manager	\$185
Staff Structural Designer	\$162
Administrative / Drafting	\$128





Business of the City Council City of Gig Harbor, WA

Subject: Jerkovich Aquatic Sublease Agreement Proposed Council Action: Approve and authorize the Mayor to sign the Aquatic Sublease Agreement with Jerkovich Pier, LLC.	Dept. Origin: Public Works Prepared by: Jeff Langhelm, PE <i>ALX</i> Public Works Director For Agenda of: July 26, 2021 Exhibits: Aquatic Land Sublease Agreement Initial & Date Concurred by Mayor: <i>KY 7-19-21</i> Approved by City Administrator: <i>AP 7/20/21</i> Approved as to form by City Atty: <i>VA email 7/19/21</i> Approved by Finance Director: <i>DB 7/20/21</i> Approved by Department Head: <i>ALX 7/19/21</i>						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Expenditure Required</td> <td style="width: 10%; text-align: center;">\$0</td> <td style="width: 25%;">Amount Budgeted</td> <td style="width: 10%; text-align: center;">\$ 0</td> <td style="width: 25%;">Appropriation Required</td> <td style="width: 10%; text-align: center;">\$ 0</td> </tr> </table>	Expenditure Required	\$0	Amount Budgeted	\$ 0	Appropriation Required	\$ 0	
Expenditure Required	\$0	Amount Budgeted	\$ 0	Appropriation Required	\$ 0		

INFORMATION/BACKGROUND

In May 2020 Jerkovich Pier, LLC approached the City with a proposal to mutually benefit the City and Jerkovich Pier. By June 2020 City Council entered into a memorandum of understanding with Jerkovich Pier to proceed forward in good faith to negotiate sublease by the City for a portion of the Jerkoviches existing tideland lease from the Washington Department of Natural Resources (DNR). The City intended to use the subleased area to construct public launching floats for human-powered watercraft. These public floats are now known as the Community Paddler's Dock. Without this sublease, the City would have proceeded with the Dock at a location that impacted views of Gig Harbor bay and been more costly than locating the Dock in the Jerkoviches tideland.

Then in August 2020 City Council authorized a master agreement for the Dock with Jerkovich Pier. This Master Agreement established the general terms of the future tideland sublease between the City and Jerkovich Pier, which would also require an amendment to the Jerkoviches existing aquatic lease with DNR.

Since August 2020 the City has completed the design and permitting of the Dock and Jerkovich Pier had completed the necessary amendment to the DNR aquatic lease. Once the sublease is fully executed, DNR will be provided a copy of the sublease and the City will complete all necessary aquatic lease processes to proceed with construction of the Dock.

FISCAL CONSIDERATION

This sublease agreement obligates the City to perform certain operations and maintenance activities for the City's Community Paddler's Dock. The City would have these same operation and maintenance costs regardless of the location of the location of the Dock. Therefore, this sublease does not have any net increased financial impacts to the City.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION/MOTION

Approve and authorize the Mayor to sign the Aquatic Sublease Agreement with Jerkovich Pier, LLC.

AQUATIC LAND SUBLEASE AGREEMENT

LESSORS: JERKOVICH PIER LLC

STATE OF WASHINGTON
MASTER AQUATIC LAND
LEASE NO. 22-B02571

THIS AQUATIC LAND SUBLEASE AGREEMENT ("Sublease") dated _____, ____, 2020, (Effective Date) is made by and between JERKOVICH PIER LLC, a Washington limited liability company, hereinafter referred to as the "Sublessor", and CITY OF GIG HARBOR, a Washington municipal corporation, hereinafter called the "Sublessee."

RECITALS

WHEREAS, by the Memorandum of Assignment of Aquatic Lands Lease recorded on April 16, 2020 under Pierce County Auditor File No. 202004160696, the Sublessor is the owner of a 12-year term leasehold estate of aquatic lands located in what is commonly known as Gig Harbor, which is comprised of Tidelands and Harbor Waters in Pierce County, Washington that are described in an Aquatic Lands Lease commencing on the 5th day of January, 2018, and continuing to the 4th day of January, 2030 ("Termination Date"), executed on the 8th day of March, 2018, under State of Washington File No. 22-B02571, wherein the State of Washington, Department of Natural Resources "DNR", appears as Lessor therein, and the Sublessor's predecessors hereof, Nikolas Jerkovich Jr., Patricia Jerkovich, Joni Dupille, Elvy Jerkovich, Mary Ellen Gilmour, appears as Lessees, as recorded on the 22nd day of March 2018, under Pierce County Auditor's File No. 201803220657 ("Master Lease"). The Tidelands Lease Area containing 7,643± and the Harbor Lease Area containing 11,984± (collectively referred to as the "Leased Area") are set forth in Exhibit A to the Master Lease. The Master Lease, by reference, is made a part hereof and incorporated herein.

WHEREAS, Sublessor owns full interest in a private float system that is located on the Leased Area, comprised of a floating concrete dock, a concrete finger float, a timber work float and twenty-two creosote pilings ("Improvements"). That Master Lease provides that continued use of the Lease Area is conditioned upon Sublessor making certain repairs and modifications to the Improvements.

WHEREAS, the Leased Area abuts real property owned by Sublessee commonly known as 3525 Harborview Drive, Gig Harbor, Washington, Pierce County tax parcel No. 5970000244, which is legally described as follows:

Lot 5 through 7, Block 3, Town of Millville, Pierce County, W.T., according to plat recorded in Block 2 of Plats, Page 23, records of Pierce County Auditor, together with the second class tidelands abutting thereon to mean low tide. (SW ¼, SW ¼, Section 5, Township 21, Range 2 E).

(the “Waterfront Parcel”). As the owner of the abutting Waterfront Parcel, Sublessee is statutorily conferred certain preferred lease rights to lease the abutting tidelands. However, through the Agreement to Waive Preferred Right to Lease Tidelands recorded on October 15, 2019 under Pierce County Auditor File No. 201910150996, Sublessee agreed to waive any such statutorily conferred preferred rights for a period of ninety-nine (99) years.

WHEREAS, Sublessee has developed the Waterfront Parcel as a public park known as Ancich Waterfront Park. Sublessee desires to provide the public with access from Ancich Waterfront Park to the waters of Gig Harbor Bay. More specifically, the City wishes to develop a Community Paddlers Dock (Development) on a portion of the Leased Area to provide the public with access for human powered craft from Ancich Waterfront Park to the waters of Gig Harbor Bay.

WHEREAS Sublessor and Sublessee entered an agreement in which, subject to DNR approval, Sublessor has agreed to sublease to Sublessee a portion of the Leased Area to construct a public access Community Paddler’s Dock, reserving access rights for Sublessor, in exchange for a commitment by Sublessee to make certain DNR required modifications to the float system within the sublease area.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and the performance of all the terms, covenants, restrictions, and conditions of this Sublease, and subject to DNR approval, Sublessor and Sublessee agree as follows:

ARTICLE I ACKNOWLEDGMENT AND INCORPORATION OF MASTER LEASE

Sublessor and Sublessee expressly agree that the terms and conditions of this Sublease are subject to the terms and condition of the Master Lease. Sublessor and Sublessee expressly

state that it is their intent that the terms of this Sublease be consistent with the terms of the Master Lease; if the terms of this Sublease conflict with the terms of the Master Lease, the Master Lease controls.

Sublessee acknowledges receipt of a complete copy of the Master Lease and warrants that it has read and understands the same.

Sublessee initial here to acknowledge _____

Sublessee acknowledges and agrees that this Sublease does not create and Sublessee has no privity of contract between Sublessor and the State of Washington under the Master Lease.

Sublessee initial here to acknowledge _____

ARTICLE II SUBLEASE AREA

2.1 Sublessor does hereby leases to the Sublessee the portion of the Leased Area described and depicted in **Exhibit 1** hereto ("Sublease Area") for public use and access, together with all rights, title and interest now owned or hereafter acquired in the Improvements now or hereafter located on the Sublease Area, EXCEPT THAT Sublessor shall retain a right of access along and across the Sublease Area sufficient to allow adequate access for Sublessor's continued use of the remaining portion of the Leased Area as authorized by the Master Lease. This right of access shall provide Sublessor with non-exclusive ingress, egress, and utility access between Ancich Waterfront Park and the Lease Area. The Sublessee shall not interrupt this right of access for a period in excess of twenty-four (24) hours without first receiving written consent from Sublessor. The subleased rights are subject to all rights reserved by the State of Washington in the Master Lease, including without limitation that the boundaries of the Sublease Area may be adjusted as necessary to conform to Exhibit A to the Master Lease as finally approved pursuant to Section 1 of the Master Lease.

2.2 Sublessor makes no representation regarding the condition of the Sublease Area and Improvements thereon, suitability of the Sublease Area for Sublessee's Permitted Use, compliance with governmental laws and regulations, availability of utility rights, access to the Sublease Area, or existence of hazardous substances on the Sublease Area. Sublessee inspected the Sublease Area and Improvements thereon and accepts them "AS IS."

ARTICLE III TERM

3.1 The Master Lease commenced on January 5, 2018, and terminates on January 4, 2030. This Sublease commences on the Effective Date, above, and shall continue to January 4, 2030 (Termination Date). This Sublease shall terminate if the Master Lease terminates for any reason.

3.2 The Master Lease does not provide a right of renewal, nor does this Sublease confer any renewal rights to Sublessee. At least one year prior to the Termination Date of the Master Lease, Sublessor shall make application to the DNR for a new lease of the Leased Area. If the DNR, in its discretion, approves a new lease of the Leased Area, Sublessor will sublease the Sublease Area to Sublessee on terms similar to this Sublease, modified as necessary to be consistent with and comply is a new master lease.

3.3 Provided that a new sublease is not executed, Sublessee shall remove all improvements in accordance with Article VI, Improvements, which adopts and incorporates into this Sublease Master Lease Sections 7.5, 7.6 and 7.7, and surrender the Sublease Area to the State in the same or better condition as on the Effective Date, reasonable wear and tear, as defined by Section 3.3(b) of the Master Lease, excepted. If the Sublease Area is in worse condition, excepting reasonable wear and tear, Sublessee shall be subject to Section 3.3(c) of the Master Lease. If Sublessee remains in possession of the Sublease Area after the Termination Date, Sublessee shall be subject to Section 3.4 of the Master Lease.

ARTICLE IV RENT AND OTHER EXPENSES

4.1. Rent. The Sublessee shall pay to the Sublessor, or any party having subsequently acquired ownership of all the rights of the Sublessor in the Master Lease by way of assignment, or otherwise, an annual rent in advance of One Dollar (\$1.00). Lessee shall make the first \$1.00 payment on the Effective Date. Thereafter, annual rent shall be paid in advance on January 5 of each year. Prepayment of more than the annual rent by Sublessee to Sublessor is prohibited.

4.2. Utilities. Sublessee shall pay all fees charged for utilities or needed by the Permitted Use of the Sublease Area.

4.3 Taxes and Assessments. Sublessee shall pay all taxes that may pertain to the Sublease Area (including leasehold excise taxes), if applicable.

Assessments, and other governmental charges applicable or attributable to the Sublease Area, Lessee's sublease interest, the Improvements on the Sublease Area or Sublessee's use and enjoyment of the Sublease Area. In the event for any one year there is an amount made payable or assessed against the ownership of the Sublessor attributable to subleased area for any public works

assessed by a governmental agency, the Sublessee agrees to pay the Sublessor on the 5th day January of the year following the assessment an amount apportioned to Sublessee's leasehold in accordance with standard practice of assessors in apportioning assessments to land according to square footage and front footage. The apportioned amount owed by the Sublessee to the Sublessor may be payable over a period of years according to the assessment periodic payment schedule. The Sublessor shall notify the Sublessee in writing of any adjustment in rent for an assessment together with a copy of said assessment at least sixty (60) days prior to date of the 5th of January of the year following the assessment.

If Sublessee fails to pay amounts dues under this Sublease, Sublessor may pay the amount due and recover such payment from Sublessee, together with costs associated with such payment and collection.

ARTICLE V PERMITTED USE OF SUBLEASE AREA

5.1. Permitted Use. Subject to DNR approval, Sublessee covenants to the Sublessor that the Sublease Area shall be used only for the purpose of public access from Ancich Water Park to Gig Harbor Bay, including public with access for human powered craft from Ancich Waterfront Park to the waters of Gig Harbor Bay. This is a water-dependent use. **Exhibit 2** hereto describes the Permitted Use in detail. Public access for motorized craft is not included in the Permitted Use of the Sublease Area. Moorage, other than temporary moorage not to exceed 2 hours consistent with City adopted moorage rules or to load and unload, is not included in the Permitted Use of the Sublease Area. The Permitted Use is subject to additional obligations set forth in Exhibit B to the Master Lease to the extent that said additional obligations apply to the Improvements. All restrictions to, limitations on and requirement for Permitted Use and Operations set forth in Section 2.2 of the Master Lease apply to the Permitted Use and Operations under this Sublease. Public access shall not extend to those portions of the Leased Area that are located outside the Sublease Area.

5.2. Conformance with Laws. Sublessee shall, at all times keep current and comply with all conditions and terms of permits, licenses, certificates, regulations, ordinances, statutes, and other government rules and regulations regarding Sublessee's use or occupancy of the Sublease Area.

5.3. Liens and Encumbrances. Unless expressly authorized, in writing, by both DNR and Sublessor, Sublessee shall keep the Sublease Area free and clear of liens or encumbrances arising from the Permitted Use or Sublessee's occupancy of the Sublease Area.

ARTICLE VI IMPROVEMENTS

6.1 Adoption of Master Lease Provisions. Sublessor and Sublessee expressly adopt, and directly incorporates as terms of this Sublease, Master Lease Section 7, Improvements, Section, Section 11, Maintenance and Repair, and Section 12, Damage or Destruction. All notices required to the Master Lessor shall also be required to Sublessor.

6.2. Existing Improvements. Sublessor shall not be required to make any alternations, maintenance, replacements, or repairs in, on or about the Sublease Area and the Improvements thereon during the term of this Sublease. Sublessor shall not be required to construct any new improvements for Sublessor's access to, use of, water, or electrical service to the Sublease Area.

6.3 Indemnification and Hold Harmless. Sublessee shall indemnify and defend Sublessor, including its officers, members, employees, agents and representatives, and hold Sublessor harmless from and against any and all liability, loss or damages from claims or actions by Master Lessor and/or its agencies, officials or representatives, arising from or related to Sublessee's failure to comply with the requirements and obligations set forth in Master Lease Section 7, Improvements, Section, Section 11, Maintenance and Repair and Section 12, Damage or Destruction, and/or the additional obligations set forth in Exhibit B to the Master Lease to the extent that said additional obligations apply to the Improvements in the Sublease Area.

ARTICLE VII INDEMNITY AND INSURANCE

Sublessee shall meet all obligations of Sublessor under the Master Lease, Section 10, Indemnity, Financial Security, Insurance. Sublessee expressly acknowledges and accepts that it assumes and accepts all obligations of Sublessor to Master Lessor in said Section 10 of the Master Lease for the Sublease Area. The Parties agree and accept that Sublessee is a member of a risk pool and all insurance obligations in both this Sublease and the Master Lease which may be applicable to Sublessee may be met through proof of comparable self-insurance through a risk pool as an acceptable means of complying with the insurance requirements. Sublessor's indemnification and insurance obligations extend to indemnification and insurance coverage for claims by the public related to public use of the Sublease Area. Sublessee cannot comply with any requirement to name any additional insureds. Upon request, Sublessee can provide a Certificate of Coverage evidencing the Sublessee's coverages through the risk pool as well as a letter that explains the inability to name "Additional Insureds" and how third parties are, in the

risk pools view, still protected by those provisions requiring additional insured language in our Liability Coverage Agreement.

7.1 Indemnity. Sublessee shall indemnify, defend and hold Master Lessor, its employees, officers and agents, and Sublessor, its employees, officers and agents, from Claim arising out of the use, occupation or control of the Sublease Area by Sublessee, its contractors, agents, affiliates, licensees, permittee, invitees and guests, including the public, to the fullest extent permitted by law and as described in and limited by Master Lease Section 10.1(b).

7.2. Insurance. Except as exclusively applicable to the exclusive Sublessor use of that portion of the Leased Area, and improvements thereon, that are not included in the Sublease Area, Sublessee shall procure and maintain, at its own cost and expense, such General Liability Insurance, Employers' Liability Insurance, Property Insurance, Protection and Indemnity Insurance and other insurance as required to be carried by Sublessor under Section 10 of the Master Lease as applicable for the City based on the use described in Article V. The Sublessee shall provide Sublessor proof of self-insurance through a risk pool as an acceptable means of complying with the insurance requirements under Section 10 of the Master Lease.

7.3 Workers' Compensation. Sublessor shall comply with all State of Washington Workers' Compensation statutes and regulations. Sublessor shall provide workers' compensation coverage for all employees of Sublessor as described in Master Lease Section 10.3(b).

7.4 Should Sublessee be required to provide a certificate of insurance executed by a duly authorized representative of each insurer, Sublessee may satisfy this requirement by providing proof of coverage through a risk pool. Further, Sublessee can, when needed, provide a Certificate of Coverage evidencing the City's coverages through the risk pool, as well as a letter that explains the inability to name "Additional Insureds" and how third parties are, in the risk pools view, still protected by those provisions requiring additional insured language in our Liability Coverage Agreement.

ARTICLE VIII ENVIRONEMTNAL LIABILITY/RISK ALLOCATION

8.1 Adoption of Master Lease Provisions. Sublessor and Sublessee expressly adopt, and directly incorporates as terms of this Sublease, Master Lease Section 8, Environmental Liability/Risk Allocation, except that Sublessee's obligation under this Master Lease Section 8 only extends to the area in, on, under or above the Sublease Area, adjacent state-owned aquatic lands if affected by a release of Hazardous Substances that occurs as a result of the Permitted Use under this Sublease, and the Leased Area not included in the Sublease area if affected by a release of Hazardous Substances that occurs as a result of the Permitted Use under this Sublease. Sublessee

shall provide all notices and reporting required by the Master Lease to the Master Lessor or to Sublessor.

8.2 Current Conditions and Duty to Investigate. Sublessor makes no representation about the condition of the Sublease Area. Hazardous Substances may exist in, on, under or above the Sublease Area. This Sublease does not impose a duty on Sublessor to conduct investigations or supply information to Sublessee about Hazardous Substances. Sublessee is responsible for conducting all appropriate inquiry and gathering sufficient information about the existence, scope, and location of Hazardous Substances on or near the Sublease Area necessary for Sublessee to meet Sublessee's obligations under the Sublease and utilize the Sublease Area for the Permitted Use.

8.3 Indemnification of Sublessor. In addition to all indemnification obligations to the Master Lessor under the Master Lease, Sublessee shall fully indemnify, defend and hold Sublessor harmless from and against Liabilities that arise out of or relate to (a) the use, storage, generation, processing, transportation, handling or disposal of any Hazardous Substance by Sublessee, its affiliates or guests and invitees, including the public, occurring whenever Sublessee occupies or has occupied the Sublease Area; and or (b) the release or threatened release from any omission of Sublessee, its affiliates or guests and invitees, including the public, occurring whenever Sublessee occupies or has occupied the Sublease Area. Sublessee shall fully indemnify, defend and hold Sublessor harmless for Liabilities that arise out of or relate to Sublessee's breach of Master Lease Section 8.5. Sublessee shall promptly reimburse Sublessor for any costs incurred by Sublessor or charged to Sublessor by Master Lessor pursuant to Master Lease Section 8.10.

8.4 Reservation of Rights. The Reservation of Rights by and between Sublessor and Master Lessor as set forth in Master Lease Section 8.8 also extend to and are incorporated into this Sublease as by and between Sublessor and Sublessee.

ARTICLE IX DEFAULT

Sublessor and Sublessee expressly adopt, and directly incorporates as terms of this Sublease, Master Lease Section 14, Default and Remedies, as the procedure and protocol to address defaults under this Sublease, including the Sublessor's right to cure defaults and Sublessor's remedies under this Sublease as between Sublessor and Sublessee.

ARTICLE X ACCESS TO PREMISES

Master Lessor and Sublessor shall have access to the Sublease Area at all reasonable times for the purpose of securing compliance with the terms and conditions of this Sublease, monitor

impacts to habitat, or survey habitat and species. Sublessee grants Master Lessor and Sublessor permission to cross Sublessee's upland and aquatic land to access the Sublease Area. The Master Lessor and/or Sublessor shall provide at least 24 hours' notice before entering the Sublease Area for that purpose. Regulatory authorities may accompany the Master Lessor or Sublessor when they enter the Sublease Area. Sublessor's failure to inspect the Sublease Area does not constitute waiver of any rights or remedies under this Lease.

ARTICLE XI MISCELLANEOUS

11.1. Notices. The following are locations for delivery of Notice and submittals required or permitted under this Sublease. Any party may change the place of delivery upon ten (10) days written notice to the other.

Jerkovich Pier LLC
Mary Ellen Gilmour
3107 N. 22nd Street
Tacoma, WA 98406

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

The Parties may deliver any notice in person, by facsimile machine, or by certified mail. Depending on the method of delivery. Notice is effective upon personal delivery, upon receipt of a confirmation report if delivered by facsimile machine or three (3) days after mailing. On notices transmitted by facsimile machine, the Parties shall state the number of pages contained in the notice, including the transmittal page, if any.

11.2. Modification. Neither this Sublease nor any term or provision hereof may be changed, waived, discharged, or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge, or termination is sought.

11.4. Non-Waiver. Any waiver by either party of strict performance of any provisions of this Sublease shall not be a waiver of, nor prejudice, the party's right to require strict performance of the same provision in the future or of any other provision.

11.5. Attorney's Fees. Any legal action in court for the enforcement of this Sublease by either party, resulting in relief by way of damages or otherwise to the successful party, shall entitle the successful party to reasonable attorney's fees and costs.

11.6. Time is of the Essence. Time is the essence as to each and every provision of this Sublease.

11.7. Headings. The heading used in this Sublease are for convenience only and in no way define, limit or extend the scope of the Sublease or the intent of any provision.

11.8 Entire Agreement. This Sublease, including exhibits, attachments and addenda, if any, contains the entire agreement of the Parties.

11.9 Cumulative Remedies. The rights and remedies under this Sublease are cumulative and in addition to all other rights and remedies afforded by law or equity or otherwise.

11.10 Invalidity. The invalidity, voidness or illegality of any provision of this Sublease does not affect, impair or invalidate any other provision of the Sublease.

11.11 Applicable Law and Venue. This Sublease is to be interpreted and construed in accordance with the laws of the State of Washington. Venue for any action arising out of or in connection with this Sublease is in the Superior Court of Thurston County.

11.12 Recording. At Sublessee's expense and no later than thirty (30) days after receiving the fully executed Sublease, Sublessee shall record this Sublease in the County in which the Sublease Area is located. Sublessee shall include the parcel number of the upland property used in conjunction with the Sublease Area. Sublessee shall provide both the Master Lessor and the Sublessor with the recording information, including the date of recording and file number.

11.13 Survival. Any obligation of Sublessee not fully performed upon termination of this Sublease do not cease, but continue as obligations of Sublessee until fully performed.

11.13 Exhibits and Attachments. All referenced exhibits and attachments are incorporated in the Sublease unless expressly identified as unincorporated.

ARTICLE XII CONDITIONS SUBSEQUENT – APPROVAL BY THE STATE

The rights and obligations of the Sublessor and Sublessee of this Sublease are expressly subject to the condition subsequent that the Master Lessor, the State of Washington, Department of Natural Resources, shall have executed its approval as hereinafter set forth. Upon the execution of this Sublease by the Sublessor and Sublessee, the Sublessor is authorized and directed to deliver three executed copies of this Sublease to the Master Lessor and obtain the written receipt and date of delivery thereof from the Master Lessor. In a reasonable time thereafter, the Master Lessor shall execute its approval on each of the copies as provided herein, and shall return two of the copies properly executed to the Sublessor for closing and delivery of one copy to the Sublessee.

XIII AUTHORIZATION

Each party represents that it has the authority to enter into this Sublease. Each signatory represents that it has been authorized by that party to execute and deliver this Sublease.

Signatures on following page.

City of Gig Harbor

Jerkovich Pier LLC

By Kit Kuhn
Mayor

By _____
Its _____

Date: _____

Date: _____

STATE OF WASHINGTON)
COUNTY OF P I E R C E) ss.

I certify that I know or have satisfactory evidence that Kit Kuhn is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the 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: _____

(print or type name)
NOTARY PUBLIC in and for the State of
Washington, residing at: _____
My Commission expires: _____

STATE OF WASHINGTON)
COUNTY OF P I E R C E) ss.

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

Dated: _____

(print or type name)
NOTARY PUBLIC in and for the State of
Washington, residing at: _____
My Commission expires: _____

EXHIBIT 1

Sublease Area Legal Description and Survey

Legal Description

THAT PORTION OF THE UNPLATTED FIRST CLASS TIDELANDS OWNED BY THE STATE OF WASHINGTON AS SHOWN ON THE AMENDED PLAT OF GIG HARBOR TIDELANDS AND HARBOR LINES ON FILE IN THE OFFICE OF THE COMMISSIONER OF PUBLIC LANDS, AUDITOR'S FILE NO. 9512140115, RECORDS OF PIERCE COUNTY, WASHINGTON, IN FRONT OF LOT 5, BLOCK 3, PLAT OF MILLVILLE, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK 2 OF PLATS, PAGE 23, RECORDS OF PIERCE COUNTY, WASHINGTON, INCLUDED IN A TRACT TO BE USED FOR PUBLIC USE AND ACCESS AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 5;
THENCE ALONG THE EAST LINE OF SAID LOT 5 NORTH 37°12'29" EAST 223.86 FEET TO THE BALANCED MEANDER LINE AND THE POINT OF BEGINNING;
THENCE CONTINUING ALONG THE NORTHEASTERLY PROLONGATION OF THE EAST LINE OF SAID LOT 5 NORTH 37°12'29" EAST 140.26 FEET;
THENCE NORTH 52°28'03" WEST 17.67 FEET, MORE OR LESS, TO INNER HARBOR LINE AS ESTABLISHED BY SAID AMENDED TIDELANDS/HARBOR LINE PLAT;
THENCE ALONG SAID INNER HARBOR LINE NORTH 78°45'42" WEST 21.70 FEET;
THENCE CONTINUING ALONG SAID INNER HARBOR LINE NORTH 41°20'49" WEST 13.09 FEET TO THE INTERSECTION WITH THE WEST LINE OF AFORESAID LOT 5;
THENCE LEAVING SAID INNER HARBOR LINE ALONG SAID WEST LINE THENCE SOUTH 37°12'29" WEST 143.01 FEET TO THE NORTHEASTERLY LINE OF LEASE AREA B OF CITY OF GIG HARBOR LEASE NUMBER 22-095919 UNDER AUDITOR'S FILE NUMBER, 201710165001, RECORDS OF PIERCE COUNTY;
THENCE LEAVING THE WEST LINE OF SAID LOT 5 ALONG SAID LEASE LINE SOUTH 48°42'30" EAST 32.35 FEET TO THE BALANCED MEANDER LINE;
THENCE ALONG SAID MEANDER LINE SOUTH 86°34'19" EAST 21.33 FEET TO THE POINT OF BEGINNING.

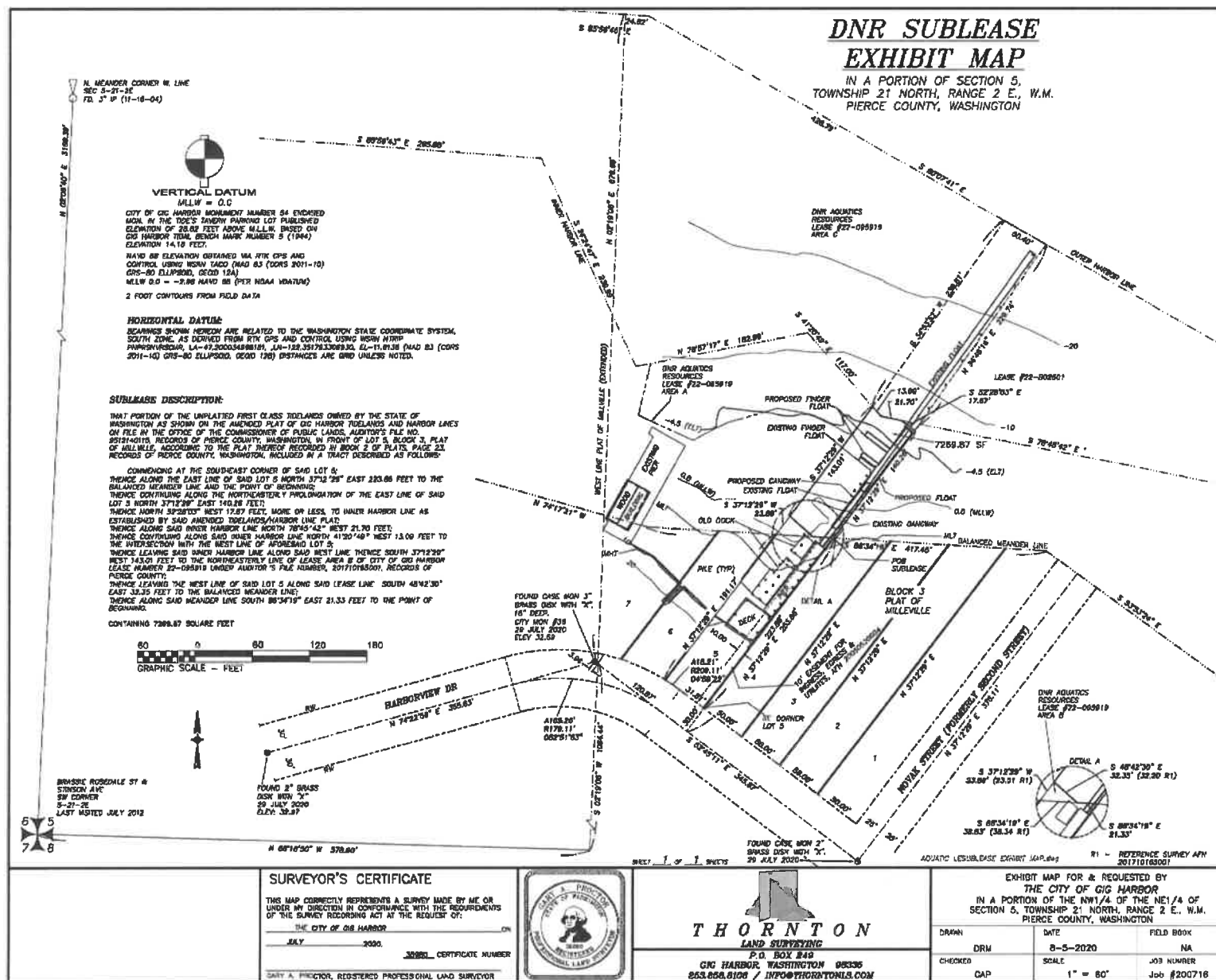


EXHIBIT 2

1. Description of Permitting Use

A. Existing Facilities

The sublease area is contained within the State-owned tidelands included in DNR aquatic lease 22-B02571 and currently includes a portion of the Jerkovich dock. The existing improvements include a steel gangway with solid wooden surfacing, multiple sections of floating concrete dock, a concrete finger float, a timber work float, and 11 creosote pilings. The sections of floating concrete dock have internal floatation. Five of the pilings located the shoreward extent of the floating concrete dock are unattached. Power and water utilities are connected to the gangway and located on the floating concrete dock.

B. Proposed Work

The City is proposing to remove all existing improvements located within the proposed sublease area. The City is proposing to install new improvements to provide temporary moorage and for loading and unloading of human powered craft. These new improvements will be open to the public, will be ADA compliant, and will include a new gangway, new sections of floating composite dock, two new finger floats, new steel piling necessary to support the floats, and associated appurtenances. The new improvements will include conveying the existing power and water utilities across the new floating composite dock and reconnecting to the existing floating concrete dock waterward of the sublease area.

2. Additional Obligations

None.



Gig Harbor Peninsula FISH Food Bank

GHP FISH Food Bank Building - Existing



GHP FISH Food Bank Building - Existing



GHP FISH Food Bank Building - Existing



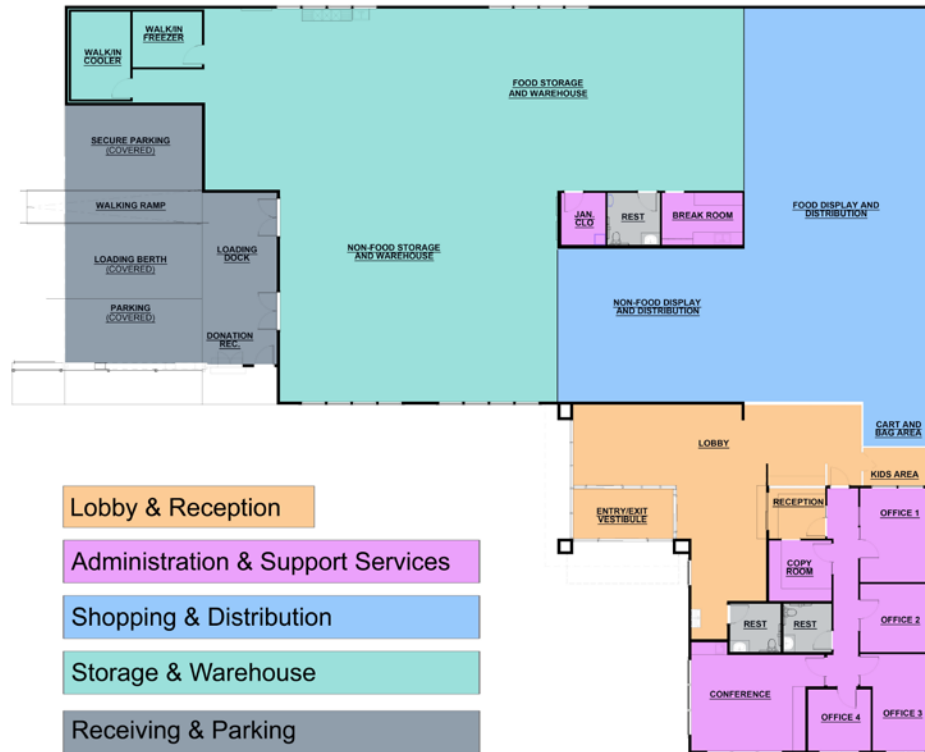
GHP FISH Food Bank Building – Existing



GHP FISH Food Bank Building – Proposed



GHP FISH Food Bank Building – Proposed

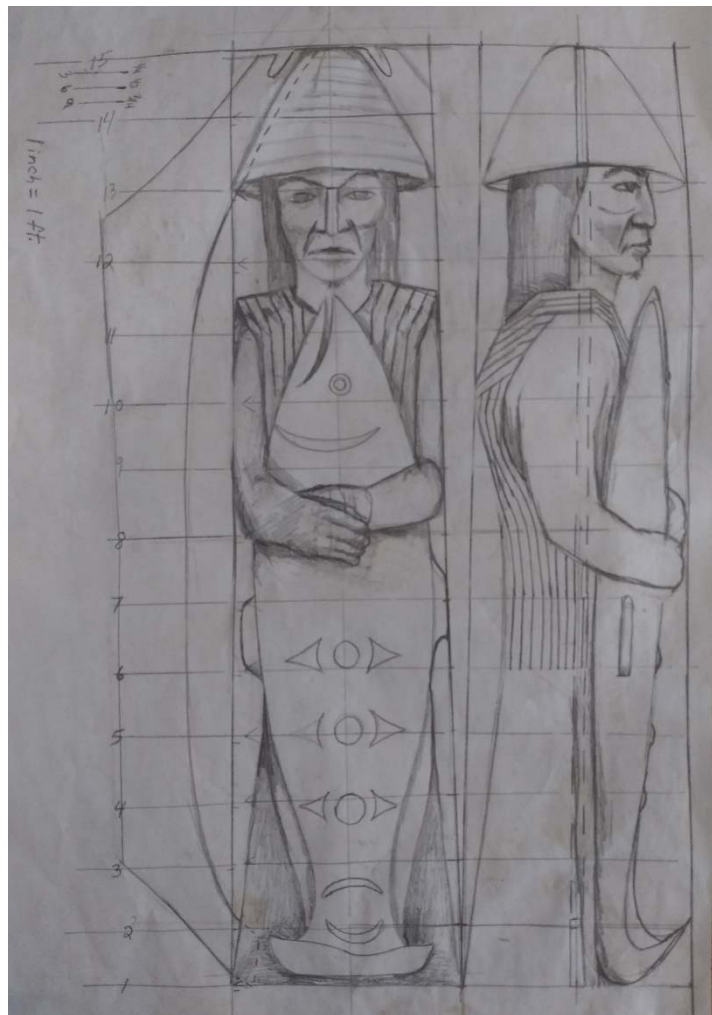


GHP FISH Food Bank Building – Proposed



Thank You, City of Gig
Harbor

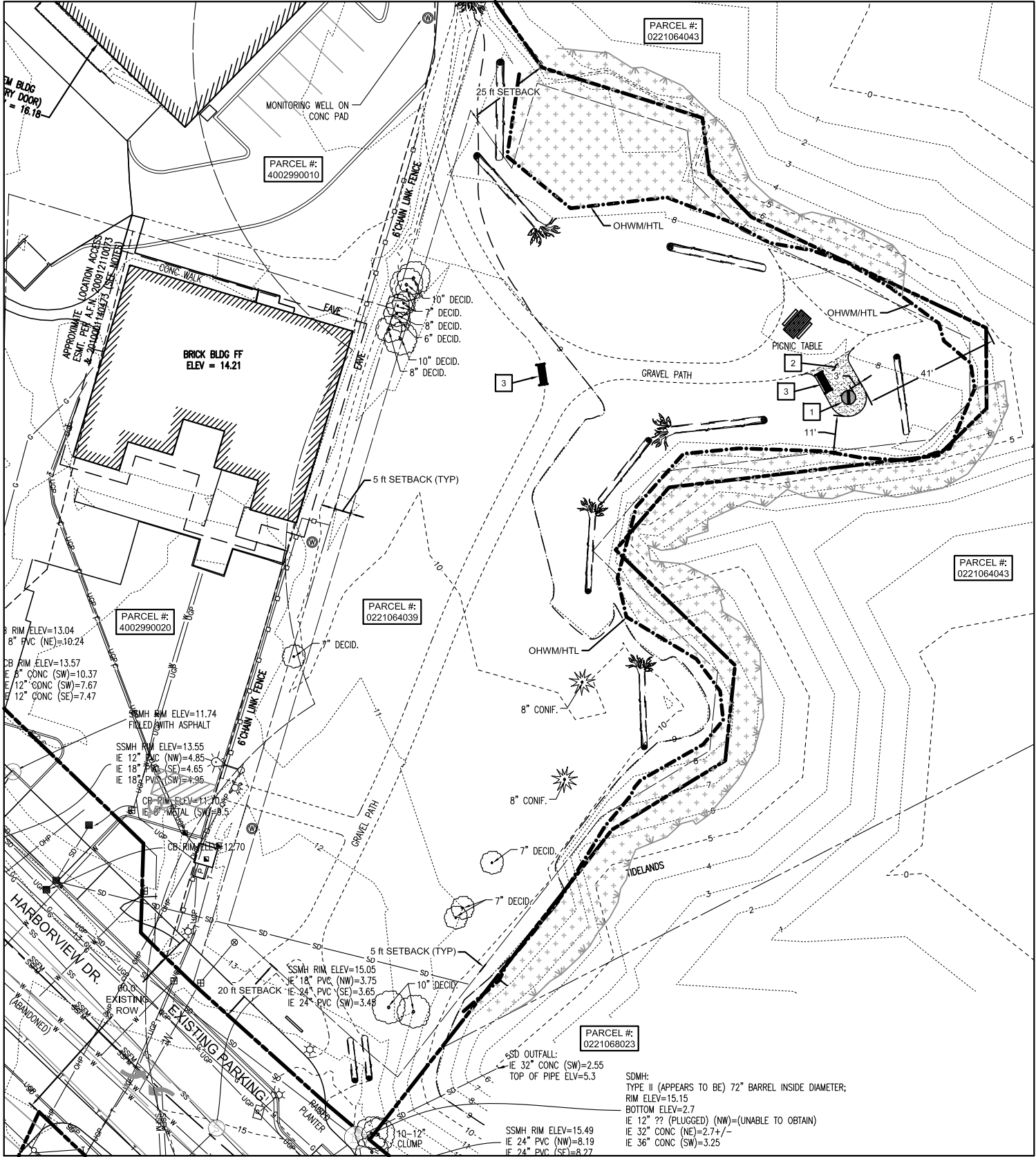
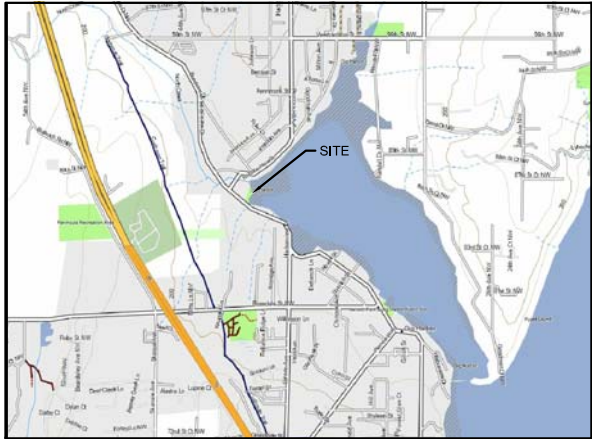




C:\Users\jlanghel\Box\PUBLIC WORKS\CIP\1926 Austin Park Honoring\DESIGN\1.8 Contract Docs\Specifications & Drawings\CAD\2021-07-19-Site Plan.dwg, 7/20/2021 4:09:45 PM

VICINITY MAP

NOT TO SCALE



LEGEND

	EXISTING BUILDING		EXISTING SIGN
	PROJECT BOUNDARY		EXISTING UTILITY POLE
	RIGHT-OF-WAY LINE		EXISTING SANITARY MANHOLE
	RIGHT-OF-WAY CENTERLINE		EXISTING STORM MANHOLE
	EASEMENT LINE		EXISTING STORM INLET
	EXISTING ADJACENT PROPERTY LINE		EXISTING TELEPHONE PEDESTAL
	EXISTING CURB		EXISTING MONITORING WELL
	EXISTING FENCE LINE		EXISTING LIGHT
	EXISTING MAJOR CONTOUR		EXISTING FIRE HYDRANT
	EXISTING MINOR CONTOUR		EXISTING WATER VALVE
	EXISTING DOWNED LOG		DELINEATED WETLAND AREA
	EXISTING CONIFEROUS TREE		PROPOSED PATHWAY
	EXISTING DECIDUOUS TREE		ORDINARY HIGH WATER MARK/HIGH TIDE LINE (OHWM/HTL) OF GIG HARBOR BAY
			PROPERTY LINE SETBACKS

CONSTRUCTION KEY NOTES

- 1
- 2
- 3
- PROPOSED WOOD ART CARVING AT LOCATION SHOWN. CONCRETE FOUNDATION TO BE DESIGNED BY OTHERS. APPROXIMATE ART DIMENSIONS SHALL BE 15" x 4" W x 2" D. PROPOSED FOUNDATION TO BE NO LARGER THAN 60" DIA x 24" H. GROUND ELEVATION AT FOUNDATION IS +8.5 FT (NGVD 29). PROPOSED SIGNAGE TO BE ATTACHED AT THE FOUNDATION NO LARGER THAN 24"x18".
- PROPOSED GRAY GRAVEL PATHWAY.
- PROPOSED CITY STANDARD BENCHES WITH CONCRETE BASE.

EXISTING CONDITIONS DISCLAIMER

THIS PLAN HAS BEEN PREPARED FOR ILLUSTRATIVE PURPOSES ONLY. SITE BACKGROUND INFORMATION AND FEATURES HAVE BEEN GENERATED FROM A COMBINATION OF AS-BUILT DRAWINGS AND SURVEY FROM PARAMETRIX (DEC. 2012), PUBLIC GIS DATA SOURCES, AERIAL PHOTOS, TAX ASSESSOR MAPS AND PHYSICAL SITE OBSERVATIONS. PROPOSED SITE FEATURES ARE PRELIMINARY IN NATURE AND SUBJECT TO CHANGE. NO WARRANTY OR GUARANTEE IS EXPRESSED OR IMPLIED.

SHORELINE DESIGNATIONS

CITY SHORELINE DESIGNATION: URBAN CONSERVANCY
THIS PROJECT SITE IS NOT A SHORELINE OF STATEWIDE SIGNIFICANCE BECAUSE IT IS ABOVE THE EXTREME LOW TIDE LINE (-4.5 MLLW).

FLOOD MAP INFORMATION

- ZONE X (SHADED)**
THE SITE IS LOCATED WITHIN ZONE X (SHADED) PER FLOOD INSURANCE RATE MAP (FIRM) COMMUNITY-PANEL NUMBER 53053C0129E
FEMA'S DEFINITION OF ZONE X (SHADED) IS AN AREA OF MODERATE FLOOD HAZARD, USUALLY THE AREA BETWEEN THE LIMITS OF THE 100-YEAR AND 500-YEAR FLOODS. IN COMMUNITIES THAT PARTICIPATE IN THE NFIP, FLOOD INSURANCE IS AVAILABLE TO ALL PROPERTY OWNERS AND RENTERS IN THESE ZONES.
- ZONE AE**
THE SITE IS LOCATED WITHIN ZONE AE PER FLOOD INSURANCE RATE MAP (FIRM) COMMUNITY-PANEL NUMBER 53053C0129E
FEMA'S DEFINITION OF ZONE AE ARE IS BASE FLOODPLAIN WHERE BASE FLOOD ELEVATIONS ARE PROVIDED. AE ZONES ARE NOW USED ON NEW FORMAT FIRMS INSTEAD OF A1-A30 ZONES. IN COMMUNITIES THAT PARTICIPATE IN THE NFIP, MANDATORY FLOOD INSURANCE PURCHASE REQUIREMENTS APPLY.

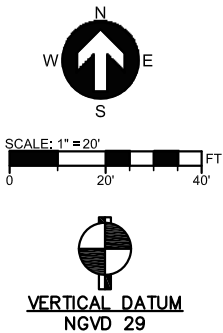
PRELIMINARY SITE GRADING INFORMATION

CUT (TO FINISH GRADE)	28 CY
FILL (TO FINISH GRADE)	28 CY
NET BALANCE	0 CY
MAXIMUM CUT DEPTH	8 FT
MAXIMUM FILL DEPTH	8 FT
MAXIMUM PROPOSED SLOPE	N/A
TOTAL AREA OF DISTURBANCE	195 SF

* ASSUMED REPLACEMENT OF STRIPPING MATERIAL ON-SITE

VERTICAL DATUM CONVERSION (FEMA BFE = +14 NAVD 88)			
DATUM PLANE	MLLW	NGVD 29	NAVD 88
FEMA FLOOD ELEV.	17.00	10.54	14.00
MEAN HIGHER HIGH WATER	11.80	5.34	8.80
MEAN HIGH WATER	11.00	4.54	8.00
MEAN TIDE LEVEL	6.90	0.44	3.90
MEAN LOW WATER	2.80	-3.66	-0.20
MEAN LOWER LOW WATER	0.00	-6.46	-3.00

SOURCES:
MLLW: US ARMY CORPS OF ENGINEERS' SOUTH PUGET SOUND REGION TIDAL DATUM #72 - GIG HARBOR
NGVD 29 AND NAVD 88: NOAA'S VERTICAL DATUM TRANSFORMATION (v3.3) AT JERISICH DOCK (LAT 47.3310, LONG -122.5816)



VERTICAL DATUM
NGVD 29



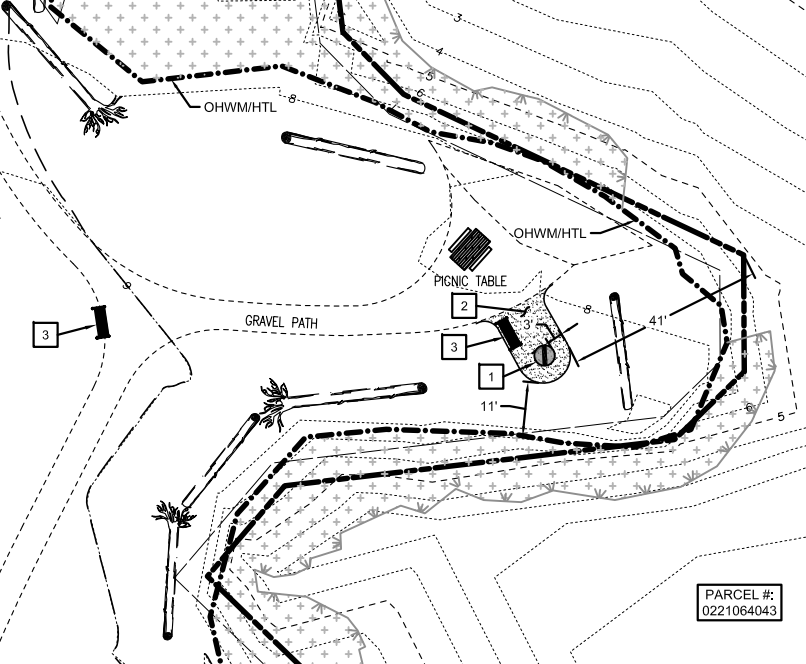
CITY OF
GIG HARBOR
3510 GRANDVIEW STREET
GIG HARBOR, WA 98335

DESIGNED BY:	JDL
DRAWN BY:	JDL
CHECKED BY:	---
APPROVED BY:	---
SCALE:	1"=20'
OTHER:	

AUSTIN PARK
HONORING PROJECT
4009 HARBORVIEW DRIVE, GIG
HARBOR, WA 98332

VICINITY MAP,
SITE PLAN, AND GRADING PLAN

PERMIT NO.	
DRAWING NO.	SP-01
SHEET	OF
1	2



PARCEL #:
0221064043

P R O P O S A L : L T A C G R A N T S

EXECUTIVE SUMMARY

Legal Guidelines on LTAC Fund Categories

Set forward by RCW 67.28.1816, there are four categories to which LTAC Funds can be applied.

Three are administered by the city:

- 1) Tourism Marketing
- 2) Tourism-Related Capital Projects in Structures Owned by a Municipality
- 3) Destination Marketing Organization Functions

EXECUTIVE SUMMARY

Legal Guidelines on LTAC Fund Categories

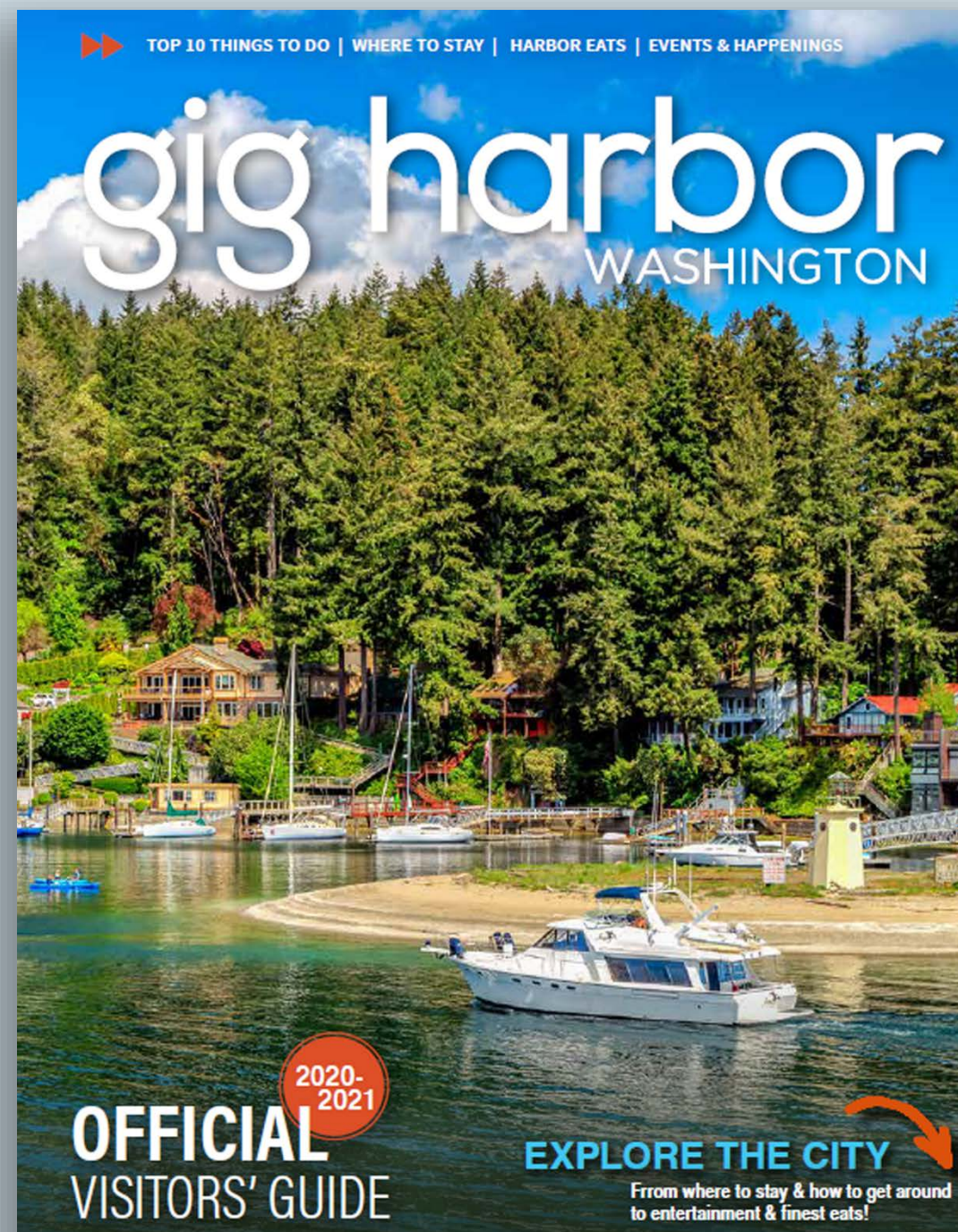
Only one category is awarded to an external source, which has two parts:

4a) Marketing and Operations of Special Events and Festivals Designed to Attract Tourists

4b) Operations of Tourism-Related Facilities Owned or Operated by Non-Profit Organizations that result in increases in the number of people traveling for business or pleasure on a Trip that Includes Staying Overnight in Paid Accommodations.

EXECUTIVE SUMMARY

WHAT WE'RE FUNDING NOW



FROM THE CITY SIDE:

- ✓ 50% of Tourism and Communication salaries for 2.0 FTE
- ✓ Standard printing, internet, phone and administrative costs
- ✓ Advertising fund of \$75k for 2020 (tourism marketing)
- ✓ Capital improvements for Skansie VIC, New signage at Stinson, Pioneer, Harbor Hill
- ✓ Capital projects: Fuel dock, Bogue Roof and Kiosk at Jerisich Park Dock
- ✓ Reserve fund
- ✓ Partnerships with Travel Tacoma/Pierce County; Visit Kitsap
- ✓ Visitors' Guide production and distribution
- ✓ Events: Summer Sounds, Movies in the Park, Annual Tree Lighting
- ✓ Gig Harbor Trolley underwriting percentage
- ✓ Volunteer Coordination for the Skansie Visitors' Center
- ✓ Professional photography
- ✓ Media hosting / travel writers

WHERE WE'RE HEADED

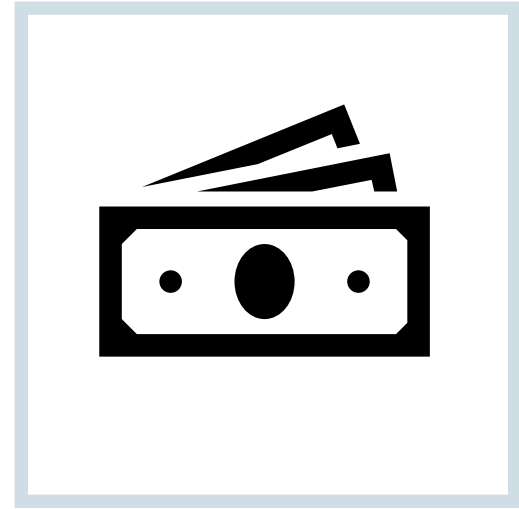


BUILDING LONG-TERM SUSTAINABILITY

To meet the continued goals for the LTAC fund, parameters for the application of funds need to address main goals, including:

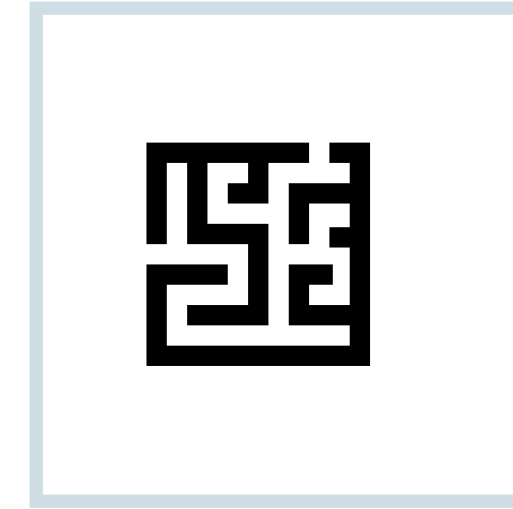
- ✓ Primary goal of tourism promotion
- ✓ End goal for each project funded is to increase the amount of lodging tax generated, thereby re-generating the fund and enabling more fund disbursement in future years
- ✓ Retain existing high-draw events and tourism-related facilities, but also provide opportunities for new events and facilities
- ✓ Encourage innovation

2019 SITUATION ANALYSIS



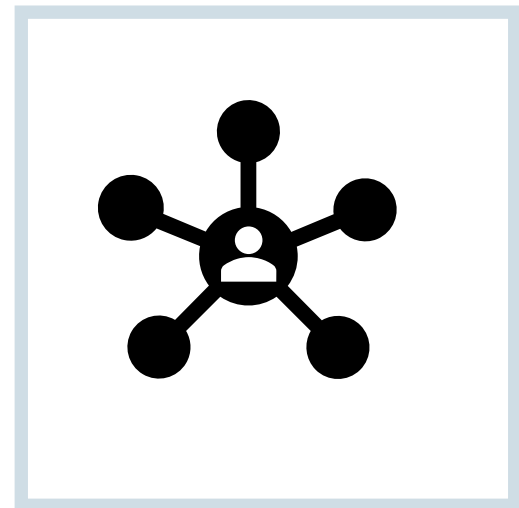
FUNDS REQUESTED IN EXORBITANT AMOUNTS

Some grant requests came in at \$300,000. Nearly all excessive amounts were vetoed by LTAC.



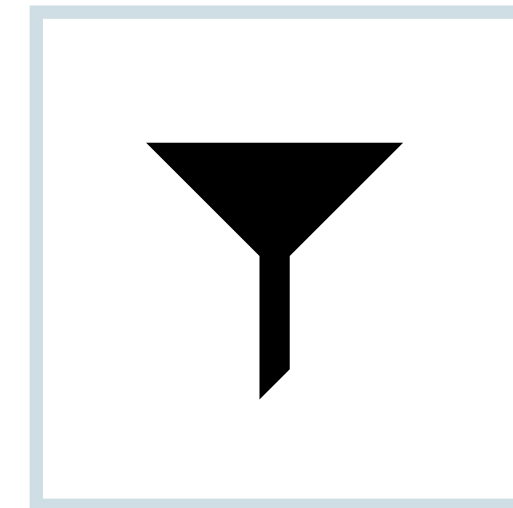
VOLATILITY IN EXTERNAL REQUESTS

City-administered funds have a projected budget amount and are predictable in spend. External requests are where we see volatility.



NON-PROFIT FUNDING AVAILABLE THROUGH OTHER CITY MECHANISMS

Six local non-profits receiving LTAC funds also receive funding from the General Fund and Creative Arts Grants, which may be more appropriate outlets.



CONCENTRATION OF FUNDS TO SAME PROJECTS

Funding a limited number of projects year after year leads to a stagnant tourism marketing plan focused on niche audiences.



NO MEASURABLE RETURN ON INVESTMENT

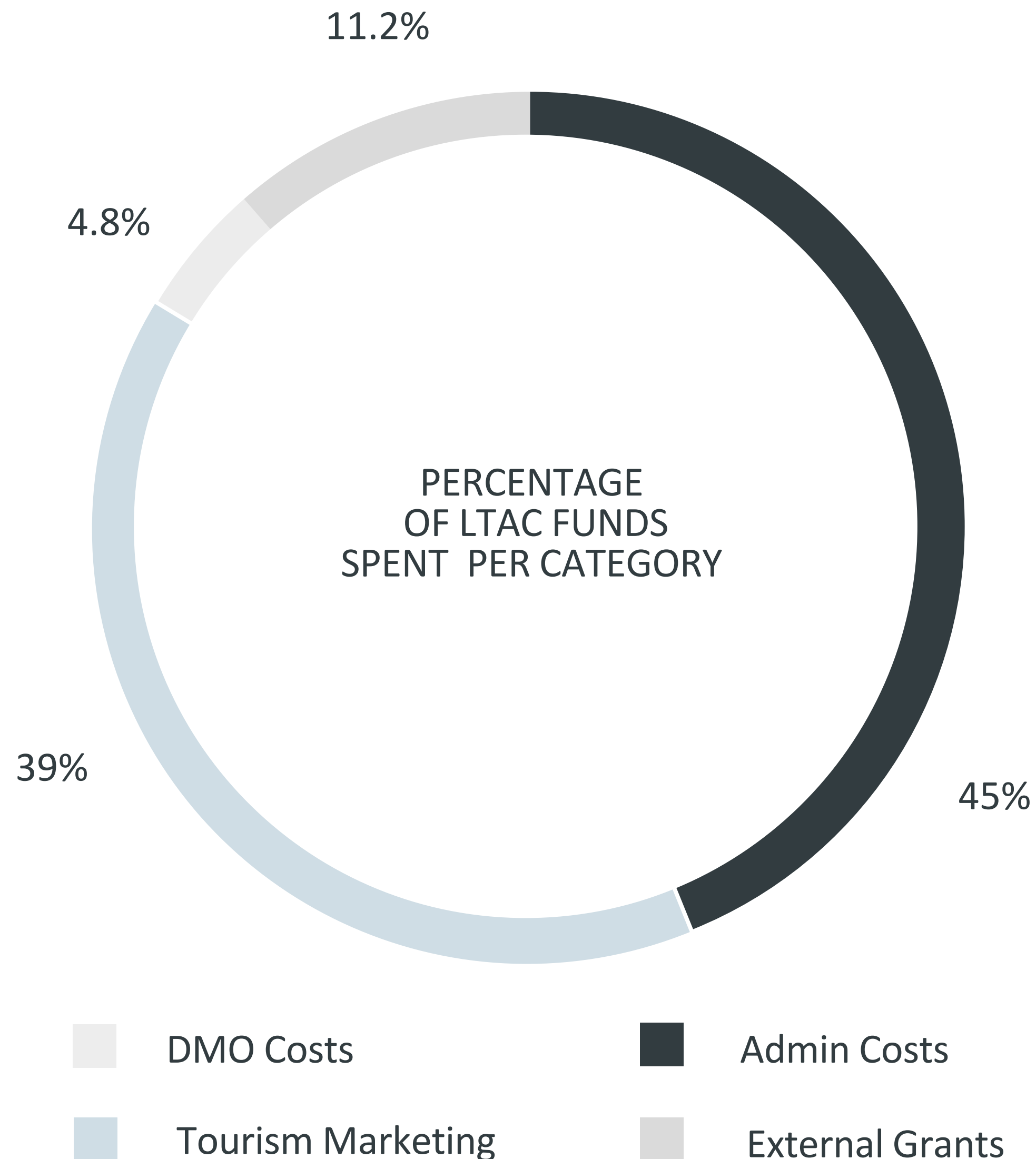
Non-profit facility improvements can lack a direct tie to increasing year over year tourism.



UNDERSPENDING ON NONPROFIT AMOUNTS APPROVED

In 2019, we spent only \$75,000 in approved LTAC grants. The proposed increase is a minimum spend of \$125,000 a year.

2019 SITUATION ANALYSIS



HOW IT WAS SPENT

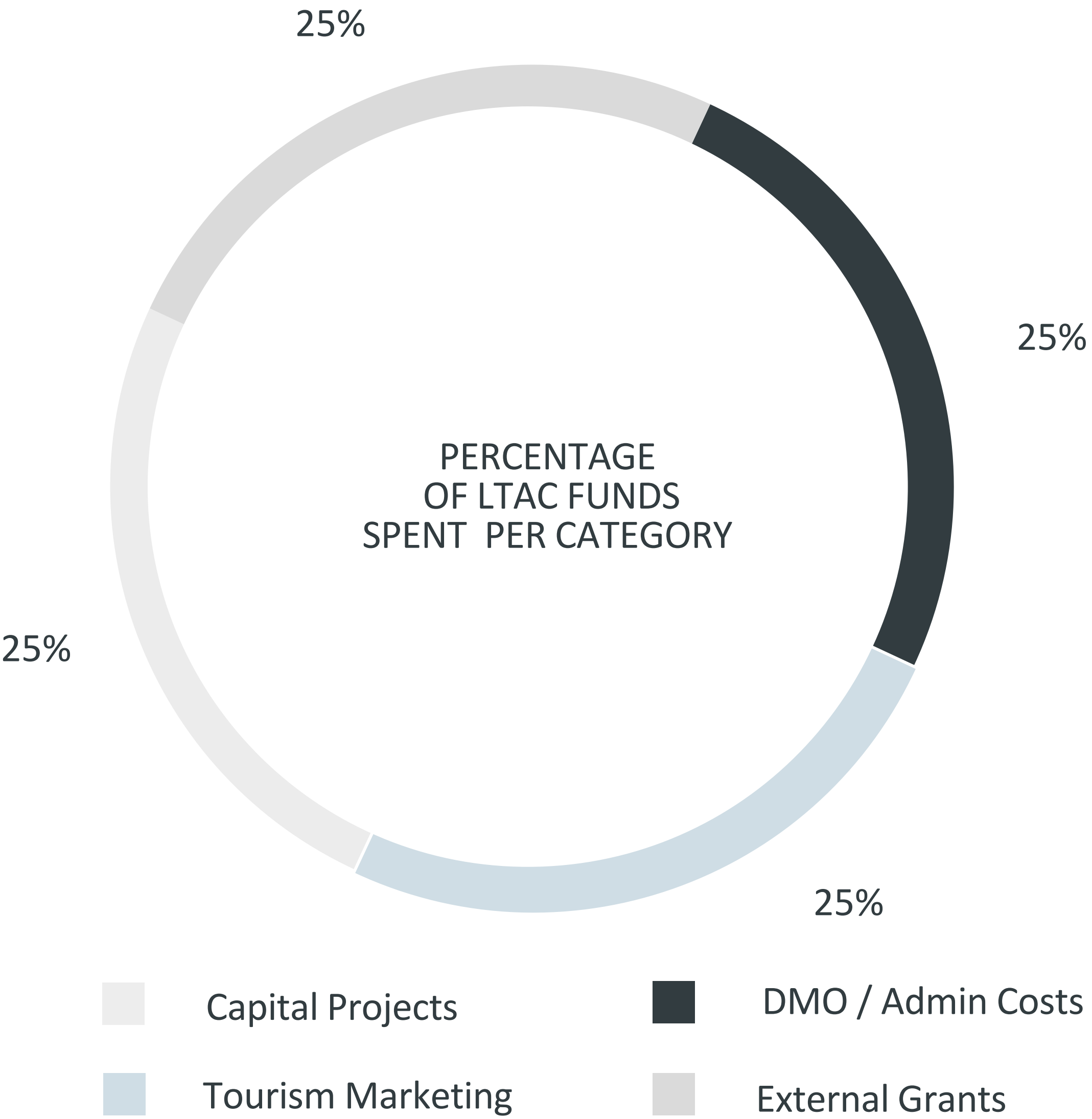
In 2019, we underspent on budget by nearly half.

The factors that contributed toward this included the freeze in spending from the review of the tourism department's overall goals and vision, but also a minute amount spent on external / non-profit grants. In 2019, only \$22,139 was awarded.

In 2020, \$75,000 was awarded, however end grant amounts were adjusted based on cancelled events. In 2021, we hope to assure a minimum of \$125,000 invested into the community, and see additional funds put toward DMO services, Tourism Marketing and Municipality-Owned Capital Projects.

2022 BUDGET PROJECTION

HOW WE WANT TO SPEND IT



For 2022 and moving forward, we are projecting to spend an equal amount in each of the four categories to more accurately meet the objectives for lodging tax funds.

This means an allocation of \$125,000 a year for capital projects could be held one year in the reserve, with \$250,000 designated for a tourism-related capital project the next year.

This also means a standardization of the spend in the external grant category, with the percentage tied to the budget (related to how much we take in), making the investment there equal to the investment in the other four lodging tax categories.

P R O P O S E D

S O L U T I O N

1

PROVIDE MORE FUNDING

The bill proposes an annual spend of \$125,000 on external projects, ensuring there is a greater amount of LTAC funds working in the community.

2

DIVERSITY IN FUNDING

Setting a per-project request maximum at \$20,000 ensures we can at least fund six projects per year, and perhaps more (no minimum for requests).

3

ENCOURAGING INNOVATION

By setting aside \$5,000 of the funding amount to be applied to new or emerging non-profit events or facilities, we encourage new developments..

4

FOCUS ON FISCAL RESPONSIBILITY

Standardizing the amount for tourism marketing ensures the re-generation of the fund, keeping a reserve ensures the city weathers challenges and provides future growth opportunity

5

EXPLORING NEW OPPORTUNITIES

By setting a standard amount, we can explore lucrative new avenues under Destination Marketing – including reaching out to the lucrative MICE market.

6

CONTINUITY IN A COMPETITIVE MARKET

By standardizing the spend for external requests, we can ensure we remain competitive and grow our market share among regional competitors through continuity in marketing outreach.

LTAC SUPPORT

JULY 22 SPECIAL MEETING

When presented to the advisory committee, a quorum conformed support of these spending guidelines as a percentage tied to the budget amount, but not the fund balance.

SHIFT TO DIVERSIFY

Support has also been expressed for fairness and diversity in funding external projects that can prove a measured year-over-year increase in tourism. This is measured through lodging tax growth and sales tax growth.

SUPPORT FOR MARKETING

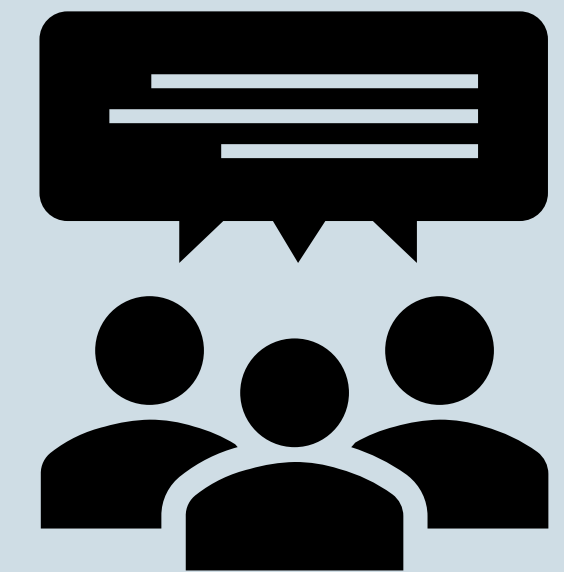
Members have approved the informed strategic approach the Tourism/Communications Department is taking through modernized outreach, digital marketing and data gathering

PAST STANDARDIZATIONS

LTAC funding guidelines were not followed in previous years, with accountability lacking for driving growth. Previous funding cycles saw max grants awarded between \$2-4k, with requests up to \$10k. This raises the ceiling to \$20k.

TARGETED MEDIA OUTREACH

The Committee sees the value in hosting media from the region, in a strategic move to increase our drive-market business in new, high net worth regional markets



QUESTIONS?





Business of the City Council City of Gig Harbor, WA

Subject: 2nd Quarter Finance Report & 2nd Quarter Budget Status Report

Proposed Council Action: N/A

Dept. Origin: Administration

Prepared by: Tony Piasecki

For Agenda of: July 26, 2021

Attachments: Quarterly Finance Report
2021 Budget 2nd Quarter
Status Report

**Initial &
Date**

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

KK 7-19-21

TP 7/15/21

N/A

OR 7/15/21

N/A

**Expenditure
Required**

\$0

**Amount
Budgeted**

\$0

**Appropriation
Required**

\$0

INFORMATION/BACKGROUND

In January 2021 Council adopted a new policy that requires staff to provide a quarterly status report on all the objectives in the 2021 Budget. These updates were timed to coincide with the quarterly financial report required in GHMC 3.01 at the second council meeting following the end of each quarter.

The budget objective report is a tool for Council to be able to see at a glance that objectives are, or are not, on track. It is not intended to be a detailed summary of the progress of each budget objective.

Department Heads and Managers will be on hand to address questions from Council. If a longer discussion is needed on specific objectives, Council may be asked to consider holding a future study session or to refer the matter to the appropriate committee.

FISCAL CONSIDERATION

N/A

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDED MOTION

N/A



To: Mayor Kuhn and City Council
From: David Rodenbach, Finance Director
Date: July 26, 2021
Subject: Second Quarter Financial Report

The quarterly financial reports for the second quarter of 2021 are attached.

Total resources, which include all revenues, non-revenues, and beginning fund balances, are at seventy-six (76%) percent of the 2021 budget. City-wide, across all funds, revenues and expenditures, excluding internal transfers, loan receipts and beginning and ending fund balances, are sixty-two (62%) percent and thirty-one (31%) percent, respectively, of the annual budget.

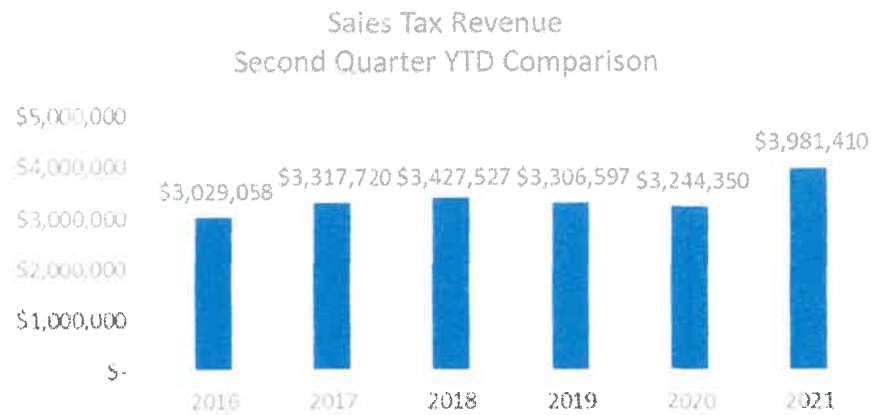
General Fund Revenues

General Fund second quarter year-to-date (YTD) revenues (excluding beginning balances) are at fifty-eight (58%) percent of budget.

General Fund Revenues 2021				
Budget vs. Actuals				
General Fund Revenue Source	Budgeted Revenue	Actual Revenue	% Collected	Balance
Taxes				
Property	\$ 3,010,360	1,727,747	57%	\$ (1,282,613)
Sales	7,229,925	4,050,882	56%	(3,179,043)
B&O Private Utility	1,284,868	632,959	49%	(651,909)
City Utility	401,893	226,660	56%	(175,233)
Other	213,909	127,665	60%	(86,244)
Sub-Total Taxes	\$ 12,140,955	\$ 6,765,913	56%	\$ (5,375,042)
Licenses & Permits	1,457,956	1,081,181	74%	(376,775)
Intergovernmental	208,489	106,215	51%	(102,274)
Charges for Services	283,178	140,628	50%	(142,550)
Fines & Forfeitures	88,132	33,299	38%	(54,833)
Miscellaneous	185,500	113,552	61%	(71,948)
Transfers and other Sources of Funds	-	38,282		38,282
Sub-Total	\$ 2,223,255	\$ 1,513,157	68%	\$ (710,098)
Total General Fund	\$ 14,364,210	\$ 8,279,070	58%	\$ (6,085,140)

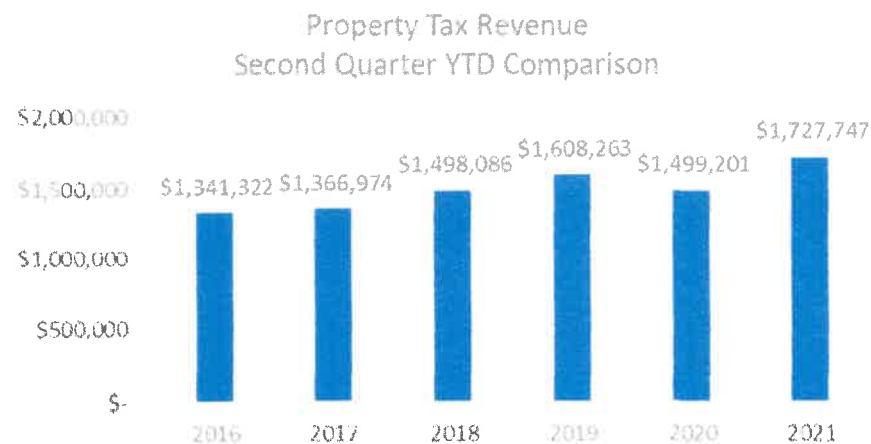
Sales Tax Revenue

Second quarter year-to-date sales tax revenue is illustrated below for years 2016 through 2021. Sales tax is at 56% of budget for 2021.



Property Tax Revenue

Second quarter year-to-date revenue from property taxes, 2016 through 2021, is shown below:

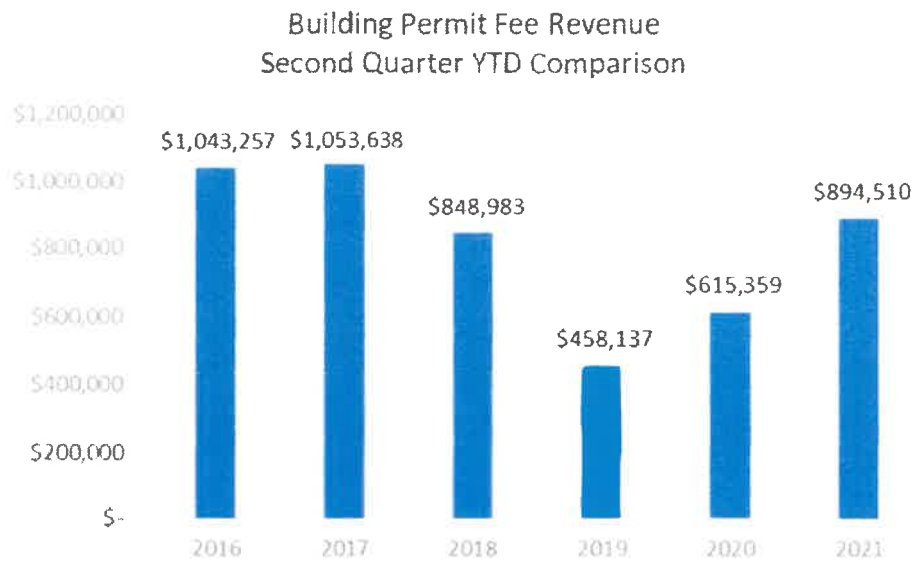


Transportation Benefit District

The City began receiving revenue in the second quarter of 2020 from the Transportation Benefit District (TBD). Second quarter year-to-date revenue for 2021 is \$928,949; total TBD resources are \$1,972,504.

Building Permit Fee Revenue

Second quarter year-to-date revenue from building permit fees, 2016 through 2021, is shown below:



General Fund Expenditures

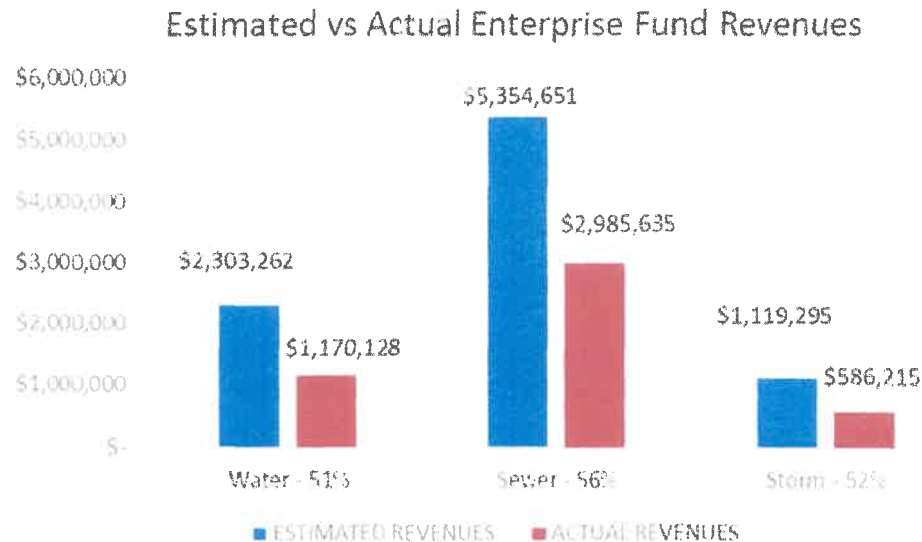
General fund second quarter year-to-date expenditures are at thirty-one (31%) percent of budget.

General Fund Expenditures 2021					
By Department					
FUND NO.	DESCRIPTION	ESTIMATED EXPENDITURES	ACTUAL EXPENDITURES	BALANCE OF ESTIMATE	PERCENT %
001	GENERAL GOVERNMENT				
01	NON-DEPARTMENTAL	\$ 7,218,103	\$ 1,310,826	\$ 5,907,277	18%
02	LEGISLATIVE	82,400	38,839	43,561	47%
03	MUNICIPAL COURT	479,900	213,579	266,321	45%
04	ADMINISTRATIVE/FINANCIAL	2,092,380	799,486	1,292,894	38%
06	POLICE	4,293,206	1,776,503	2,516,703	41%
14	COMMUNITY DEVELOPMENT	2,493,338	881,995	1,611,343	35%
15	PARKS AND RECREATION	1,427,744	541,850	885,894	38%
16	BUILDING	468,767	144,294	324,473	31%
001	TOTAL GENERAL FUND	\$ 18,555,838	\$ 5,707,372	\$ 12,848,466	31%

Water, Sewer and Storm

Revenues:

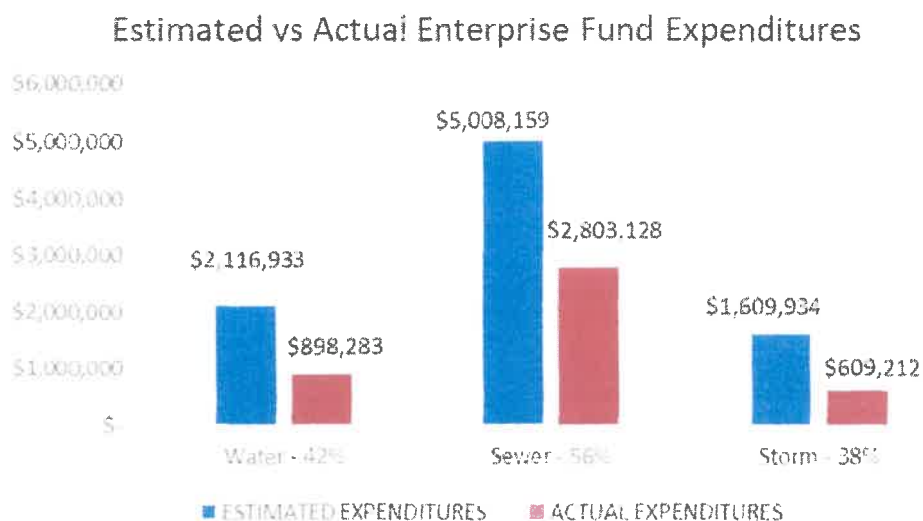
Water, Sewer and Storm revenues are fifty-one (51%) percent, fifty-six (56%) percent and fifty-two (52%) percent of the annual budget.



Water, Sewer and Storm

Expenditures:

Expenditures for the three funds are at forty-two (42%) percent, fifty-six (56%) percent and thirty-eight (38%) percent of the 2021 budget.



Cash

Cash balances are adequate in all funds. Second quarter total cash and investment balance across all funds is just over \$55 million.

Composition of Cash and Investments		
CASH ON HAND	\$	300
CASH IN BANK		1,529,649
LOCAL GOV'T INVESTMENT POOL		53,779,562
	\$	<u>55,309,512</u>



CASH AND INVESTMENTS YEAR TO DATE ACTIVITY AS OF JUNE 30, 2021

FUND NO.	DESCRIPTION	BEGINNING CASH AND INVESTMENTS	REVENUES	EXPENDITURES	OTHER CHANGES	ENDING CASH AND INVESTMENTS
001	GENERAL GOVERNMENT	\$ 5,460,234	\$ 8,279,070	\$ 5,707,372	\$ (681,997)	\$ 7,349,936
101	STREET FUND	1,296,991	163,504	938,086	(66,050)	456,358
102	STREET CAPITAL FUND	429,887	1,371,046	1,519,518	(41,021)	240,393
103	SENIOR CAPITAL FUND	100,599	49	-	-	100,648
104	PEDESTRIAN SAFETY FUND	215,027	104	-	-	215,130.75
105	DRUG INVESTIGATION FUND	17,548	9	-	-	17,557
106	DRUG INVESTIGATION FUND	13,271	7	1,758	-	11,520
107	HOTEL-MOTEL FUND	984,346	127,191	42,878	(23,381)	1,045,279
108	PUBLIC ART CAPITAL PROJECTS	137,231	69	5,000	-	132,300
109	PARK DEVELOPMENT FUND	912,249	275,157	254,312	(203,216)	729,877
110	CIVIC CENTER DEBT RESERVE	1,592,805	827	-	-	1,593,631
111	STRATEGIC RESERVE FUND	1,601,328	796	-	-	1,602,124
112	EQUIPMENT RESERVE FUND	439,002	221	-	-	439,223
113	CONTRIBUTIONS/DONATIONS	-	12,429	12,429	-	-
208	LTGO BOND REDEMPTION	78,569	2,164,524	2,164,477	-	78,617
211	UTGO BOND REDEMPTION	288,926	140,096	18,382	-	410,640
301	PROPERTY ACQUISITION FUND	749,327	348,943	898,000	-	200,271
305	GENERAL GOVT CAPITAL IMPR	379,481	336,861	639,170	-	77,172
309	IMPACT FEE TRUST	4,466,363	763,244	658,100	30,960	4,602,467
310	HOSPITAL BENEFIT ZONE	5,166,036	2,645	134,000	-	5,034,681
401	WATER OPERATING	1,971,034	1,170,128	898,283	(261,582)	1,981,297
402	SEWER OPERATING	3,976,654	2,985,635	2,803,128	(265,148)	3,894,012
403	SHORECREST RESERVE FUND	198,442	11,134	510	751	209,817
407	UTILITY RESERVE	1,435,245	710	-	-	1,435,955
408	UTILITY BOND REDEMPTION	260,516	1,087,169	1,086,813	-	260,872
410	SEWER CAPITAL CONSTRUCTION	8,820,172	1,257,629	529,066	647,502	10,196,236
411	STORM SEWER OPERATING FUND	1,313,614	586,215	609,212	(31,594)	1,259,023
412	STORM SEWER CAPITAL	2,748,861	220,883	39,762	(2,860)	2,927,121
420	WATER CAPITAL ASSETS	6,449,952	1,330,171	933,569	(11,707)	6,834,848
631	MUNICIPAL COURT	-	38,721	35,898	(2,823)	-
650	TRANSPORTATION BENEFIT DISTRICT	1,043,555	928,949	-	-	1,972,504
		\$ 52,547,264	\$ 23,604,136	\$ 19,929,722	\$ (912,166)	\$ 55,309,512

COMPOSITION OF CASH AND INVESTMENTS AS OF JUNE 30, 2021

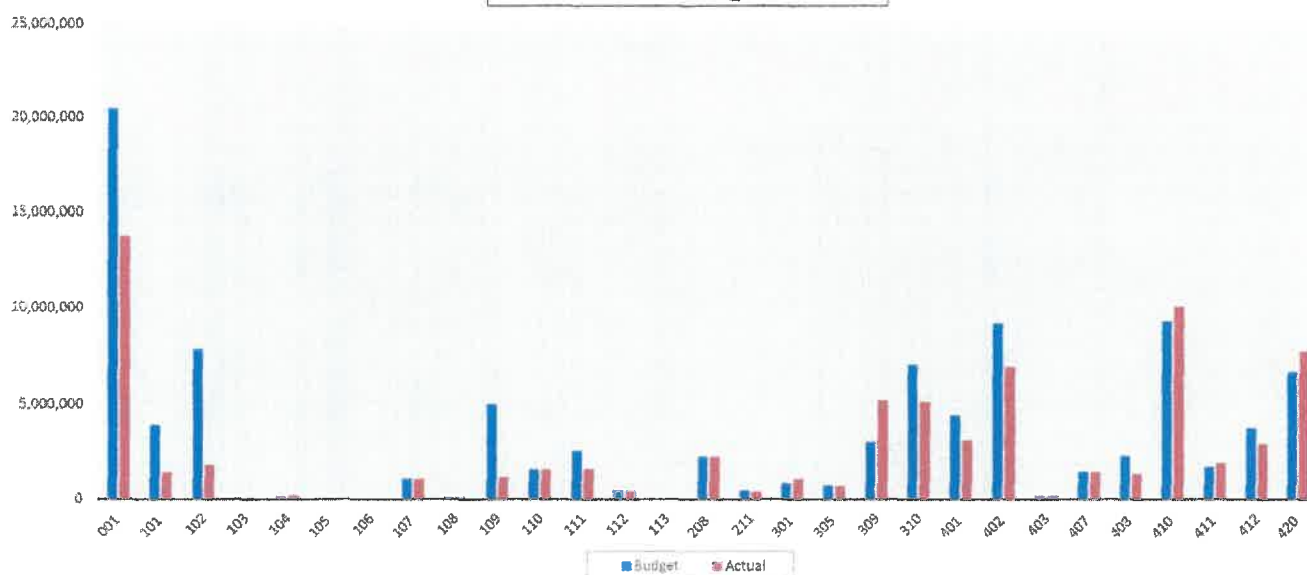
	MATURITY	RATE	BALANCE
CASH ON HAND			\$ 300
CASH IN BANK			1,529,649
LOCAL GOV'T INVESTMENT POOL	(Net Earnings Rate)	0.0753%	53,779,562
			\$ 55,309,512



YEAR-TO-DATE RESOURCE SUMMARY AND COMPARISON TO BUDGET AS OF JUNE 30, 2021

FUND NO.	DESCRIPTION	ESTIMATED RESOURCES	ACTUAL RESOURCES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT	20,453,212	\$ 13,739,304	\$ 6,713,908	67%
101	STREET FUND	3,942,894	1,460,494	2,482,400	37%
102	STREET CAPITAL FUND	7,879,255	1,800,933	6,078,322	23%
103	SENIOR CAPITAL FUND	100,000	100,648	(648)	101%
104	PEDESTRIAN SAFETY FUND	215,000	215,131	(131)	100%
105	DRUG INVESTIGATION FUND	17,071	17,557	(486)	103%
106	DRUG INVESTIGATION FUND	13,327	13,278	49	100%
107	HOTEL-MOTEL FUND	1,135,107	1,111,537	23,570	98%
108	PUBLIC ART CAPITAL PROJECTS	139,974	137,300	2,674	98%
109	PARK DEVELOPMENT FUND	5,039,070	1,187,405	3,851,665	24%
110	CIVIC CENTER DEBT RESERVE	1,613,739	1,593,631	20,108	99%
111	STRATEGIC RESERVE FUND	2,610,002	1,602,124	1,007,878	61%
112	EQUIPMENT RESERVE FUND	493,863	439,223	54,640	89%
113	DONATIONS/CONTRIBUTIONS		12,429	(12,429)	#N/A
208	LTGO BOND REDEMPTION	2,245,356	2,243,094	2,262	100%
211	UTGO BOND REDEMPTION	511,037	429,022	82,015	84%
301	PROPERTY ACQUISITION FUND	899,056	1,098,271	(199,215)	122%
305	GENERAL GOVT CAPITAL IMPR	771,853	716,342	55,511	93%
309	IMPACT FEE TRUST	3,039,048	5,229,607	(2,190,559)	172%
310	HOSPITAL BENEFIT ZONE	7,075,420	5,168,681	1,906,739	73%
401	WATER OPERATING	4,461,751	3,141,162	1,320,589	70%
402	SEWER OPERATING	9,203,075	6,962,289	2,240,786	76%
403	SHORECREST RESERVE FUND	224,266	209,576	14,690	93%
407	UTILITY RESERVE	1,467,963	1,435,955	32,008	98%
408	UTILITY BOND REDEMPTION	2,329,523	1,347,685	981,838	58%
410	SEWER CAPITAL CONSTRUCTION	9,337,703	10,077,800	(740,097)	108%
411	STORM SEWER OPERATING FUND	1,721,199	1,899,829	(178,630)	110%
412	STORM SEWER CAPITAL	3,826,223	2,969,744	856,479	78%
420	WATER CAPITAL ASSETS	6,689,834	7,780,123	(1,090,289)	116%
631	MUNICIPAL COURT		38,721	(38,721)	#N/A
650	TRANSPORTATION BENEFIT DISTRICT	2,530,109	1,972,504	557,605	78%
		\$ 99,985,930	\$ 76,151,399	\$ 23,834,531	76%

**Estimated vs Actual Resources
2021 Budget**

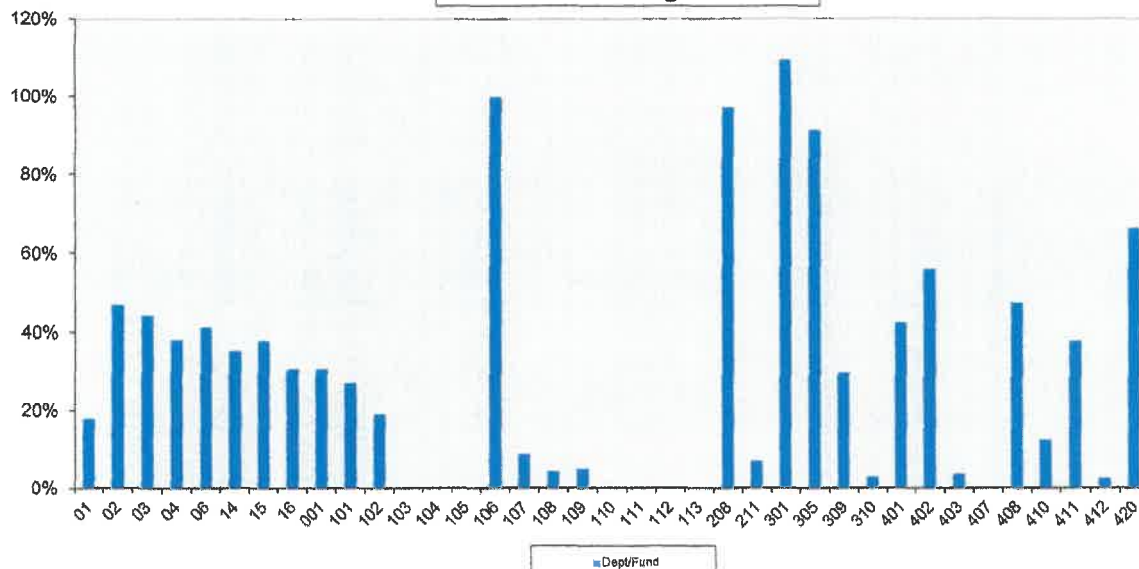




YEAR-TO-DATE EXPENDITURE SUMMARY AND COMPARISON TO BUDGET AS OF JUNE 30, 2021

FUND NO.	DESCRIPTION	ESTIMATED EXPENDITURES	ACTUAL EXPENDITURES	BALANCE OF ESTIMATE	PERCENTAGE (ACTUAL/EST.)
001	GENERAL GOVERNMENT				
01	NON-DEPARTMENTAL	\$ 7,218,103	\$ 1,310,826	\$ 5,907,277	18%
02	LEGISLATIVE	82,400	38,839	43,561	47%
03	MUNICIPAL COURT	479,900	213,579	266,321	45%
04	ADMINISTRATIVE/FINANCIAL	2,092,380	799,486	1,292,894	38%
06	POLICE	4,293,206	1,776,503	2,516,703	41%
14	COMMUNITY DEVELOPMENT	2,493,338	881,995	1,611,343	35%
15	PARKS AND RECREATION	1,427,744	541,850	885,894	38%
16	BUILDING	468,767	144,294	324,473	31%
001	TOTAL GENERAL FUND	18,555,838	5,707,372	12,848,466	31%
101	STREET FUND	3,459,043	938,086	2,520,957	27%
102	STREET CAPITAL FUND	7,870,933	1,519,518	6,351,415	19%
103	SENIOR CAPITAL FUND	-	-	-	#N/A
104	PEDESTRIAN SAFETY FUND	215,000	-	215,000	
105	DRUG INVESTIGATION FUND	-	-	-	#N/A
106	DRUG INVESTIGATION FUND	1,758	1,758	-	100%
107	HOTEL-MOTEL FUND	481,115	42,878	438,237	9%
108	PUBLIC ART CAPITAL PROJECTS	113,000	5,000	108,000	4%
109	PARK DEVELOPMENT FUND	5,029,833	254,312	4,775,521	5%
110	CIVIC CENTER DEBT RESERVE	-	-	-	#N/A
111	STRATEGIC RESERVE FUND	-	-	-	#N/A
112	EQUIPMENT RESERVE FUND	-	-	-	#N/A
113	DONATIONS/CONTRIBUTIONS	-	12,429	(12,429)	#N/A
208	LTGO BOND REDEMPTION	2,226,224	2,164,477	61,747	97%
211	UTGO BOND REDEMPTION	265,763	18,382	247,382	7%
301	PROPERTY ACQUISITION FUND	820,000	898,000	(78,000)	110%
305	GENERAL GOVT CAPITAL IMPR	700,000	639,170	60,830	91%
309	IMPACT FEE TRUST	2,219,600	658,100	1,561,500	30%
310	HOSPITAL BENEFIT ZONE	4,993,000	134,000	4,859,000	3%
401	WATER OPERATING	2,116,933	898,283	1,218,650	42%
402	SEWER OPERATING	5,008,159	2,803,128	2,205,031	56%
403	SHORECREST RESERVE FUND	13,779	510	13,269	4%
407	UTILITY RESERVE	-	-	-	#N/A
408	UTILITY BOND REDEMPTION	2,285,391	1,086,813	1,198,578	48%
410	SEWER CAPITAL CONSTRUCTION	4,207,205	529,066	3,678,139	13%
411	STORM SEWER OPERATING FUND	1,809,934	609,212	1,000,722	38%
412	STORM SEWER CAPITAL	1,650,133	39,762	1,610,371	2%
420	WATER CAPITAL ASSETS	1,406,708	933,569	473,139	66%
631	MUNICIPAL COURT	-	35,898	(35,898)	#N/A
650	TRANSPORTATION BENEFIT DISTRICT	110,000	-	110,000	
		\$ 65,359,349	\$ 19,929,722	\$ 45,429,627	30%

**Expenditures as a Percentage of
2021 Budget**





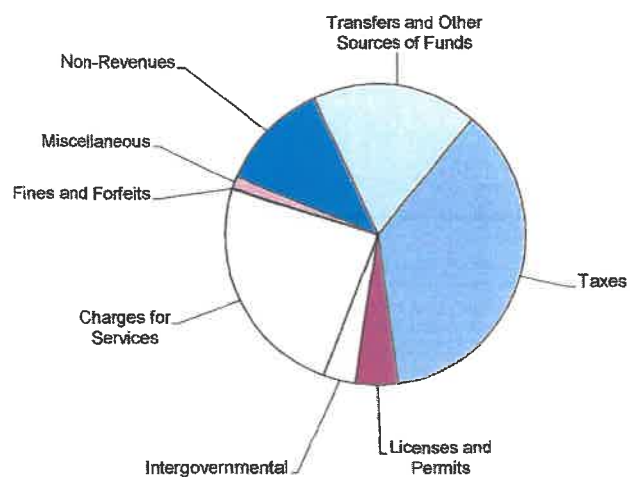
**YEAR-TO-DATE REVENUE SUMMARY
BY TYPE
AS OF JUNE 30, 2021**

<u>TYPE OF REVENUE</u>	<u>AMOUNT</u>
Taxes	8,645,820
Licenses and Permits	1,095,331
Intergovernmental	820,449
Charges for Services	5,657,156
Fines and Forfeits	33,299
Miscellaneous	296,849
Non-Revenues	2,780,090
Transfers and Other Sources of Funds	4,236,420
Total Revenues (excludes Court Pass Thru)	23,565,415
Beginning Cash Balance	52,547,264
Total Resources	76,112,679

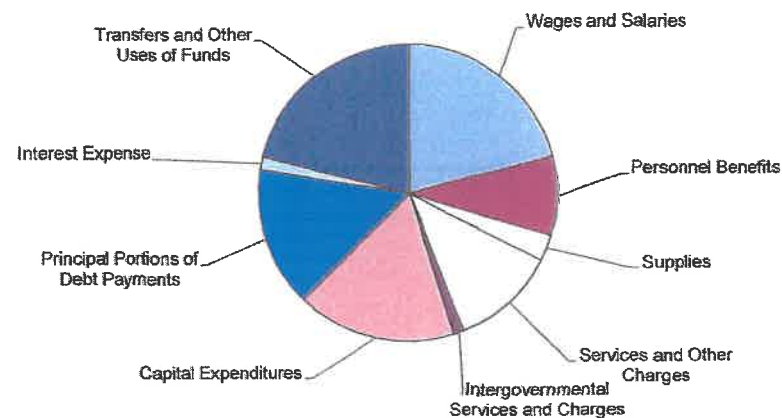
**YEAR-TO-DATE EXPENDITURE SUMMARY
BY TYPE
AS OF JUNE 30, 2021**

<u>TYPE OF EXPENDITURE</u>	<u>AMOUNT</u>
Wages and Salaries	4,197,252
Personnel Benefits	1,693,336
Supplies	575,123
Services and Other Charges	2,261,341
Intergovernmental Services and Charges	224,744
Capital Expenditures	3,441,769
Principal Portions of Debt Payments	3,025,115
Interest Expense	267,047
Transfers and Other Uses of Funds	4,208,097
Total Expenditures (excludes Court Pass Thru)	19,893,825
Ending Cash Balance	55,309,512
Total Uses	75,203,336

Revenues by Type - All Funds



Expenditures by Type - All Funds



CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2021

	SPECIAL REVENUE FUNDS										
	001 GENERAL GOVERNMENT	101 STREET	102 STREET CAPITAL	103 SENIOR CAPITAL	104 PEDESTRIAN SAFETY	105 DRUG INVESTIGTN	106 DRUG INVESTIGTN	107 HOTEL - MOTEL	108 PUBLIC ART PROJECTS	109 PARK DVLP FUND	110 CIVIC CTR DEBT RESERVE
ASSETS											
CASH	\$ 210,887	\$ 13,088	\$ 6,894	\$ 2,886	\$ 6,170	\$ 504	\$ 330	\$ 29,978	\$ 3,794	\$ 20,932	\$ 45,704
INVESTMENTS	7,139,049	443,270	233,499	97,761	208,961	17,053	11,190	1,015,301	128,506	708,945	1,547,927
RECEIVABLES	1,888,996	282	-	-	-	-	-	35,531	-	-	-
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	9,238,931	456,640	240,393	100,648	215,131	17,557	11,520	1,080,809	132,300	729,877	1,593,631
LIABILITIES											
CURRENT	16,044	3,000	0	-	-	-	-	-	-	11,886	-
LONG TERM	9,374	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	25,418	3,000	0	-	-	-	-	-	-	11,886	-
FUND BALANCE:											
BEGINNING OF YEAR	6,641,815	1,228,223	388,866	100,599	215,027	17,548	13,271	996,496	137,231	697,146	1,592,805
Y-T-D REVENUES	8,279,070	163,504	1,371,046	49	104	9	7	127,191	69	275,157	827
Y-T-D EXPENDITURES	(5,707,372)	(938,086)	(1,519,518)	-	-	-	(1,758)	(42,878)	(5,000)	(254,312)	-
ENDING FUND BALANCE	9,213,513	453,640	240,393	100,648	215,131	17,557	11,520	1,080,809	132,300	717,991	1,593,631
TOTAL LIAB. & FUND BAL.	\$ 9,238,931	\$ 456,640	\$ 240,393	\$ 100,648	\$ 215,131	\$ 17,557	\$ 11,520	\$ 1,080,809	\$ 132,300	\$ 729,877	\$ 1,593,631

**CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2021**

	111	112	113	301	305	309	310	631	650	TOTAL	208	211	TOTAL
	STRATEGIC	EQUIPMENT	ONTRIBUTION	PROPERTY	GEN GOVT	IMPACT FEE	HOSPITAL	MUNICIPAL	TRANSPORT	SPECIAL	LTGO BOND	UTGO BOND	TOTAL
	RESERVE	RESERVE	DONATIONS	ACQUISITION	CAPITAL	TRUST FUND	BENEFIT	COURT	BENEFIT DIST	REVENUE	REDEMPTION	REDEMPTION	DEBT
													SERVICE
ASSETS													
CASH	\$ 45,948	\$ 12,597	\$ -	\$ 5,744	\$ 2,213	\$ 131,995	\$ 144,390	-	-	\$ 473,166	\$ 2,255	\$ 11,777	\$ 14,031
INVESTMENTS	1,556,177	426,627	-	194,527	74,959	4,470,472	4,890,291	-	1,972,504	17,997,971	76,363	398,863	475,226
RECEIVABLES	-	-	-	70,496	70,496	-	-	-	-	176,803	-	3,317	3,317
FIXED ASSETS	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	1,602,124	439,223	-	270,766	147,667	4,602,467	5,034,681	-	1,972,504	18,647,940	78,617	413,957	492,574
LIABILITIES													
CURRENT	-	-	-	-	-	53,508	-	-	-	68,394	-	(889)	(889)
LONG TERM	-	-	-	-	-	-	-	-	-	-	-	942	942
TOTAL LIABILITIES	-	-	-	-	-	53,508	-	-	-	68,394	-	54	54
FUND BALANCE:													
BEGINNING OF YEAR	1,601,328	439,002	-	819,823	449,976	4,443,815	5,166,036	(2,823)	1,043,555	19,347,924	78,569	292,189	370,758
Y-T-D REVENUES	796	221	12,429	348,943	336,861	763,244	2,645	38,721	928,949	4,370,771	2,164,524	140,096	2,304,620
Y-T-D EXPENDITURES	-	-	(12,429)	(898,000)	(639,170)	(658,100)	(134,000)	(35,898)	-	(5,139,149)	(2,164,477)	(18,382)	(2,182,858)
ENDING FUND BALANCE	1,602,124	439,223	-	270,766	147,667	4,548,959	5,034,681	-	1,972,504	18,579,546	78,617	413,904	492,521
TOTAL LIAB. & FUND BAL.	\$ 1,602,124	\$ 439,223	\$ -	\$ 270,766	\$ 147,667	\$ 4,602,467	\$ 5,034,681	\$ -	\$ 1,972,504	\$ 18,647,940	\$ 78,617	\$ 413,957	\$ 492,574

**CITY OF GIG HARBOR
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2021**

	PROPRIETARY										TOTAL
	401 WATER OPERATING	402 SEWER OPERATING	403 SHORECREST RESERVE	407 UTILITY RESERVE	408 UTILITY BOND REDEMPTION	410 SEWER CAP. CONST.	411 STORM SEWER OPERATING	412 STORM SEWER CAPITAL	420 WATER CAP. ASSETS	TOTAL PROPRIETARY	
ASSETS											
CASH	\$ 56,919	\$ 111,774	\$ 6,017	\$ 41,182	\$ 7,482	\$ 292,419	\$ 36,108	\$ 83,947	\$ 196,017	\$ 831,865	\$ 1,529,949
INVESTMENTS	1,924,378	3,782,238	\$ 203,800	1,394,773	253,390	9,903,817	1,222,915	2,843,174	6,638,830	28,167,317	53,779,562
RECEIVABLES	354,987	916,445	2,664	-	-	824,666	270,589	-	-	2,369,352	4,438,468
FIXED ASSETS	15,923,388	46,765,511	-	-	-	864,582	2,291,720	910,842	1,322,648	68,078,692	68,078,692
OTHER	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	18,259,673	51,575,969	212,481	1,435,955	260,872	11,885,484	3,821,332	3,837,964	8,157,495	99,447,225	127,826,671
LIABILITIES											
CURRENT	12,862	10,472	-	-	1,897,670	2,457	21,485	-	(9,363)	1,935,581	2,019,131
LONG TERM	87,991	130,766	-	-	20,597,923	-	77,096	-	-	20,893,776	20,904,092
TOTAL LIABILITIES	100,852	141,238	-	-	22,495,592	2,457	98,581	-	(9,363)	22,829,357	22,923,223
FUND BALANCE:											
BEGINNING OF YEAR	17,886,975	51,252,224	201,858	1,435,245	(22,235,076)	11,154,464	3,745,748	3,656,843	7,770,256	74,868,537	101,229,034
Y-T-D REVENUES	1,170,128	2,985,635	11,134	710	1,087,169	1,257,629	586,215	220,883	1,330,171	8,649,674	23,604,136
Y-T-D EXPENDITURES	(898,283)	(2,803,128)	(510)	-	(1,086,813)	(529,066)	(609,212)	(39,762)	(933,569)	(6,900,343)	(19,929,722)
ENDING FUND BALANCE	18,158,820	51,434,731	212,481	1,435,955	(22,234,720)	11,883,027	3,722,751.02	3,837,964	8,166,859	76,617,868	104,903,448
TOTAL LIAB. & FUND BAL.	\$ 18,259,673	\$ 51,575,969	\$ 212,481	\$ 1,435,955	\$ 260,872	\$ 11,885,484	\$ 3,821,332	\$ 3,837,964	\$ 8,157,495	\$ 99,447,225	\$ 127,826,671

CITY OF GIG HARBOR 2021 BUDGET SECOND QUARTER STATUS REPORT

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GENERAL FUND – NON-DEPARTMENTAL

Objective	Status of Objective (as described in the 2021 Budget)
Legislative. The county auditor's office charges the city for voter registration and election services. \$45,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes:
Financial. The annual audit performed by the state auditor's office: \$50,000. Insurance for General Governmental activities: \$389,280.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: 50% Notes: Insurance paid \$397,497
Employee benefits. Payments for LEOFF I retiree costs, workers' compensation and unemployment benefits for former employees. \$28,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 11.2% Notes:
Unemployment benefits. The city is self-insured; therefore, unemployment benefit claims are fully funded by the city. Summer hires and temporary employees are also entitled to unemployment. \$21,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: Not predictable, will know after year-end.
Harbor History Museum – General Admission. Many visitors, including city residents, those who live beyond the city limits, and tourists from the United States and beyond, want to visit the museum, but cannot due to the cost of admission. They want to know the history of the place in which they live or are visiting, and they turn to the museum for those answers. Support from the City for general admission makes that history and culture accessible and encourages repeat visits and ongoing support. As a community asset and resource, the Museum is available to everyone—those who are part of its past and those who will determine its future. Provide funding to the Harbor History	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 100% Notes:

Museum in order to provide free admission to the general public. \$30,000.	
Senior Citizens Programming. This funding will support learning and enrichment activities for local senior citizens. \$10,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes:
Operating transfers out. General fund transfers to other funds for 2020 are as follows: Fund Amount Street Operating \$2,200,000 Street Capital 1,350,000 Park Development 1,225,000 LTGO Debt 700,000 Strategic Reserve 1,000,000 Equipment Reserve 50,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 12% Notes: \$147,200 transferred to Park Development, \$627,306 transferred to LTGO Debt.

GENERAL FUND – MUNICIPAL COURT

Objective	Status of Objective (as described in the 2021 Budget)
Equipment Replacement and Purchase. Purchase (5) monitors, (5) signature pads, (2) laptops, (1) docking station necessary for the implementation of eFiling and transition to a paperless court under the new Case Management System. This equipment will also be useful for teleworking in the event of a natural disaster or emergency. \$8,600	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: We are testing the new case management system before purchasing equipment. The project go-live date was delayed until 7/26/2021.

GENERAL FUND – ADMINISTRATION

Objective	Status of Objective (as described in the 2021 Budget)
Policies and Procedures. Complete and implement the personnel policies update; develop and/or update other administrative procedures, including a purchasing policy, travel policy, accident prevention policy, and information systems policy (use electronic communications, internet, etc.).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Economic Development. Support local businesses by engaging the appropriate stake holders and assessing the needs of the various economic and employment centers in the city. Some recommended components of the economic development strategy are as follows: • Downtown Waterfront Alliance. Provide limited funding for the Gig Harbor Downtown Waterfront Alliance and its continued activities to promote downtown businesses. \$35,000 • Chamber of Commerce. Continue involvement with the Gig Harbor Chamber of Commerce, including City representation on the Chamber Board of Directors and also maintaining the City's membership in the Chamber. \$550 • Downtown Traffic and Parking Strategy. Support downtown businesses in developing a downtown traffic and parking strategy. (See Public Works budget detail).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 66% Notes:
State and Federal Lobbying Efforts. In accordance with the city, state and federal legislation agendas, carry on state and federal lobbying efforts to advocate for capital project funding as well as legislation that would benefit the city. Maintain contract with a lobbying firm at the state level. \$40,000 Continue the federal lobbying contract through December 31, 2021. \$60,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:

State and Federal Grants. Continue to seek, pursue, and apply for state and federal grants, as well as grants from the non-profit and private sectors on a balanced basis according to our capacity to complete such grants.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Capital Improvement Plan. Implement and further develop the capital improvement plan for streets, parks, and utilities.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Downtown. Promote and attract new businesses while maintaining its residential charm.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: On hold due to staffing capacity
Foster Gig Harbor Businesses. Foster Gig Harbor businesses during the COVID-19 pandemic by supporting creative, legal ways for normal business activities to occur.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:

GENERAL FUND – CITY CLERK

Objective	Status of Objective (as described in the 2021 Budget)
Public Records Requests. Continue to facilitate the appropriate and timely response to the increasing volume of public records requests in order to be more open, accountable, and responsive to citizens. January – December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Open Government Program. Continue to implement an open data portal. Open data can facilitate government transparency, accountability, and public participation. January – December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Claims Recovery. Continue an aggressive approach for reimbursement of costs for damage to city property. January – December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Risk Management. Continue the Employee Safety Committee as required by the Accident Prevention Policy adopted in 2011. Work with all departments to address concerns and solutions. The goal is to prevent employee and citizen injury and property damage. January - December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Records Program. Work for continued compliance with document and electronic records retention and ways to facilitate record retrieval through the Records Management Committee. January – December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:

GENERAL FUND – HUMAN RESOURCES

Objective	Status of Objective (as described in the 2021 Budget)
Policies and Procedures. Complete and implement the personnel policies update; develop and/or update Human Resources or Administrative procedures to ensure policies are aligned with changes in employment laws, etc.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>50</u> % Notes: Policy development is ongoing as new laws are implemented. We are working with Summit Law to update our 2007 Personnel Regulations, which has been a three-year process. COVID has required us to redirect our attention to other urgent matters. (No change since last update.)
Employee Training. Design, deliver and obtain pertinent and timely employee training, ensuring compliance with the goal of promoting more equitable practices by transforming what we do to better meet the needs of our community. Implement an annual employee training day; train hiring managers on NEOGOV system; cross train payroll duties within HR department; provide specific training and coaching for supervisors and managers.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes: Due to our increasingly high volume of work, this is currently on hold. We recently have a vacant position within our department, which will focus primarily on cross training payroll duties. I would recommend hiring a Training and Development specialist who could focus on city wide training, safety, and compliance needs. (No change since last update.)
Performance Evaluations. Lead process improvement activities to develop a more robust and meaningful employee performance evaluation process focusing on building/maintaining critical skills. Implement an online evaluation tool to assist in timely evaluations and the ability to follow up on measured outcomes. Implement NEOGOV Perform.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☐ No Percent complete as of 6/30/21: <u>50</u> % Notes: Initial setup of Perform has been completed with our current evaluation system. We are working on the employee/supervisor training portion for rollout. We are also hoping to work with a consultant to update the performance

	evaluation process and obtain employee feedback on how the evaluation process can be more meaningful for employees and supervisors. (No change since last update.)
Innovation. Research and implement ways to improve efficiencies that impact multiple departments (i.e. electronic timesheets, leave slips, etc.).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☐ No Percent complete as of 6/30/21: <u>15</u> % Notes: We are still looking for solutions that would be compatible with our financial system. Many of the products we have researched/tested will not work with our current financial system. (No change since last update.)
AWC WellCity Designation. Continuing efforts to earn this award annually with a goal to increase employee involvement and a healthy work-life balance, with a desired result of retaining the City's 2% discount toward medical premium costs.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☐ No Percent complete as of 6/30/21: <u>25</u> % Notes: These activities are ongoing throughout the year. The City was awarded the WellCity Award for 2021. (No change since last update.)
Training Expenses. City-wide training activities, such as all-staff training, specific training for managers and supervisors, and training for specific HR functions for changes in employment laws. It is the goal of Human Resources to be proactive and not reactive, and in the long term, saving time and money. \$5,000.	The following trainings have been offered to all employees: We have previously offered training through our EAP and have provided all employees with access to the webinars for review. (No change since last update.)
Employee Appreciation Activities. This includes employee of the quarter recognition from peers with eligibility criteria outlined ahead of time; eligible employees would be required to be in good standing with the City. \$2,000.	Due to our increasingly high volume of work and COVID restrictions, this is currently on hold. (No change since last update.)

GENERAL FUND – INFORMATION TECHNOLOGY SERVICES

Objective	Status of Objective (as described in the 2021 Budget)
License Acquisition. Acquire licenses for Microsoft server operating systems to operate distributed systems and line of business applications used by staff in all city departments. \$20,000 (one-time cost) – April-June.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 100% Notes:
Network Infrastructure Review. Select a 3rd party firm to conduct a review of the network infrastructure that was implemented in 2020. The firm will provide recommendations to any issues discovered during the review process. \$5,000 (one-time cost) – July-September.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: __0_% Notes:

GENERAL FUND – FINANCE

Objective	Status of Objective (as described in the 2021 Budget)
Rental property revenues and expenditures. Prepare schedules for each rental property detailing operating revenues and expenditures.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 10% Notes:
General ledger. Reconcile general ledger and utility billing systems.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 10% Notes:
Accounts Payable. Explore automated/electronic processing alternatives for accounts payable.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes:
Excise tax reporting. Develop a new template for reporting and paying the city's monthly tax liabilities to the Washington State Department of Revenue.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 10% Notes:

GENERAL FUND – POLICE

Objective	Status of Objective (as described in the 2021 Budget)
Maintain sufficient training budget per officer. Certain state mandates require a specific amount of in-service training hours per officer/year (24). Our risk managers also require specific recurring training and there are other training opportunities that arise that provide direct benefit to the department (i.e. Instructor level courses to eliminate the need to send officers outside the department for training). The cost of training courses has increased dramatically in the past several years. To meet the statutory requirements and address the rising cost of some courses offered, the police department attempts to conduct as much in-house training as possible and/or host training classes from outside vendors in order to acquire free registrations(s) in these hosted classes. \$24,100.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 25.64% Notes:
Improve emergency response capabilities through partnerships with other agencies. Sharing resources and expertise with other public safety agencies will remain a priority. Upgrade and add additional emergency response equipment. Opportunities to participate in regional training and Incident Management consortiums will ensure that our staff will receive the most cost effective and up-to-date training and exposure to emergency response. We have been successful in obtaining grant-funded equipment for the partial outfitting of our Mobile Emergency Command Center (MECC) and are entering into a partnership with Pierce County Fire District 5 to make this unit fully operational. Additional equipment (radio) is needed. \$7,500 (carried over from 2019 and 2020 budgets).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0 % Notes: Budgeted item (radio) <u>might</u> not need to be purchased. Surplus equipment in use.
Seek grants and other outside funding options. Research and secure funding sources outside normal city revenue	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget:

sources to support police department initiatives. Ongoing.	☒ Yes ☐ No Percent complete as of 6/30/21: N/A Notes:
Partnership with Pierce County DEM. Continue our financial support to Pierce County DEM to ensure we continue our collaborative relationship. Pierce County DEM assists with our Emergency Management Response Plan among other tasks. The cost is based on a fee of \$0.85 per capita. Estimated \$9,500.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0 % Notes: Not yet billed.
KGHP Radio. Continue our financial contribution to our local KGHP radio station in return for public service announcements and emergency warnings and notifications. \$3,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0 % Notes: Not yet billed.
Fund the provision of specialized services from the Pierce County Sheriff's Department (PCSD). This special services contract allows the Gig Harbor Police Department unlimited access to the PCSO Special Weapons and Tactics (SWAT), Investigative and Forensic Unit, as well as the dive team. \$19,890.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0 % Notes: Not yet billed.
Continue to contract dispatch and radio services through South Sound 911 and the Combined Communications Network. The police department contracts with South Sound 911 for all emergency telephone answering and police dispatching services. We also receive nighttime law enforcement records support through this agency. Additionally, in 2015, the police department was required to migrate to a new digital 700MHz radio system that is owned by the Combined Communications Network (CCN - a consortium of Pierce County Department of Emergency Management and Pierce Transit). An estimate of \$22,000 for CCN radio access fees was used in this projection. \$266,422.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Continue Taser lease program. The projected life span of a Taser electronic	Objective on track to be met in 2021: ☒ Yes ☐ No

control device is 5 years. Several years ago, we entered into a lease program that maintains our outfitting of Tasers with current life span and replacements as needed. The current cost of a Taser X26P is \$875.00. The ongoing lease covers 10 Tasers. \$3,038.	Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0 % Notes: Not yet billed.
Replace two patrol vehicles. In 2020, one existing patrol car had a complete engine failure and requires replacement. Additionally, one other patrol car has reached its end of life and will need to be replaced in 2021. We attempt to repurpose as much of the patrol car equipment from an old car as possible. \$95,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0 % Notes: Vehicles were purchased with 2020 funds. Upfitting still to occur in 2021.
Computers. Several of our in-car computers have reached end of life and are due for replacement. Additionally, some in-station desktop computers are in need of upgrade to operate new software programs. \$18,753.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 2.32 % Notes: Some expenditures may be contained in a different budget category. This will be clarified in next report.

GENERAL FUND – PLANNING

Objective	Status of Objective (as described in the 2021 Budget)
Annual Comprehensive Plan Amendments. Review and process public annual amendment docket items and bi-annual private amendment docket items. Amendments for each annual docket are due by the end of June the preceding year. 2021 amendments include Land Use Element Update for consistency purposes with the Municipal Code. \$10,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 35% Notes:
Process improvements. Continue to develop text amendments, standard operating procedures, and client assistance memos which increase permit processing efficiency and improve customer service. Ongoing.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Land Use Text Amendments. Respond to State and Federal legislation. Process private-party and city requested text amendments initiated by the City Council. Review the Planning Commission's work program annually with the City Council. As necessary, reduce the frequency of Planning Commission meetings to once a month to provide staff and the commission adequate time to prepare for and review the active text amendments. Ongoing.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 40% Notes:
Balance long-range and current planning tasks. Balance tasks to maintain and improve upon permit processing timelines as permit volume continue increasing. Ongoing.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
FEMA Special Flood Hazard Area Regulations. Continue working with the City's consultant and FEMA staff to prepare an approach for habitat assessment review of development projects within the Special Flood Hazard Area. Under FEMA required regulations, almost all projects within the defined area must complete a habitat assessment to show that the project will not affect or will not likely adversely affect	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:

endangered species. Currently, the review is conducted on a project-by-project basis, with each project paying an average of between \$2,000 and \$5,000 in consultant fees to prepare the assessment. The City is working with FEMA to conduct a programmatic habitat assessment or making other code amendments that could ease the financial and time burden for smaller projects. Draft regulations are currently under review by FEMA staff with the city awaiting a response from that agency regarding their position on the proposal. \$10,000 – 2021 (Carryover from 2020).	
Housing Attainability. Hire a consultant to conduct a Housing Needs Assessment in coordination with the local housing authority. The needs assessment to include; analysis of housing needs for City residents based on age and special need; An estimate of housing needs by income group; and policy recommendations to increase rental affordability. In addition to the housing needs assessment, consider funding mechanisms for amendments to the Comprehensive Plan and GHMC to include best management practices for housing attainability in order to increase supply near services. \$30,000 – 2021 (Carryover from 2020).	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: Due to other priority items as outlined by the Council and Mayor, this Objective may not be completed in 2021. Director will keep Mayor and Council informed.
UGA Coordination. Work in coordination with Pierce County Planning and Public Works to protect and enhance development within the Associated Urban Growth Areas, utilizing the findings from the Annexation Feasibility Study. Consider Urban Growth Area Management Agreement. Ongoing.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes: Staff successfully collaborated with Pierce County to correctly process SEPA determinations within the Urban Growth Area. Pierce County is no longer “exempting” plat projects and other projects that do not meet the SEPA Threshold for Minor New Construction. Katrina will meet

	quarterly with the new Director of Planning and Public Works.
Shoreline Master Program Update. Work in coordination with Department of Ecology staff per the requirements of WAC 173-26-090 to complete the periodic review and update of the city's shoreline master program. \$10,000 – 2021 (Carryover from 2020, now with contract/consultant assistance).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
Historic Preservation/CLG. Review and process applications for listing on the Gig Harbor Local Register, including the review and processing of Certificates of Appropriateness for alterations and rehabilitations of listed properties. Work in coordination with the applicant and DRB. Ongoing.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 25% Notes:
Annexation Feasibility Study. Hire a consultant to assess the feasibility of annexing the 13 different UGA areas identified in the Comprehensive plan. Both Pierce County and Puget Sound Regional Council desire the City to annex all our affiliated UGA areas by 2030. A feasibility study would help the City prioritize areas for annexation as well as identify issues and opportunities for each area (fire flow/taxes/incompatible uses/infrastructure needs/form of annexation). \$50,000 –2021 (Carryover from 2020).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 25% Notes:
Buildable Lands Report. Continue to work with Pierce County and other cities within Pierce County to complete the 2021 Buildable Lands Report. Specifically, this report will determine the available capacity for population and employment growth within all jurisdictions in Pierce County and will be used in the 2024 Periodic Comprehensive Plan Update. 2021.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 95% Notes:
Growth Allocation. Analyze and evaluate population and employment demand numbers in relation to the Pierce County Small Cities and Towns allocation of the Puget Sound Regional Council's VISION 2050. Participate through the GMCC at a	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 80% Notes:

staff level and provide analysis to the Mayor and City Council for decision-making in advance of the 2024 Periodic Comprehensive Plan Update. 2021.	
Design Manual Review. Through a robust public process, review the City of Gig Harbor Design Manual for opportunities to improve clarify, improve processing and memorialize Board and Director decisions. \$25,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: 0% Notes: Due to other priority items as outlined by the Council and Mayor, this Objective may not be completed in 2021. Director will keep Mayor and Council informed.
Development Regulation Update. Process City-initiated development regulation amendments as outlined in the 2021 Long Range Planning Work Plan. 2021 amendments include amendments pertaining to tree retention on private property which may include revisions to the Zoning Code, Shoreline Master Program, Fee Schedule (fines), Public Works Standards and Design Manual. The City will also consider retaining a third-party Arborist to review individual tree reports. \$25,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: 0% Notes: Due to other priority items as outlined by the Council and Mayor, this Objective may not be completed in 2021. Director will keep Mayor and Council informed.
Development Agreement Processing. Process a Development Agreement Amendment for the Village at Harbor Hill consistent with approved Settlement Agreement. 2021.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 100% Notes: Complete.

GENERAL FUND – BUILDING & FIRE SAFETY

Objective	Status of Objective (as described in the 2021 Budget)
1 - Maintain staff competency, professionalism and certifications. Maintain staff competency, professionalism, and certifications through participation in training, code update courses and other relevant professional development opportunities. December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes: Building Official and all Inspectors attended WABO in March.
2 - Provide fire inspection and investigation programs. Provide for inspection of work done under fire code construction and operational permits issued by the City, and for fire investigations compliant with state law. December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
3 - Update informational handouts related to building/fire activities and procedures. Update existing and create new informational materials related to department activities, policy and procedures making such information available in various media formats. December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
4 - Fully develop the SmartGov Portal and Dashboard for permit management and data reporting. With the transition from Interlocking to SmartGov, complete the implementation and testing of the SmartGov Portal and computer program and provide additional reporting capability from the permit tracking system. December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 100% Notes:
5 - Enhance electronic plan review program. Electronic plan review is now an option across all Community Services Departments. The Building Department has taken the lead to maintain an efficient and effective system; providing training, guidance and integration across the Departments. These practices will be further vetted and refined during the coming year. December.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes:
6 - Firework Regulation Amendment. Lead firework regulation amendment	Objective on track to be met in 2021: ☒ Yes ☐ No

process, including public outreach, Board/Commission review and legislative process. July.	Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 100% Notes: Complete
7 - Code Review and Update-Street Names. Review and update Gig Harbor Municipal Code Section 12.12 to further clarify the City's Historic Street Name list and update as necessary. Coordinate with the CLG and History Museum for Historic Street Names. 2021.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: This work will begin in early Fall and is expected to be completed by the end of FY 2021.

GENERAL FUND – PARKS OPERATING

Objective	Status of Objective (as described in the 2021 Budget)
1 - Skate Park Security Cameras. Install up to two new security cameras at the City's Skate Park to monitor activities in the park. \$5,000 (grant funded).	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Did not receive grant. May apply later in 2021, if available.
2 - Park Asset Reservation Software. Procure a software system that allows on-line view of schedules at all rentable park facilities and ability to request reservations. \$10,000	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Staff has not had time to review options and won't likely complete in 2021.
3 - Recycling Program. Launch a recycling program with the assistance of local businesses and the regional waste collector with innovative recycling containers and an awareness campaign. Funding and program development may occur through the implementation of a new franchise agreement. \$8,000	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Staff has not had time to review options and may not complete in 2021. This program will be a combined effort between Operations and the new Parks Manager.
4 - Volunteer Program(s). Establish and organize an Adopt-a-Park and Trail Program to ensure the parks are safe and clean. Funding would cover the cost of advertising and the purchase and installation of signs. \$5,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>30</u> % Notes: This program will be implemented as directed by Council at the June 14 meeting and pending a "demand to bargain" by Union 117.
5 - 2022 Parks Recreation Open Space Plan Update. The Washington State Recreation and Conservation Office (RCO) requires the City to update its Parks Recreation and Open Space (PROS) Plan every 6 years. The next PROS Plan should be adopted by Council no later than March 2022. Since the City's Parks Manager	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>15</u> % Notes: Council authorized a professional services contract for Parks Commission and Staff support at the

position is currently vacant the City will likely require the support of a consultant to complete the PROS Plan update. \$30,000.	June 14 meeting and provided further clarification to Parks Commission and Staff at their July 8 study session.
6 - Ancich Netshed Use Agreement. The City will develop and implement a use agreement for commercial fishermen to use the netshed and the general public to access the netshed. This agreement will be in accordance with the Washington State Historical Society's Heritage Capital Fund grant received by the City for the Ancich Netshed. This objective should only require staff time to complete. \$0.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>100</u> % Notes:
Replacement Purchase – GPS Receiver Kit. Purchase a GPS receiver kit with software. Current system is out of date and no longer supported. A new kit will allow for great accuracy and efficiency in provide accurate project information and data. \$12,000 (Parks \$2,400, Street \$2,400, Water \$2,400, Storm \$2,400 Wastewater \$2,400).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>100%</u> Notes:
New Purchase – Municipal Cleaning Vehicle (MCV). Purchase of equipment with flexible, environmentally friendly, cleaning abilities in maintenance of pervious surfaces, sidewalks, pathways as well as small spill recovery capability. \$120,000 (Parks \$40,000, Streets \$40,000, Storm \$40,000).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>100%</u> Notes:

GENERAL FUND – ARTS COMMISSION

Objective	Status of Objective (as described in the 2021 Budget)
1 - Creative Endeavors Support. Continue the program supporting and encouraging creative endeavors — especially those that provide “hands on” experiences — within Gig Harbor’s varied and diverse arts organizations. Preference will be given to events and experiences that take place outside of tourist season. \$25,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 80% Notes:
2 - Gig Harbor Arts + Culture Planning. Explore and engage in the assessment, planning and application of a variety of programming including the Creative Districts from of the State Arts Commission, the Cultural Access Program with the State Art Alliance and the Gig Harbor Arts Center Alliance, to coordinate approaches and foster community collaboration that will grow the local arts and creative economy through cultural opportunities for residents and visitors of Gig Harbor. \$250	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes:
3. Workshops and Presentations 2021. Continuing the popular series of workshops begun six years ago. \$250	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: Workshops will resume when COVID restrictions are lifted.
4. Harbor Arbor Art. Continue project to have some of the tree stumps in city parks or rights of way embellished artistically. The stumps will eventually decompose, and the artworks will become a part of the site’s organic history. \$5,500.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes:
5. Update the Catalogue of City-Owned Art. The goal is a more professional looking publication updated with recently acquired art, that can be uploaded to the website and used to develop a future brochure for an art walk project. Will seek volunteers to perform the work. If approved	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 10% Notes:

by LTAC, funding will come from lodging tax funds in Fund 107. \$5,000	
6. Update to Gig Harbor Arts Commission Web page. Update the outdated page on the city's website with refreshed content about the Arts Commission and the work they are engaged in for the citizens of Gig Harbor.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: Staff support for website updates has been reduced.
7. Historic plaques for concrete pillars at Donkey Creek / History Museum / Austin Estuary. Working with the History Museum and other partners we will create interpretive signage for the five pillars near the museum and Austin Estuary. The plaques will briefly tell the story of Gig Harbor's first people and the historic significance of the sites where the concrete pillars stand. \$4,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10%</u> Notes:

GENERAL FUND – CITY BUILDINGS

Objective	Status of Objective (as described in the 2021 Budget)
1 - Civic Center HVAC System Assessment. The City's current HVAC system is almost 20 years old and uses R22 refrigerant for cooling. R22 is being phased out and is no longer allowed to be manufactured or imported into the United States. The City is proposing to develop a plan to either: (1) remove the existing R22 and replace it with the new, less efficient replacement refrigerant; or (2) remove the entire cooling system and replace it with a new cooling system. \$32,500.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes: Staff is preparing to provide a professional services contract to Council as described in the 2021 Budget objective.
2. Replacement Purchase – Building Access and Control System. The current building access control equipment at the Civic Center was installed over 17 years ago when the building was constructed. The current equipment and software are no longer supported as vendor is no longer in business. New equipment will include two new control panels, 21 card readers and two keypad readers. A cloud based software system upgrade is included which allows for remote management of equipment. \$25,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>15</u> % Notes: The budgeted system was not compatible with connecting to a network system, thus creating a significant staff workload to reprogram dozens of locks each time an employee starts or leaves employment. Staff is looking at a more expensive option that would significantly reduce the staff time needed to update the system.
3. Re-Roof and Re-Insulate the Bogue Visitor's Center. In-house develop of a small public works contract to re-roof the City's Bogue Visitor's Center building. Per Building Code requirements, the insulation in the building must also be replaced. \$50,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>10</u> % Notes: Staff is considering adding upgrades to the HVAC system at the same time the roofing/insulation is replaced. Due to Staff limitations this objective will completed as part of the 2022 Budget.

STREET DIVISION - OPERATING

Objective	Status of Objective (as described in the 2021 Budget)
1. ADA Self-Evaluation & Transition Planning Program. Complete and Adopt the Public Works ADA Transition plan and allocate monies to continue the replacement of the non-conforming curb ramps. \$100,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes:
2. On-Call Transportation Engineering Assistance. Utilize the services on an on-call professional traffic engineer to address various issues that are in need of a solution when City Staff are not available or do not have the resources. The majority of this expenditure is pass through monies funded by the developer \$25,000 and the remainder, \$15,000, is City expenditure. \$40,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>50</u> % Notes:
3. Annual Pavement Maintenance and Repair Program. Perform pavement repair and chip sealing of five roadway sections (45th St Ct., Briarwood Lane, Pt. Fosdick Dr, Wollochot Dr, and Hollycroft St). Pavement maintenance and repairs include ADA improvements where required. \$1,200,000	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes: Project has been postponed until 2022
4. Public Works Standards Update. Staff will be supported by a consultant to complete a comprehensive update to the City's 2018 Public Works Standards and provide a process to receive input from the public. Public input shall include an Ad-Hoc Pedestrian/Cyclist Advisory Committee to consult on pedestrian/cyclist-related standards. Updates may include street cross section revisions, traffic calming measures, sidewalk design, utility updates, private street allowances and dedications, miscellaneous staff revisions, and other updates as directed to staff as allowed by engineering standards and state/federal requirements. \$30,000	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Due to Staff limitations this objective will completed as part of the 2022 Budget
5. On-Street Parking Code Development and Implementation. Review existing on-	Objective on track to be met in 2021: ☐ Yes ☒ No

street parking standards. Develop new parking standards, codes, and an implementation plan. Coordinate with the Police Department on the ability to enforce any new code. This work will be completed as staff capacity exists and may require the purchase and installation of regulatory signs. \$15,000.	Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Due to Staff limitations this objective will completed as part of the 2022 Budget
Replacement Purchase – Vector Truck – Purchase of a new vector truck. The existing equipment was purchased in 2008 and past its serviceable life. Reliability of this vehicle is an issue and maintenance costs continue to escalate. The existing vector would be sold at auction after new vector is operational. Funding for this truck was partially allocated as part of the 2020 Budget. The total funding is shown below. Streets Operating funding will be supported by the Equipment Reserve Fund (No. 112.) \$725,000 (Street, \$72,500, Water \$72,500, Storm \$290,000, Wastewater \$290,000).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>100</u>% Notes:

STREET DIVISION - CAPITAL

Objective	Status of Objective (as described in the 2021 Budget)
1. Public Works Operations Center – Building Design and Permitting. Complete the building design and building permitting of the new Public Works Operations Center, including payment of all necessary utility general facility charges and transportation impact fees. This work assumes the City continues with the existing approved site plan and design review board approval. This work does not consider design or expenses for furnishings. \$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>70</u> % Notes:
2. Stinson Avenue Pavement Overlay (Grandview to Rosedale). Complete the construction of approximately 2,700 LF of pavement overlay along Stinson Avenue between Rosedale Street and Pioneer Way. The project will provide an HMA overlay and upgrade the existing non-compliant curb ramps to ADA standards. \$750,000 (\$515,000 PSRC pavement preservation grant, \$235,000 TIF).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>80</u> % Notes: Construction costs exceed budget and were approved by City Council.
3. Stinson / Rosedale Roundabout. Complete the construction of a roundabout at the intersection of Stinson Avenue and Harborview Drive. Funding is from the City's Transportation Impact Fee fund and a TIB grant. \$750,000 (\$459,400 TIB, \$290,600 TIF).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>80</u> % Notes: Construction costs exceed budget and were approved by City Council
4. Stinson / Harborview Intersection Improvements. Complete the construction of the roundabout and other intersection improvements at Stinson Avenue and Harborview Drive. Due to economies of scale for permitting and civil construction costs, this work will include the construction of additional parking stalls for the Eddon Boat Park Brick House Rehabilitation	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>10</u> % Notes: Project is currently bidding. Design estimate exceeds budget; additional water, storm drainage and sanitary sewer design and construction

project. \$1,330,000 (\$816,000 TIB grant, \$434,000 TIF, \$80,000 general fund).	will extend contract construction into 2022.
5. 38th Avenue Improvement Project – Phase 1A. Complete the construction of approximately 2,000 LF of street corridor improvements along 38th Avenue incorporating Low Impact Development Standards (LID) consisting of bike lanes, sidewalk, biofiltration swale and pedestrian lighting on the east side between the City limits and Briarwood Lane. This project includes the first phase of improvements to provide pedestrian safety in City limits leading to two schools located just outside City limits. This phase will require coordination with Pierce County to continue improvements to the schools. Current Construction Estimate \$1,500,000 (\$750,000 TIF, \$750,000 general fund).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>5</u> % Notes: Construction began 6/28/21. Construction costs exceed budget and were approved by City Council
6. Burnham Drive 1/2-Width Roadway Improvements Phase 1A – Design and Permitting. Complete the construction of approximately 1,400 LF of roadway corridor improvements along the east side of Burnham Drive (between 96th Street and the northerly Eagles driveway) where gaps exist. Improvements will be consistent with Alternative 3 as described to City Council in November 2020. This work will also incorporate a storm culvert replacement (identified separately in Storm Capital, No. 412). Due to the proximity of these two utility projects, the City will see cost savings by bidding and constructing these projects together. \$1,933,000 (HBZ).	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>30</u> % Notes: Design only is anticipated to be completed in 2021; Construction will not commence until 2022
7. Harbor History Museum Driveway Entrance Revision. Revise the sidewalk and driveway grade at the entrance to the Harbor History Museum to reduce the large change in grade that exists. \$33,000 (general fund).	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Due to Staff limitations this objective will completed as part of the 2022 Budget
8. Harbor Hill Drive Landscape Mitigation. Complete the installation of	Objective on track to be met in 2021: ☐ Yes ☒ No

landscape mitigation within the portions of Northharbor Business Park and McCormick Creek Plat Phase 3 landscape buffers that were impacted during the construction of the Harbor Hill Drive Extension project. \$100,000 (HBZ.)	Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>50</u> % Notes: McCormick Creek Plat Ph 3 buffers mitigation completed; Northharbor Business Park mitigation design in progress 75% complete
9. Pedestrian Crosswalk Improvements – Gig Harbor North. Install rectangular rapid flashing beacons at intersection crosswalks including Borgen Blvd./Harbor Hill Dr., Harbor Hill Dr. entrance to Costco, and Borgen Blvd./Olympus Wy. This work will include ancillary improvements as necessary to meet the Public Works Standards. \$470,000 (HBZ).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>25</u> % Notes: Construction costs exceed budget and were approved by City Council.
10. Mid-Block Rapid-Flash Beacon Crosswalk System. Purchase and install a pedestrian crosswalk at 50th St Ct. and along Soundview Drive. Improve access to Veterans Memorial Park. \$ 50,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes:
11. Right Turn Lane at Wollochet Drive to SR-16 Westbound. Install a right turn lane along Wollochet Drive to SR-16 westbound on-ramp. \$450,000 (\$100,000 TBD, \$350,000 TIF)	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Preliminary design and IJR process with WSDOT to begin fall 2021.
12. Prentice Ave/Fennimore St ½-Width Frontage Improvements. Complete a topographic survey, conceptual design, and associated cost estimate for ½-width frontage improvements between Harbor Ridge Middle School and Peacock Hill Ave. in preparation for possible grant applications in 2022. \$50,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Will have On-Call consultant perform design work in fall 2021.

PEDESTRIAN SAFETY

Objective	Status of Objective (as described in the 2021 Budget)
1. Various Crosswalk and Sidewalk Installations. Install various crosswalks with RRFBs and install adjacent sidewalks where identified on the Transportation Improvement Program list and recommended by the Public Works Committee. \$215,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Staff has not had time to review options with the Public Works Committee and won't likely complete in 2021. Due to Staff limitations this objective will be completed as part of the 2022 Budget

HOTEL – MOTEL TAX

Objective	Status of Objective (as described in the 2021 Budget)
1. Marketing & Advertising. The objective of this fund is to promote and market the greater Gig Harbor area in 2021 through our state visitor guide, digital advertising, website development and/or enhancement, social media, brochure distribution, event promotion, media relations and trade shows. In 2021, we will accurately spend the amount forecasted through a heightened focus on data, resulting in a targeted digital advertising campaign to better reach a qualified audience – this will allow us to measure results. For 2021, this fund will focus on leisure travel, layering in group travel and meetings as permitted. Geographically, we'll work to maximize our regional opportunities, and we'll work to further build off-season draws for travelers. Included here is also professional photography and graphic design. \$124,500	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 15% Notes: Creative is in motion. Digital Advertising targeted psychographics and demographics have been set based on modeling like audiences from past visitors, as well as retargeting campaigns. New tourism website launching June 30. Digital advertising spend to focus on leisure travel segments defined by geotargeting, meetings and events planning. Photography and graphic design partners are being vetted for use on an ad-hoc basis.
2. City Sponsored Events. Costs associated with Summer Sounds, Movie Nights, Holiday Tree Lighting and other City events. \$42,615	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes: Concerts and movies in the park begin July 2021, outreach to holiday planning, other event opportunities.
3. Independent Film Location Campaign. Promote Gig Harbor to regional filmmakers for purposes of film creation and promotion. \$5,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: TBD. Talks with one company on b-roll production fell through. Another quoted much over \$5k. Tourism continues to research.
4. Support to Travel Tacoma + Pierce County. Continue partnership with the Tacoma + Mt. Rainier CVB to capitalize on shared resources for leisure travel, tour	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No

operators, group meetings, small conventions, public relations/media hosting, advertising and promotion opportunities. \$10,000	Percent complete as of 6/30/21: 50% Notes: Contract reviewed, objectives discussed for 2021, invoice received, to be processed.
5. Support to the Kitsap Peninsula Visitor and Convention Bureau. Partner with Visit Kitsap on web marketing efforts, collaboration on corporate traveler, sport traveler, National Park Service water trails, and leisure traveler campaigns. \$5,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 15% Notes: On track. Met new Exec Director, partner funds to go in part to support media database and monitoring.
6. Pierce Transit – Contribution for Get Around Gig Harbor Trolley operation. \$25,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 75% Notes: Trolley service in motion for the summer, 4 contributor pledges received.
7. General Fund salary contribution. Fifty percent of the Tourism & Communications Dept salaries come from the General Fund. This amount funds 50% of two full-time positions. \$94,600 (50% of Tourism & Communications Dept salaries & benefits)	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 50% Notes: Tourism assistant to be recruited for this summer. Will reserve 6 months of salary for assistant.
8. Operations, Training and Travel. Office equipment, website hosting, mailing costs, staff training, travel and information services staff support for the tourism and communications department. \$32,400	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 25% Notes: Travel on hold. Any updates will take place virtually.
9. Lodging Tax Grants. Grant funds available to local organizations. \$125,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 75% Notes: All funds outside of \$5k awarded, contracts are out to recipients.
10. Update the Catalogue of City-Owned Art. Our public artworks are among the City's physical assets and proper	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget:

documentation is essential. Our goal is to create a more professional looking catalog of city- owned art, updated to include recent commissions and acquisitions. We will create an on-line catalog that can be uploaded to the website and used to develop a future brochure for self-guided art walks. We request hiring an independent contractor to do the catalog update, with guidance from the Arts Commission. \$5,000.	☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: This is a lessened priority, to be accomplished when department fully staffed.
New signs at Stinson, Pioneer, Harbor Hill. \$10,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: 0% Notes: TBD. To research sources for production on updated signage.

PUBLIC ART

Objective	Status of Objective (as described in the 2021 Budget)
1. Austin Estuary Park Honor Symbol. In conjunction with the Puyallup Tribe of Indians, the Gig Harbor Kiwanis Foundation and the City's Arts Commission, the City Council awarded a contract in 2019 for the creation and placement of an "honor symbol" in Austin Estuary Park to acknowledge the significance of the Tribe as the original residents of Gig Harbor. This project received funding in the 2019 and 2020 budget and will be completed as part of the 2021 budget. City's portion: \$50,000 funded from Public Arts Capital Projects Fund. (Other funders: Kiwanis Foundation; Puyallup Tribe)	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>50</u> % Notes: The artwork is finished and is stored at a City facility. The cost to install the artwork is likely going to exceed budget. However, we won't know for certain until the design is completed later in 2021. The land use application for the art was submitted in July 2021. A building permit for the art will be submitted in August 2021.
2. Harborview/Stinson Roundabout. Sidewalk art to be commissioned. (Funded by construction budget. \$10-15,000)	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u>% Notes: The schedule for installing this art depends completely on the schedule for the Stinson/Harborview intersection project.
3. Sports Complex. Art to be commissioned. Partially funded by construction budget.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>0</u>% Notes: Awaiting progress report and budget allocation from Public Works before we can proceed.
4. Hollycroft / Olympic Drive Triangle. Art to be commissioned.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>0</u>% Notes:

PARK DEVELOPMENT

Objective	Status of Objective (as described in the 2021 Budget)
1. Gig Harbor Sports Complex Phase 1B Design and Permitting. The Gig Harbor North Sports Complex project consists of two phases that are interrelated but not equivalent. The YMCA will proceed with the Phase 1A project, which consists of two artificial turf fields with associated lighting and parking and is funded in part with the City's previously awarded legislative grant and an RCO grant. In 2020 the City and the YMCA hope to finalize a lease and proceed with design and permitting for the Phase 1A project. Phase 1B is the City's portion of the complex and includes pickleball, bocce ball, multiple playgrounds, multiple pavilions, and a natural turf open space. Phase 1B is requesting funding from two RCO grants in 2020 and will proceed to YMCAs Phase 1A. \$3,000,000 (\$2,000,000 HBZ, \$500,000 RCO LWCF grant, \$500,000 RCO WWRP grant).	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes: Staff will likely select a consultant and begin design but won't complete until 2022.
2. Public Works Operations Center – Building Design and Permitting. Complete the building design and building permitting of the new Public Works Operations Center, including payment of all necessary utility general facility charges and transportation impact fees. This work assumes the City continues with the existing approved site plan and design review board approval. This work does not consider design or expenses for furnishings. \$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).	(See Street Capital, Objective 1)
3. Masonic Lodge Building Improvements. Design, permit, and construct building improvements to the main floor to make it accessible and functional for use as a community space. \$425,000 (\$250,000 HBZ, \$175,000 local funds).	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes: This work will be dependent on the outcome of the vision process for

	the Masonic Lodge and Crescent Creek Park. This work will not occur until 2022 at the soonest.
4. Crescent Creek Park – Visioning, Master Plan, Conceptual Design. Conduct visioning and develop a master plan for Crescent Creek Park pending Council direction on the City's proposed Masonic Lodge building improvements. \$50,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes:
5. Native Vegetation Plantings. Install native trees and shrubs at various parks, streetscapes, and other City grounds. \$10,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes:
6. Community Paddler's Dock. Design, permit, and construct a new gangway and float system for use by human powered craft from the existing Jerkovich pier. \$400,000 (\$240,000 HBZ, \$160,000 Park Impact Fees).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>25</u> % Notes: As presented to Council in early 2021, the project construction costs will likely exceed the budget amount.
7. Ancich Boat Storage Building Human-Powered Watercraft Storage Racks. Design and install custom storage racks with locking mechanisms for the public's canoes, kayaks, and stand-up paddleboards at the Ancich Waterfront Park Boat Storage Facility. This includes a fence to separate the area leased to the Gig Harbor Canoe/Kayak Race Team. \$42,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes:
8. Skansie Netshed Painting Structural Repairs. Design, permitting and construction of building structural repairs, siding repairs. Repaint the exterior of the building. and re-roof the building. \$50,000 \$135,000	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes: Staff directed to modify scope to include minor siding repairs and repainting for 2021. Other work deferred to 2022. Project currently bidding.
9. Railway Carriages at Eddon Boat Building. The two railways at the Eddon	Objective on track to be met in 2021: ☒ Yes ☐ No

Boat Building still require the construction of the boat carriages that will carry boats along the marine rails. This work will support the final design and construction of the two railway carriages. \$297,500 (general fund).	Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>70</u> % Notes: Design and bid complete; Purchase award authorization going to Council 4/12/21; Fabrication to be completed and delivered to Boat Shop for assembly this year.
10. Eddon Boat Park – Brick House Rehabilitation. Due to the timing of construction, the contractor may not complete the rehabilitation work in 2020. The amount identified below is proposed to be carried over from the remaining 2020 Budget and expended in 2021. \$100,000 (local funds).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>75</u> % Notes: Project was fully funded in 2020 budget, and construction started in 2020, continuing into 2021. The \$100k carryover amount for 2021 anticipated completion of more of this contract in 2020 than occurred. There are sufficient funds in Parks Development ending find balance to cover amount over budget.
11. Commercial Fishing Homeport Conceptual Design. Develop a conceptual design, permitting summary, and project cost estimate for the commercial fishing homeport at Ancich Park. \$30,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes: Due to Staff limitations this objective will begin late 2021 and completed as part of the 2022 Budget
12. Jerkovich Pier Advanced Mitigation Project. Design, permit, and demolish the existing, dilapidated Jerkovich Pier located at Ancich Park using the federal process for advanced mitigation for the future Commercial Fishing Homeport float system. \$150,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>20</u> % Notes: This project will likely extend into 2022 due to pending permit authorizations from US Army Corps and WDFW.
13. Cushman Trail Connection to North Harborview Drive. Complete the design and permitting of the Cushman Trail connection to North Harborview (also known as Twawelkax Trail). \$45,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> %

	Notes: This project is on hold pending acquisition of the proposed conservation futures parcel.
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WATER OPERATING

Objective	Status of Objective (as described in the 2021 Budget)
1. Annual Water Meter Replacement and Testing Program. In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers. This project is anticipated to be completed in 2021. \$150,000 (Water \$75,000, Wastewater \$75,000).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>80</u> % Notes:
2. North Tank Inspection and Cleaning. Systematic, planned maintenance, inspection and cleaning of interior and exterior tanks to ensure physical integrity, security and water quality. \$20,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>50</u> % Notes: Inspection only for 2021.
3. Well Generator Servicing. Systematic servicing to ensure standby power supply is operable. \$10,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>100</u> % Notes:
4. Water Sampling Stations. Annual program for systematic replacement of aging water sample stations to ensure accurate water testing information. \$10,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>80</u> % Notes:
5. Utility Rate Study. Hire a consultant to perform a study to review each utility's existing rates and charges, review the forecasted revenues, and assess against the respective planned capital projects. \$40,000 (Storm - \$13,333, Water - \$13,333, Wastewater - \$13,334).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes:
6. Water Comprehensive Plan Update. Finalize the City-wide water system plan update based upon review by the Washington State Department of Health. \$10,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes:

WASTEWATER DIVISION - CAPITAL

Objective	Status of Objective (as described in the 2021 Budget)
1. Inflow and Infiltration Repairs of Manholes and Pipelines. As our underground collection system ages, the potential for leaks and failures increase. These failures use up capacity at the WWTP and add unnecessary costs to treat clean water. These funds will be used to repair/replace known deficiencies in the collection system. \$225,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>10</u> % Notes: This objective will be completed through the emergency gravity sewer main repair project at the intersection of Stinson Ave/Harborview Drive
2. Lift Station #12 (Woodhill Drive) Rehabilitation. Lift Station #12 will be 32 years old in 2021 and transfers over 1/3 of the City's sewage. The station's structural, mechanical and electrical systems require repair or replacement. As part of the upgrade, the wet well will be converted from the wet-pit dry-pit configuration to a current standard of a safer and more efficient wet well submersible pump station. The upgrade will include, but will not be limited to the following: coating of wet well, installation of submersible pumps, level control, piping, associated vaults, upgrading electrical, new generator or Dri-Prime diesel backup pump (screwsucker), odor control and converting the existing dry-pit to emergency storage. \$1,700,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>20</u> % Notes: Design is 90% complete. Construction Bidding is anticipated in August; Construction anticipated starting September 2021 with completion in May 2022. 90% design estimate indicates the construction project will be over budget.
3. Wastewater Treatment Plant Digester Upgrades/Centrifuge Ammonia Control. The current centrifuge operation contributes a high ammonia concentration to the WWTP by way of its discharge (aka centrate). This high concentration severely limits the throughput of the centrifuge without causing detrimental impacts to the treatment plant. These improvements should have positive results in increased centrifuge capacity and plant efficiency. A side benefit would be a potential reduction in power costs for reduced blower and centrifuge runtime. \$150,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes:

4. Rehabilitation of Lift Station #1 (Crescent Creek Park). Replace existing pumps, electrical and mechanical equipment. \$40,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Design will begin in 2021 but construction may not begin until 2022.
5. Replacement of Lift Station #6 (Ryan Street). Complete construction of the replacement sewer lift station. \$1,400,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes: Design is 100% complete. Construction Bidding is anticipated in July; Construction anticipated starting August 2021 with completion in April 2022.
6. Lift Station #2A (Bogue Viewing Platform) & Lift Station #11 (Woodland Creek Subdivision/48th St.) (2021) Generator Replacement. Replace generators. \$82,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>50</u> % Notes:
7. Murphy's Landing Marina Navigation Channel Dredge. In partnership with Murphy's Landing Marina, design and permit a bid ready set of contract documents for the removal of a portion of infill sedimentation that has occurred throughout the years, and will continue to do so, within the marina navigation channel. NOTE: This work will first require a memorandum of understanding between the City and Murphy's Landing Marina noting that all construction costs for the channel dredging will be the sole responsibility of the Murphy's Marina and the City will NOT participate in any construction or long-term maintenance costs. \$35,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes: Dredging Agreement approved by City Council and Marina. Consultant Design contract in process.
8. Lift Station #10 (35th Ave./Olympic Drive/Forest Grove Apartments) Force Main Rehabilitation. To permanently repair a poorly designed force main that	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>95</u> %

STORM WATER DIVISION - OPERATING

Objective	Status of Objective (as described in the 2021 Budget)
1. Storm Utility Revenue Study. Review the storm water utility's revenue structure for equity and on-going sustainability of the storm water utility. \$34,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes:
2. Marine Outfall Maintenance. Per the City's NPDES Stormwater Permit, the City has completed an inventory of all City stormwater outfalls. In 2021 the City will verify operational responsibilities and generate a prioritized list of capital improvement program to correct or replace the deficient outfalls and a maintenance plan for all stormwater outfalls. This objective also includes funding for maintenance of at least one outfall. Consultant support with survey and environmental reports with in-house staff or small public work completion. The City will review funding sources including grants and the City's stormwater opportunity fund through Pierce County Flood Control Zone District. \$ 120,000	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>20</u> % Notes:
3. Utility Rate Study. Hire a consultant to perform a study to review each utility's existing rates and charges, review the forecasted revenues, and assess against the respective planned capital projects. \$40,000 (Storm - \$13,333, Water - \$13,333, Wastewater - \$13,334).	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>5</u> % Notes:
4. Local Source Control Program. The City to enter into an interagency Agreement with Tacoma-Pierce County Health Department with the purpose to reduce pollutants and impacts to surface waters and stormwater system as directed by the City's NPDES Stormwater permit issued by Washington Department of Ecology. To provide pollutant source control inspections and outreach to businesses that will increase operators awareness of the	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>10</u> % Notes:

necessary stormwater facilities maintenance, the best environmental stewardship practices, education, management practices that reduce pollutants discharging to the stormwater and elimination of illicit discharge connections to the stormwater system. An annual report to be provided itemizing the inspections and results realized. \$25,000.	
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STORM WATER DIVISION - CAPITAL

Objective	Status of Objective (as described in the 2021 Budget)
2. Storm Pipe Slip Lining. Perform the slip lining of two storm pipes in the City right of way due to failed pipe connections. These two storm pipes are located at the east end of Mountain View Place and in Vernhardson Street in the vicinity of Crescent Creek. In-house design and small public works contract for construction. \$126,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes:
3. Donkey Creek Daylighting at Harborview Drive Conceptual Designs and Feasibility. Determine options and associated costs for the daylighting of Donkey Creek at Harborview Drive and Austin Street to improve fish passage. The conceptual design process shall engage community stakeholders ensure the continued operation of the Gig Harbor Fisherman's Club remote site incubator (RSI) system and support efforts to enhance the RSIs post-restoration. This project will also serve as a tool to acquire future grants for further design and construction. \$30,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: Due to current staffing levels we will not be able to complete work with a consultant this conceptual design and feasibility study.
4. Burnham Dr. Culvert Replacement at 96th Street. Design, permitting and construction of a replacement storm cross culvert in Burnham Drive south of 96th Street. This work will likely require a new fish-passable culvert and is planned to be performed as part of the Burnham Dr. ½-Width Roadway Improvements Phase 1 project included in the Streets Capital fund (No. 102). \$1,300,000	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>30</u> % Notes: Design only is anticipated to be completed in 2021; Construction will not commence until 2022

WATER DIVISION - CAPITAL

Objective	Status of Objective (as described in the 2021 Budget)
2. Emergency Water Intertie – Canterwood Blvd. Install an emergency water intertie (approximately 1,600 LF) along Canterwood Blvd between St. Anthony's hospital and Baker Way to provide a redundant water source in the event of an emergency. \$440,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>10</u> % Notes: Will require Consultant design contract to complete due to loss of staff. Design will likely be completed in 2021 with construction occurring in 2022.
3. Gig Harbor North Sports Complex Water Main. Redundant main installed by PW Operations. In-house design. \$80,000.	Objective on track to be met in 2021: ☐ Yes ☒ No Objective will be met under budget: ☒ Yes ☐ No Percent complete as of 6/30/21: <u>0</u> % Notes: This project is dependent upon Sports Complex Ph1B design progress
4. Well #3 Reconstruction. Due to the degradation of the existing well casing, this project generally will design, permit and construct a new well casing, install new screens, install a new pump/motor assembly, and decommission the existing well. \$600,000.	Objective on track to be met in 2021: ☒ Yes ☐ No Objective will be met under budget: ☐ Yes ☒ No Percent complete as of 6/30/21: <u>95</u> % Notes: Construction contract exceeded budget and was approved by City Council. Final DOH approval in process.



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

Subject: First reading of ordinance providing for the issuance and sale of limited tax general obligation refunding bonds

Proposed Council Action:

Adopt the ordinance after second reading

Dept. Origin: Finance

Prepared by: David Rodenbach

For Agenda of: July 26, 2021

Exhibits: Ordinance and related attachments

Initial & Date

Concurred by Mayor:

XX 7-19-21

Approved by City Administrator:

DP 7/16/21

Approved as to form by City Atty:

Per Emen

Approved by Finance Director:

DP 7/16/21

Expenditure
Required

Amount
Budgeted

Appropriation
Required

INFORMATION / BACKGROUND

This is the first reading of an ordinance providing for the issuance and sale of limited tax general obligation (LTGO) bonds in an amount not to exceed \$1,150,000.

The proceeds of these bonds will be used to refund the outstanding 2010 LTGO bonds.

- As of June 30, 2021, the 2010 LTGO bonds had \$2,645,000 outstanding and available to be retired early.
- The City has \$1,593,631 in the Civic Center Debt Reserve fund available to pay down a portion of this debt. This fund was originally established for this very purpose.
- The remaining balance will be funded by the new LTGO bonds with an amount not to exceed \$1,150,000.

The new refunding bonds will mature June 1, 2026 and carry an estimated interest rate of 1.70%. The net present value savings for the refunding is estimated at \$161,700.

FISCAL CONSIDERATION

The city, through this refunding bond issue, will save the general fund approximately \$368,000 each year in reduced principal and interest payments through 2026.

The city's contribution to this refunding transaction will come from the Civic Center Debt Reserve fund. This fund was created in 2001 to accumulate funds for early retirement of civic center debt. As of June 30, 2021, the fund has \$1,593,631

RECOMMENDATION / MOTION

Move to: Pass ordinance after a second reading.

601
- 101

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CITY OF GIG HARBOR, WASHINGTON

LIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 2021

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF A LIMITED TAX GENERAL OBLIGATION REFUNDING BOND IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,150,000 TO PROVIDE FUNDS TO REFUND CERTAIN OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY; DELEGATING CERTAIN AUTHORITY TO APPROVE THE FINAL TERMS OF THE BOND TO THE DESIGNATED REPRESENTATIVE IN CONNECTION WITH THE SALE.

APPROVED ON AUGUST 9, 2021

PREPARED BY:

K&L GATES LLP

CITY OF GIG HARBOR, WASHINGTON
ORDINANCE NO. _____

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

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF A LIMITED TAX GENERAL OBLIGATION REFUNDING BOND IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,150,000 TO PROVIDE FUNDS TO REFUND CERTAIN OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY; DELEGATING CERTAIN AUTHORITY TO APPROVE THE FINAL TERMS OF THE BOND TO THE DESIGNATED REPRESENTATIVE IN CONNECTION WITH THE SALE.

WHEREAS, the City of Gig Harbor, Washington (the “City”) issued on June 29, 2010, its Limited Tax General Obligation and Refunding Bonds, 2010 pursuant to Ordinance No. 1190 passed on June 14, 2010, in the original aggregate principal amount of \$7,730,000 (the “2010 Bonds”), which remain outstanding as follows:

<u>Maturity Date (June 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
2022	\$ 485,000	4.50%
2023	505,000	4.50
2024	525,000	4.50
2025	550,000	4.50
2026	580,000	4.50

; and

WHEREAS, the 2010 Bonds maturing on and after June 1, 2021 are callable for redemption in whole or in part on any date on or after June 1, 2020, at a price of par plus accrued interest to the date of redemption; and

WHEREAS, after due consideration it appears to the City Council that debt service savings may be obtained by refunding all or a portion of the callable 2010 Bonds (the “Refunding Candidates”) through the issuance of a limited tax general obligation refunding bond of the City in the aggregate principal amount of not to exceed \$1,150,000 (the “Bond”), in addition to using approximately \$1,600,000 of dedicated reserve funds of the City; and

WHEREAS, in order to provide the funds required for such purpose, the City now desires to authorize the issuance of a Bond; and

WHEREAS, the City Council has determined to delegate to certain City officials the authority, for a limited time, to solicit proposals and accept bid for the purchase of the Bond and approve the final principal amount, to select the Refunding Candidates to be defeased and/or refunded (the "Refunded Bonds"), the interest rate, maturity date, and prepayment provisions of the Bond authorized herein under such terms and conditions as are approved by this ordinance;

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

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

Acquired Obligations mean the Government Obligations acquired by the City under the terms of this ordinance and the Escrow Agreement to effect the defeasance and refunding of the Refunded Bonds.

Approved Bid means the winning bid submitted for the Bond and all terms stated therein and may include a separate agreement, at the option of and approved by the Designated Representative.

Bond means the City of Gig Harbor, Washington Limited Tax General Obligation Refunding Bond, 2021, to be issued in the aggregate amount of not to exceed \$1,150,000 issued pursuant to this ordinance.

Bond Counsel means K&L Gates LLP.

Bond Fund means the Limited Tax General Obligation Bond Redemption Fund, 2021 created pursuant to Section 9 of this ordinance.

Bond Register means the registration records maintained by the Bond Registrar for the purpose of identifying ownership of the Bond.

Bond Registrar means the fiscal agent of the State of Washington, initially appointed by the Designated Representative for the purposes of registering and authenticating the Bond, maintaining the Bond Register, effecting transfer of ownership of the Bond and paying interest on and principal of the Bond. The term ***Bond Registrar*** shall include any successor to the functions of the fiscal agent appointed by the Designated Representative pursuant to RCW 39.46.030(3)(b).

Call Date means such date as indicated in writing by the Designated Representative.

City means the City of Gig Harbor, Washington, a municipal corporation of the State of Washington.

City Administrator means the duly qualified, appointed and acting City Administrator of the City, or any other officer who succeeds to the duties now delegated to that office.

Closing Date means the date of issuance and delivery of the Bond to the Purchaser.

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

Cost of Issuance Agreement means the agreement of that name, to be entered into by the City and the Escrow Agent, providing for the payment of certain costs of issuance with respect to the issuance of the Bond.

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

Designated Representative means any of the following: (a) the Mayor, (b) the Finance Director, (c) the City Administrator or (d) any official or employee of the City designated in writing by any of the foregoing.

Escrow Agent means U.S. Bank National Association, Seattle, Washington.

Escrow Agreement means the Escrow Deposit Agreement to be dated as of the date of closing and delivery of the Bond.

Final Maturity Date means the date as determined in the Approved Bid, but no later than June 1, 2026.

Finance Director means the duly qualified, appointed and acting Finance Director of the City, or any other officer who succeeds to the duties now delegated to that office.

First Interest Payment Date means the first interest payment date for the Bond set forth in the Approved Bid.

Fiscal Agent means U.S. Bank National Association, as the fiscal agency of the State of Washington, pursuant to the Agreement for Fiscal Agency Services, dated February 1, 2015, as amended, between the State of Washington and U.S. Bank National Association.

Mayor means the duly qualified, elected and acting Mayor of the City, or any other person who succeeds to the duties now delegated to that office.

Placement Agent means D.A. Davidson & Co., Seattle, Washington.

Principal Payment Dates mean the dates on which principal of the Bond is payable in accordance with the Approved Bid.

Purchaser means the initial purchasing entity or bank purchaser of the Bond.

Refunded Bonds mean the Refunding Candidates selected by the Designated Representative pursuant to Section 7 hereof.

Refunding Candidates mean the 2010 Bonds maturing on and after June 1, 2022.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register.

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

Savings Target means a dollar amount equal to at least four percent (4.00%) of the outstanding principal of the Refunded Bonds.

SEC means the United States Securities and Exchange Commission.

2010 Bond Ordinance means Ordinance No. 1190, passed by the City Council on June 14, 2010.

2010 Bonds mean the Limited Tax General Obligation and Refunding Bonds, 2010 of the City issued under date of June 29, 2010, as more particularly described in the recitals of this ordinance.

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

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

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

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

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

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

Section 2. Authorization of Bond and Bond Details. For the purpose of refunding the Refunded Bonds and paying the costs of issuance related thereto, and thereby effecting a savings to the City and its taxpayers, the City shall issue its limited tax general obligation refunding bond in the aggregate principal of not to exceed \$1,150,000 (the “Bond”).

The Bond shall be designated as the “City of Gig Harbor, Washington, Limited Tax General Obligation Refunding Bond, 2021,” shall be dated as of the Closing Date, shall be fully registered as to both principal and interest, shall be issued as a single fully registered bond, and shall be numbered in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification.

The Bond shall bear interest at the per annum rate(s), payable on the date(s) and maturing in principal amount(s) set forth in the Approved Bid, pursuant to Section 10 of this ordinance.

Section 3. Registration, Exchange and Payments. The City hereby initially specifies and adopts the system of registration approved by the Washington State Finance Committee from time to time through the appointment of state fiscal agents. The duties of the Bond

Registrar hereunder shall be limited to authenticating the Bond and to remitting money to the Purchaser on the payment dates as provided therein. Principal of and interest on the Bond shall be payable in lawful money of the United States of America. Installments of principal of and interest on the Bond shall be paid by check, wire, or electronic transfer on the date due to the Purchaser; *provided, however*, upon final payment of all installments of principal and interest thereon, the Bond shall be submitted to the Bond Registrar for cancellation and surrender.

The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bond and to carry out all of the Bond Registrar's powers and duties under this ordinance.

The Bond shall not be transferable, except in whole to a financial institution subject to the further limitations set forth in the Approved Bid.

Section 4. Prepayment. The Bond shall be subject to prepayment, if any, as provided in the Approved Bid.

Section 5. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. R-1

[\$1,150,000]

STATE OF WASHINGTON

CITY OF GIG HARBOR

LIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 2021

INTEREST RATE: _____ % per annum

MATURITY DATE: [June 1, 2026]

REGISTERED OWNER: _____

TAX IDENTIFICATION #: _____

PRINCIPAL AMOUNT: [ONE MILLION ONE HUNDRED FIFTY THOUSAND] AND NO/100 DOLLARS

THE CITY OF GIG HARBOR, WASHINGTON, a municipal corporation organized and existing under and by virtue of the laws and Constitution of the State of Washington (the "City"), hereby acknowledges itself to owe, and for value received promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount specified above, together with interest thereon, at the Interest Rate, which interest shall be payable [semi][annually] on _____ 1 and _____ 1 of each year until paid, commencing on _____ 1, 202__ . Principal shall be repaid in annual installments as provided on Exhibit A attached hereto. Interest shall be calculated on the basis of [a 360-day year consisting of twelve 30-day months]. The final payment of all outstanding principal, together with interest thereon, shall be due on [June 1, 2026] .

Both principal of and interest on this bond are payable in lawful money of the United States of America. Payments made to the Registered Owner shall be applied first to accrued interest and then to principal as of the date such payment is actually received by the Registered Owner. Installments of the principal of and interest on this bond shall be paid by check or draft of the fiscal agent of the State of Washington (the "Bond Registrar") mailed on the date such principal and interest is due or by electronic funds transfer made on the date such interest is due to the Registered Owner at the address appearing on the Bond Register. Upon final payment of all installments of principal and interest thereon, this bond shall be submitted to the Bond Registrar for cancellation and surrender.

This bond may be prepaid in accordance with the following terms; _____.

This bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and Ordinance No. _____ duly passed by the City Council on _____, 2021 (the "Bond Ordinance"). Capitalized terms used in this bond have the meanings given such terms in the Bond Ordinance.

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

This bond is issued pursuant to the Bond Ordinance for providing funds to refund certain outstanding limited tax general obligation bonds of the City.

By the Bond Ordinance, the City has irrevocably covenanted that, unless the principal of and interest on this bond are paid from other sources, it will make annual levies of taxes without limitation as to rate or amount upon all of the property in the City subject to taxation for the payment of debt service on the Bond in amounts sufficient to pay such principal and interest as provided in the Bond. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and for the payment of such principal and interest.

This bond has been designated by the City as a “qualified tax-exempt obligation” for investment by financial institutions under Section 265(b) of the Code.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of Gig Harbor, Washington, has caused this bond to be signed on behalf of the City with the manual or facsimile signature of the Mayor, to be attested by the manual or facsimile signature of the Clerk of the City, and a facsimile of the seal of the City to be impressed, imprinted or otherwise reproduced hereon, as of this _____ day of _____, 2021.

[SEAL]

CITY OF GIG HARBOR, WASHINGTON

By _____
/s/ manual or facsimile signature
Mayor

ATTEST:

/s/ manual or facsimile signature
City Clerk

The Certificate of Authentication for the Bond shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is the bond described in the within-referenced Bond Ordinance as the City of Gig Harbor, Washington Limited Tax General Obligation Refunding Bond, 2021, dated _____, 2021.

WASHINGTON STATE FISCAL AGENT,
as Bond Registrar

By _____
Authorized Signer

* * * * *

Exhibit A
Debt Service Schedule

Section 6. Execution of Bond. The Bond shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and City Clerk, and the seal of the City shall be impressed, imprinted or otherwise reproduced thereon. The Bond shall not be valid or obligatory for any purpose or entitled to the benefits of this ordinance unless and until a Certificate of Authentication, in the form hereinbefore recited, has been manually executed by or on behalf of the Bond Registrar or its duly designated agent.

In case either of the officers who shall have executed the Bond shall cease to be an officer or officers of the City before the Bond so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, the Bond may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. The Bond may be signed and attested on behalf of the City by such persons who at the date of the actual execution of the Bond are the proper officers of the City, although at the original date of the Bond any such person shall not have been such officer of the City.

Section 7. Disposition of Bond Proceeds; Refunding Plan and Procedures.

(a) *Refunding Plan.* A portion of the proceeds of sale of the Bond, together with other funds of the City, if any, provided by the City shall be delivered to the Escrow Agent for the purpose of defeasing the Refunded Bonds and paying related costs of issuance. Money received by the Escrow Agent from Bond proceeds shall be used immediately by the Escrow Agent upon receipt thereof in accordance with the terms of the Escrow Agreement to defease the Refunded Bonds as authorized by the 2010 Bond Ordinance, respectively, and pay costs of issuance of the Bond. The Escrow Agent shall use the beginning cash balance, and/or purchase Government Obligations (which obligations so purchased, are herein called "Acquired

Obligations”), if any, bearing such interest and maturing as to principal and interest in such amounts and at such times to provide for the payment of:

(1) Interest on the Refunded Bonds as such becomes due on and prior to the Call Date; and

(2) The redemption price (100% of the principal amount) of the Refunded Bonds payable on the Call Date.

Such Acquired Obligations, if any, shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues.

(b) *Escrow Agent/Escrow Agreement.* U.S. Bank National Association, is hereby authorized to act as the escrow agent (the “Escrow Agent”) for the Refunded Bonds. The Designated Representative is hereby authorized to designate an accounting firm to act as escrow verification agent, if required. A beginning cash balance, if any, and Acquired Obligations shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease the Refunded Bonds. The proceeds of the Bond after acquisition of the Acquired Obligations and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Acquired Obligations and expenses of the issuance of the Bond.

In order to carry out the purposes of this section, the Finance Director is authorized and directed to execute and deliver to the Escrow Agent, an Escrow Deposit Agreement and a Cost of Issuance Agreement, if required, each substantially in the forms attached hereto as Exhibit A and Exhibit B, respectively.

(c) *Implementation of Refunding Plan.* The City hereby irrevocably calls the Refunded Bonds for redemption on the Call Date in accordance with the provisions of the 2010

Bond Ordinance, respectively. Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the final establishment of the escrow account and delivery of the Acquired Obligations to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notices of the redemption of the Refunded Bonds in accordance with the applicable provisions of the 2010 Bond Ordinance, respectively. The Finance Director is authorized and requested to provide whatever assistance is necessary to accomplish such redemption and the giving of notices therefor. The costs of publication of such notices shall be an expense of the City.

The Escrow Agent is hereby authorized and directed to pay to the paying agent for the Refunded Bonds, sums sufficient to pay, when due, the payments specified in of subsection (c) above. All such sums shall be paid from the money and Acquired Obligations deposited with said Escrow Agent pursuant to this section, and the income therefrom and proceeds thereof.

The City will take such actions as are found necessary to ensure that all necessary and proper fees, compensation and expenses of the Escrow Agent shall be paid when due.

Section 8. Tax Covenants; Special Designation.

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

(b) *Designation under Section 265(b) of the Code.* The City hereby designates the Bond as a “qualified tax-exempt obligation” for purchase by financial institutions pursuant to

Section 265(b) of the Code. The City does not anticipate that it will issue more than \$10,000,000 in qualified tax-exempt obligations during the year 2020 (excluding obligations permitted by the Code to be excluded for purposes of the City's qualification as a qualified small issuer).

Section 9. Bond Fund and Provision for Tax Levy Payments. A special fund of the City known as the "Limited Tax General Obligation Bond Redemption Fund, 2021" which fund or account may be designated or re-designated in accordance with the practices of the City from time to time (the "Bond Fund"), is hereby authorized to be established and maintained in the office of the Finance Director of the City. The taxes hereafter levied for the purpose of paying principal of and interest on the Bond and other funds to be used to pay the Bond shall be deposited in the Bond Fund no later than the date such funds are required for the payment of principal of and interest on the Bond. Money in the Bond Fund not needed to pay the interest or principal next coming due may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of City funds.

The City hereby irrevocably covenants and agrees for as long as the Bond is outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with all other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the Bond as the same shall become due. All of such taxes so collected and any other money to be used for such purposes shall be paid into the Bond Fund.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax levy permitted to cities without a vote of the people, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on

the Bond will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bond. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bond as the same shall become due.

Section 10. Sale of the Bond The Council has determined that it would be in the best interest of the City to delegate to the Designated Representative for a limited time the authority, working with the City's Placement Agent, to solicit proposals from financial institutions and review and select a financial institution as the Purchaser. The actions of the Designated Representative in reviewing and approving a term sheet distributed to financial institutions is hereby ratified and approved. The Designated Representative is further authorized to approve the final principal amount, interest rate, maturity dates, including the Final Maturity Date, the Principal Payment Dates and the First Interest Payment Date, prepayment provisions and other terms and conditions of the Bond so long as (i) the aggregate principal amount of the Bond does not exceed \$1,150,000; (ii) the interest rate of the Bond, if issued as a fixed rate per annum, does not exceed 2.20%, or if issued as a variable rate, uses an index approved by the Designated Representative, (iii) the Savings Target is achieved; and (iv) the maximum term of the Bond shall be no later than June 1, 2026 (the final maturity date of the Refunded Bonds). Upon approval of the final terms, the Designated Representative will execute a certificate confirming the final sales terms which certificate shall be made available to the Council.

The authority granted to the Designated Representative by this section shall remain in effect until December 31, 2021. If the sale for the Bond has not been completed by December 31, 2021, the authorization for the issuance of the Bond shall be rescinded, and the Bond shall not be issued nor its sale approved unless the Bond shall have been re-authorized by

ordinance of the City. The ordinance reauthorizing the issuance and sale of the Bond may be in the form of a new ordinance repealing this ordinance in whole or in part or may be in the form of an amendatory ordinance establishing terms and conditions for the authority delegated under this section.

Upon the adoption of this ordinance, the proper officials of the City including the Designated Representative, are authorized and directed to undertake all other actions necessary for the prompt sale, execution and delivery of the Bond and further to execute all closing certificates and documents required to effect the closing and delivery of the Bond in accordance with the terms of the Approved Bid. In furtherance of the foregoing, the Designated Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including the fees and expenses specified in the Approved Bid, including fees and expenses of the Purchaser and other retained services, including Bond Counsel, Placement Agent, Fiscal Agent, and other expenses customarily incurred in connection with issuance and sale of the Bond.

Section 11. Undertaking to Provide Information. The City is exempt from the ongoing disclosure requirements of the Rule by reason of the exemption set forth in subsection (d)(1) of that Rule with respect to the issuance of securities in authorized denominations of \$100,000 or more. If approved in the Approved Bid, the City may undertake to provide certain City operational or financial information to the Purchaser during the term of the Bond.

Section 12. Ordinance and Laws a Contract with the Purchaser. This ordinance is adopted under the authority of and in full compliance with the Constitution and laws of the State of Washington. In consideration of the loan made by the Purchaser, evidenced by the Bond, the provisions of this ordinance and of said laws shall constitute a contract with the Purchaser, and

the obligations of the city and its Council under said laws and under this ordinance shall be enforceable by any court of competent jurisdiction; and the covenants and agreements herein and in the Bond set forth shall be for the equal benefit of the Purchaser and any permitted transferee or assignee.

Section 13. Ratification; General Authorization. The Mayor, City Administrator and Finance Director and other appropriate officers of the City are authorized to take any actions and to execute documents as in their judgment may be necessary or desirable in order to carry out the terms of, and complete the transactions contemplated by, this ordinance. All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified.

Section 14. Severability. If one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bond.

Section 15. Effective Date. This ordinance shall take effect and be in full force five (5) days after this ordinance or a summary thereof consisting of the title is published.

PASSED by the Council of the City of Gig Harbor, Washington at a regular meeting held on the 9th day of August, 2021.

CITY OF GIG HARBOR, WASHINGTON

Mayor

ATTEST:

City Clerk

First Reading: July 26, 2021

Date Adopted: August 9, 2021

Date of Publication: _____, 2021

Effective Date: _____, 2021

EXHIBIT A

ESCROW DEPOSIT AGREEMENT

CITY OF GIG HARBOR, WASHINGTON LIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 2021

THIS ESCROW AGREEMENT, dated as of _____, 2021 (herein, together with any amendments or supplements hereto, called the "Agreement") is entered into by and between the City of Gig Harbor, Washington (herein called the "City") and U.S. Bank National Association, Seattle, Washington as escrow agent (herein, together with any successor in such capacity, called the "Escrow Agent"). The notice addresses of the City and the Escrow Agent are shown on Exhibit A attached hereto and made a part hereof.

WITNESSETH:

WHEREAS, the City heretofore has issued and there presently remain outstanding the obligations described in Exhibit B attached hereto (the "Refunded Bonds"); and

WHEREAS, pursuant to Ordinance No. _____ passed on _____, 2021 (the "Bond Ordinance"), the City has determined to issue its Limited Tax General Obligation Refunding Bond, 2021 (the "Bond"); and

WHEREAS, the Escrow Agent has reviewed this Agreement and the Bond Ordinance, and is willing to serve as Escrow Agent; and

WHEREAS, the Bond has been duly authorized to be issued, sold, and delivered for the purpose of obtaining the funds required to provide for the payment of the redemption price of the Refunded Bonds as shown on Exhibit C; and

WHEREAS, the proceeds of the Bond are being used for the purpose of providing funds to pay the costs of refunding the Refunded Bonds; and

[**WHEREAS**, _____, has prepared a verification report which is dated _____, 2021 (the "Verification Report") relating to the source and use of funds available to accomplish the refunding of the Refunded Bonds, the investment of such funds and the adequacy of such funds and investments to provide for the payment of the debt service due on the Refunded Bonds; and]

WHEREAS, simultaneously herewith, the City is entering into a Cost of Issuance Agreement with the Escrow Agent to provide for the payment of costs of issuance relating to the Bond; and

WHEREAS, pursuant to the Bond Ordinance, the Refunded Bonds have been designated for redemption prior to their scheduled maturity dates and, after provision is made for such redemption, the Refunded Bonds will come due in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in Exhibit C attached hereto and made a part hereof; and

WHEREAS, the City desires that, concurrently with the delivery of the Bond to the Purchaser, the proceeds of the Bond, [together with certain other available funds of the City,] shall be [applied to purchase certain direct obligations of the United States of America hereinafter defined as (the “Escrowed Securities”) to be] deposited to the credit of the Refunding Account and to establish a beginning cash balance (if needed) in the Refunding Account; and

WHEREAS, when [the Escrowed Securities] [the proceeds of the Bond] have been deposited with the Escrow Agent for the payment of all principal and interest of the Refunded Bonds when due, then the Refunded Bonds shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for such purpose; and

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which hereby are acknowledged, and to secure the full and timely payment of principal of and the interest on the Refunded Bonds, the City and the Escrow Agent mutually undertake, promise and agree for themselves and their respective representatives and successors, as follows:

Article 1. Definitions

Section 1.1. Definitions.

Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

Escrowed Securities mean the [noncallable Government Obligations described in Exhibit D attached to this Agreement, or] cash or other noncallable obligations substituted therefore pursuant to Section 4.2 of this Agreement.

Government Obligations mean direct, noncallable (a) United States Treasury Obligations, (b) United States Treasury Obligations – State and Local Government Series, (c) non-prepayable obligations which are unconditionally guaranteed as to full and timely payment of principal and interest by the United States of America or (d) REFCORP debt obligations unconditionally guaranteed by the United States.

Paying Agent means the fiscal agency of the State of Washington, as the paying agent for the Refunded Bonds.

Refunding Account means the fund created by this Agreement to be established, held and administered by the Escrow Agent pursuant to the provisions of this Agreement.

Section 1.2. Other Definitions.

The terms “Agreement,” “City,” “Escrow Agent,” “Bond Ordinance,” “Verification Report,” “Refunded Bonds,” and “Bond” when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

Section 1.3. Interpretations.

The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Bonds in accordance with applicable law.

Article 2. Deposit of Funds and Escrowed Securities

Section 2.1. Deposits in the Refunding Account.

Concurrently with the sale and delivery of the Bond the City shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Refunding Account, the funds (from the proceeds of the Bond [and a cash contribution by the City]) [sufficient to purchase the Escrowed Securities described in Exhibit D attached hereto,] and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the City in writing.

Article 3. Creation and Operation of Refunding Account

Section 3.1. Refunding Account.

The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the Refunding Account (the "Refunding Account"). The Escrow Agent hereby agrees that upon receipt thereof it will deposit to the credit of the Refunding Account the funds [and the Escrowed Securities described in Exhibit D attached hereto]. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) shall be the property of the Refunding Account, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds, which payment shall be made by timely transfers of such amounts at such times as are provided for in Section 3.2 hereof. When the final transfers have been made for the payment of such principal of and interest on the Refunded Bonds, any balance then remaining in the Refunding Account shall be transferred to the City, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.2. Payment of Principal and Interest.

The Escrow Agent is hereby irrevocably instructed to transfer to the Paying Agent from the cash balances from time to time on deposit in the Refunding Account, the amounts required to pay the principal of the Refunded Bonds at their respective redemption dates and interest thereon to such redemption dates in the amounts and at the times shown in Exhibit C attached hereto.

Section 3.3. Sufficiency of Refunding Account.

The City represents that, based upon the information provided in the Verification Report, the receipt[s] of the [principal of and interest on the Escrowed Securities] [Bond proceeds] will assure that the cash balance on deposit from time to time in the Refunding Account will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Bonds as such interest comes due and the principal of the Refunded Bonds as the Refunded Bonds are paid on an optional redemption date prior to maturity, all as more fully set forth in Exhibit E attached hereto. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Refunding Account shall be insufficient to transfer the amounts required by the Paying Agent to make the payments set forth in Section 3.2, the City shall timely deposit in the Refunding Account, from any funds that are lawfully available herefore, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Refunding Account or the City's failure to make additional deposits thereto.

Section 3.4. Trust Fund.

The Escrow Agent or its affiliate, shall hold at all times the Refunding Account [, the Escrowed Securities] and all other assets of the Refunding Account, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the [Escrowed Securities or any other] assets of the Refunding Account to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Refunding Account only as set forth herein. The [Escrowed Securities and other] assets of the Refunding Account shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Bonds; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Bonds shall be entitled to the same preferred claim and first lien upon the [Escrowed Securities, the proceeds thereof, and] all other assets of the Refunding Account to which they are entitled as owners of the Refunded Bonds. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right to title with respect thereto except as a trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the City or, except to the extent expressly herein provided, by the Paying Agent.

Article 4. Limitation on Investments

Section 4.1. Investments.

Except [for the initial investment in the Escrowed Securities, and except] as provided in Section 4.2 hereof, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder[, or to make substitutions of the Escrowed Securities, or to sell, transfer, or otherwise dispose of the Escrowed Securities].

Section 4.2. Substitution of Securities.

At the written request of the City, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall utilize cash balances in the Refunding Account, [or sell, transfer, otherwise dispose of or request the redemption of the Escrowed Securities] and apply the proceeds therefrom to purchase Refunded Bonds or Government Obligations which do not permit the redemption thereof at the option of the obligor. Any such transaction may be effected by the Escrow Agent only if (a) the Escrow Agent shall have received a written opinion from a firm of certified public accountants that such transaction will not cause the amount of money and securities in the Refunding Account to be reduced below an amount sufficient to provide for the full and timely payment of principal of and interest on all of the remaining Refunded Bonds as they become due, taking into account any optional redemption thereof exercised by the City in connection with such transaction; and (b) the Escrow Agent shall have received the unqualified written legal opinion of its bond counsel or tax counsel to the effect that such transaction will not cause any of the Bond or Refunded Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

Article 5. Application of Cash Balances

Section 5.1. In General.

Except as provided in Section 2.1, 3.2 and 4.2 hereof, no withdrawals, transfers or reinvestment shall be made of cash balances in the Refunding Account. Cash balances shall be held by the Escrow Agent in United States currency as cash balances as shown on the books and records of the Escrow Agent and, except as provided herein, shall not be reinvested by the Escrow Agent; provided, however, a conversion to currency shall not be required (i) for so long as the Escrow Agent's internal rate of return does not exceed 20%, or (ii) if the Escrow Agent's internal rate of return exceeds 20%, the Escrow Agent receives a letter of instructions, accompanied by the opinion of nationally recognized bond counsel, approving the assumed reinvestment of such proceeds at such higher yield.

Article 6. Redemption of Refunded Bonds

Section 6.1. Call for Redemption.

The City hereby irrevocably calls the Refunded Bonds for redemption on their earliest redemption dates, as shown in the Verification Report and on Appendices A-1 and A-2 attached hereto.

Section 6.2. Notice of Redemption/Notice of Defeasance.

The Escrow Agent agrees to give a notice of defeasance and a notice of the redemption of the Refunded Bonds pursuant to the terms of the Refunded Bonds and in substantially the forms attached hereto as Appendices A and B attached hereto and as described on said Appendices A and B to the Paying Agent for distribution as described therein. The notice of defeasance shall be given immediately following the execution of this Agreement, and the notice of redemption shall be given in accordance with the ordinance authorizing the Refunded Bonds. The Escrow

Agent hereby certifies that provision satisfactory and acceptable to the Escrow Agent has been made for the giving of notice of redemption of the Refunded Bonds.

Article 7. Records and Reports

Section 7.1. Records.

The Escrow Agent will keep books of record and account in which complete and accurate entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money [and Escrowed Securities] deposited to the Refunding Account and all proceeds thereof, and such books shall be available for inspection during business hours and after reasonable notice.

Section 7.2. Reports.

While this Agreement remains in effect, the Escrow Agent quarterly shall prepare and send to the City a written report summarizing all transactions relating to the Refunding Account during the preceding financial quarter, including, without limitation, [credits to the Refunding Account as a result of interest payments on or maturities of the Escrowed Securities and] transfers from the Refunding Account for payments on the Refunded Bonds or otherwise, together with a detailed statement of [all Escrowed Securities and] the cash balance on deposit in the Refunding Account as of the end of such period.

Article 8. Concerning the Paying Agent and Escrow Agent

Section 8.1. Representations.

The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

Section 8.2. Limitation on Liability.

The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Bonds shall be limited to the proceeds of [the Escrowed Securities and] the cash balances from time to time on deposit in the Refunding Account. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall have no liability whatsoever for the insufficiency of funds from time to time in the Refunding Account [or any failure of the obligors of the Escrowed Securities to make timely payment thereon], except for the obligation to notify the City promptly of any such occurrence.

The recitals herein and in the proceedings authorizing the Bond shall be taken as the statements of the City and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent.

The Escrow Agent is not a party to the proceedings authorizing the Bond or the Refunded Bonds and is not responsible for nor bound by any of the provisions thereof (except to the extent

that the Escrow Agent may be a place of payment and paying agent and/or a paying agent/registrar herefore). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Refunding Account, or any part thereof, or as to the title of the City thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own neglect or willful misconduct, nor for any loss unless the same shall have been through its negligence or bad faith.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the City with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Refunding Account, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the City or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the City at any time.

Section 8.3. Successor Escrow Agents.

Any corporation, association or other entity into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust assets and business or any corporation, association or other entity resulting from any such conversion, sale, merger, consolidation or other transfer to which it is a party, *ipso facto*, shall be and become successor escrow agent hereunder, vested with all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, notwithstanding anything herein to the contrary.

If at any time the Escrow Agent or its legal successor or successors should become unable, through operation or law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the City, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the City within 60 days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Bonds then outstanding by an instrument or instruments in writing filed with the City, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Bond may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation organized and doing business under the laws of the United States or the State of Washington, authorized under such laws to exercise corporate trust powers, having its principal office and place of business in the State of Washington, having a combined capital and surplus of at least \$100,000,000 and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the City and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The obligations assumed by the Escrow Agent pursuant to this Agreement may be transferred by the Escrow Agent to a successor Escrow Agent if (a) the requirements of this Section 8.4 are satisfied; (b) the successor Escrow Agent has assumed all the obligations of the Escrow Agent under this Agreement; and (c) all of the [Escrowed Securities and] money held by the Escrow Agent pursuant to this Agreement have been duly transferred to such successor Escrow Agent.

Article 9. Miscellaneous

Section 9.1. Notice.

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the City or the Escrow Agent at the address shown on Exhibit A attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten days prior notice thereof.

Section 9.2. Termination of Responsibilities.

Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the City, the owners of the Refunded Bonds or to any other person or persons in connection with this Agreement.

Section 9.3. Binding Agreement.

This Agreement shall be binding upon the City and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Bonds, the City, the Escrow Agent and their respective successors and legal representatives.

Section 9.4. Severability.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 9.5. Washington Law Governs.

This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Washington.

Section 9.6. Time of the Essence.

Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 9.7. Notice to Moody's.

In the event that this Agreement or any provision thereof is severed, amended or revoked, the City shall provide written notice of such severance, amendment or revocation to Moody's Investors Service at 7 World Trade Center, 250 Greenwich Street, New York, New York, 10007, Attention: Public Finance Rating Desk/Refunded Bonds.

Section 9.8. Amendments.

This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunded Bonds. No such amendment shall be made without first receiving written confirmation from the rating agencies (if any) which have rated the Refunded Bonds that such administrative changes will not result in a withdrawal or reduction of its rating then assigned to the Refunded Bonds. If this Agreement is amended, prior written notice and copies of the proposed changes shall be given to the rating agencies which have rated the Refunded Bonds.

EXECUTED as of the date first written above.

**CITY OF GIG HARBOR,
WASHINGTON**

Finance Director

U.S. BANK NATIONAL ASSOCIATION

as Authorized Signer

Exhibit A	—	Addresses of the City and the Escrow Agent
Exhibit B	—	Description of the Refunded Bonds
Exhibit C	—	Schedule of Debt Service on Refunded Bonds
Exhibit D	—	Description of Beginning Cash Deposit and Escrowed Securities
Exhibit E	—	Refunding Account Cash Flow
Appendix A	—	Notice of Redemption
Appendix B	—	Notice of Defeasance

EXHIBIT A
Addresses of the City and Escrow Agent

City: City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335
Attention: Finance Director

Escrow Agent: U.S. Bank National Association
Global Corporate Trust Services PD-WA-T7CT
1420 Fifth Avenue, 7th Floor
Seattle, WA 98101
Attention: Carolyn Morrison, Trust Officer

EXHIBIT B
Description of the Refunded Bonds

City of Gig Harbor, Washington
Limited Tax General Obligation and Refunding Bonds, 2010

Maturity Year (June 1)	Principal Amount	Interest Rate
2022	\$ 485,000	4.50%
2023	505,000	4.50
2024	525,000	4.50
2025	550,000	4.50
2026	580,000	4.50

EXHIBIT C
Schedule of Debt Service on the Refunded Bonds

<u>Date</u>	<u>Interest</u>	<u>Principal/ Redemption Price</u>	<u>Total</u>
	\$	\$	\$
Total	\$	\$	\$

EXHIBIT D
Escrow Deposit

I. Cash \$_____

II. Other Obligations

Description	Maturity Date	Principal Amount	Yield	Total Cost
		\$ _____	%	\$ _____
Total		\$ _____		\$ _____

EXHIBIT E
Refunding Account Cash Flow

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Cash Balance
	--	\$	\$	\$
	\$	\$	\$	
	\$	\$	\$	

APPENDIX A

NOTICE OF REDEMPTION*

City of Gig Harbor, Washington Limited Tax General Obligation and Refunding Bonds, 2010

NOTICE IS HEREBY GIVEN that the City of Gig Harbor, Washington has called for redemption on _____, 2021, its outstanding Limited Tax General Obligation and Refunding Bonds, 2010 (the "Bonds").

The Bond will be redeemed at a price of one hundred percent (100%) of their principal amount, plus interest accrued to _____, 2021. The redemption price of the Bond is payable on presentation and surrender of the Bonds at the office of:

U.S. Bank National Association
Global Corporate Trust Services
111 Fillmore Ave E
St. Paul, MN 55107

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on _____, 2021.

The following Bonds are being redeemed:

Maturity Year (June 1)	Principal Amount	Interest Rate	CUSIP Nos.
2022	\$ 485,000	4.50%	375172DY6
2033	505,000	4.50	375172DZ3
2024	525,000	4.50	375172EA7
2025	550,000	4.50	375172EB5
2026	580,000	4.50	375172EC3

By Order of the City of Gig Harbor, Washington

U.S. Bank National Association, as Paying Agent

Dated: _____.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003

* This notice shall be given not more than 60 nor less than 20 days prior to _____, 2021 by first class mail to each registered owner of the Refunded Bonds. In addition notice shall be mailed to The Depository Trust Company of New York, New York; D.A. Davidson & Co.; U.S. Bank National Association, as Fiscal Agent; Moody's Investors Service; and to the Municipal Securities Rulemaking Board.

(the “Act”) unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your Bonds.

APPENDIX B

NOTICE OF DEFEASANCE*

City of Gig Harbor, Washington Limited Tax General Obligation and Refunding Bonds, 2010

NOTICE IS HEREBY GIVEN to the owners of that portion of the above-captioned bonds with respect to which, pursuant to an Escrow Agreement dated _____, 2021, by and between City of Gig Harbor, Washington (the "City") and U.S. Bank National Association, Seattle, Washington (the "Escrow Agent"), the City has deposited into an escrow account, held by the Escrow Agent, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money sufficient to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Defeased Bonds"). Such Defeased Bonds are therefore deemed to be no longer outstanding pursuant to the provisions of Ordinance No. 1190 of the City, authorizing the issuance of the Defeased Bonds, but will be paid by application of the assets of such escrow account.

The Defeased Bonds are described as follows:

Limited Tax General Obligation and Refunding Bonds, 2010 (Dated June 29, 2010)

Maturity Years (June 1)	Principal Amounts	Interest Rates	CUSIP Nos.	Call Date (at 100%)
2022	\$ 485,000	4.50%	375172DY6	___/___/2020
2023	505,000	4.50	375172DZ3	___/___/2020
2024	525,000	4.50	375172EA7	___/___/2020
2025	550,000	4.50	375172EB5	___/___/2020
2026	580,000	4.50	375172EC3	___/___/2020

*Term Bonds

Information for Individual Registered Owner

The addressee of this notice is the registered owner of Bond Certificate No. _____ of the Defeased Bonds described above, which certificate is in the principal amount of \$ _____. All of which has been defeased as described above.

* This notice shall be given not more than 60 nor less than 20 days prior to _____, 2021 by first class mail to each registered owner of the Refunded Bonds. In addition notice shall be mailed to The Depository Trust Company of New York, New York; D.A. Davidson & Co.; U.S. Bank National Association, as Fiscal Agent; Moody's Investors Service; and to the Municipal Securities Rulemaking Board.

EXHIBIT B

COSTS OF ISSUANCE AGREEMENT

**CITY OF GIG HARBOR, WASHINGTON
LIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 2021**

THIS COSTS OF ISSUANCE AGREEMENT, dated as of _____, 2021 (herein, together with any amendments or supplements hereto, called the "Agreement"), is entered into by and between the City of Gig Harbor, Washington, (herein called the "City") and U.S. Bank National Association, Seattle, Washington, as Escrow Agent (herein, together with any successor in such capacity, called the "Escrow Agent").

WITNESSETH:

WHEREAS, pursuant to Ordinance No. _____ passed on _____, 2021 (the "Bond Ordinance"), the City has determined to issue its Limited Tax General Obligation Refunding Bond, 2021 (the "Bond") and

WHEREAS, simultaneously herewith, the City is entering into an Escrow Deposit Agreement, dated _____, 2021 under which the Escrow Agent will hold invested proceeds of the Bond in order to pay and redeem the refunded bonds under the terms set forth therein; and

WHEREAS, certain proceeds of the Bond will be delivered to the Escrow Agent on the date of issuance of the Bond that are required to be disbursed to pay costs of issuance of the Bond; and

WHEREAS, the Escrow Agent has agreed, without additional compensation to disburse the Bond proceeds received to pay costs of issuance under the terms of this Agreement;

Section 1. Deposit in the Costs of Issuance Fund.

The Escrow Agent has created on its books a special trust fund and Refunding Account to be known as the Costs of Issuance Fund. The Escrow Agent agrees that upon receipt it will deposit to the credit of the Costs of Issuance Fund the sum of \$ _____ to pay those costs of issuance set forth on Exhibit A. Such deposit, all proceeds therefrom, and all cash balances on deposit therein shall be the property of the Costs of Issuance Fund to pay those costs of issuance set forth on Exhibit A upon receipt of invoices. If any of the \$ _____ deposit allocated for costs of issuance for the Bond remains unspent on _____, 2021, the Escrow Agent shall transfer such unspent amount to the City, and this Agreement shall be deemed fully performed and terminated.

Section 2. Investments.

The Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder.

Section 3. Limitation on Liability.

The liability of the Escrow Agent to transfer funds for the payment of the costs of issuance identified herein shall be limited to the proceeds of the Bond delivered to the Escrow Agent.

Section 4. Compensation.

The City shall pay to the Escrow Agent fees for performing the services hereunder and under the Escrow Agreement for the expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement and the Escrow Agreement pursuant to the terms of the Fee Schedule attached as Exhibit B. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against funds held under the Escrow Agreement for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses as Escrow Agent or in any other capacity.

Section 5. Notice.

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the City or the Escrow Agent at the address shown on Exhibit A to the Escrow Agreement.

Section 6. Washington Law Governs.

This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the state of Washington.

EXECUTED as of the date first written above.

CITY OF GIG HARBOR, WASHINGTON

Finance Director

U.S. BANK NATIONAL ASSOCIATION

Authorized Signatory

Exhibit A - Costs of Issuance Schedule
Exhibit B - Fee Schedule

EXHIBIT A

Costs of Issuance

Bond Counsel Fee (K&L Gates LLP).....
Escrow Agent Fee (U.S. Bank).....
Placement Agent Fee (D.A. Davidson).....
[Escrow Verification ()].....
Total: \$

EXHIBIT B
FEE SCHEDULE
See Attached

CERTIFICATE

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

1. That the attached ordinance is a true and correct copy of Ordinance No. _____ of the Council (the "Ordinance"), duly passed at a regular meeting thereof held on the 9th day of August, 2021.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 9th day of August, 2021.

City Clerk



Business of the City Council City of Gig Harbor, WA

Subject: Council Chambers AV Technology Upgrade

Proposed Council Action: Move to authorize the Mayor to enter into an agreement with Diversified for AV technology upgrades in Council Chambers for an amount not to exceed \$96,634.50.

Dept. Origin: Administration

Prepared by: Josh Stecker, Interim City Clerk

For Agenda of: July 26, 2021

Attachments: Diversified Scope of Work

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Department Head:

Initial &
Date

KK 7-19-21

AP 7/20/21

N/A

DR 7/20/21

N/A

Expenditure Required	\$96,634.50	Amount Budgeted	\$0	Appropriation Required	\$0
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INFORMATION/BACKGROUND

The Council Chambers/Courtroom in the Civic Center requires a thorough audio/visual upgrade to bring it up to current technology standards. These upgrades will allow the City and the Municipal Court to relay high-quality interactive broadcasts of its proceedings to the public and increase transparency to the community as we return to in-person meetings.

Staff solicited bids from vendors on the Washington State contractor list and received three proposals. Staff has selected a proposed scope of work from Diversified to procure the needed upgrades.

The scope of work includes:

- 2 new laser lumen projectors – the current projectors in Chambers are nearing the end of their useful life
- 2 Draper projection screens – The current screens do not support modern presentation formats
- 3 Vaddio RoboSHOT cameras to provide high-quality digital video recordings – these cameras will be able to tilt, pan, and zoom in as needed to capture staff and councilmembers when they are speaking. Cameras will be pre-programmed to allow staff to quickly switch between camera shots during a meeting.
- 1 Cestron Digital Media (DM) switcher
- Audio processing components

- Crestron room control system to provide on/off, individual component control, audio volume control, microphone control and projector/screen control.
- Six wireless microphones to assist with Court jury selection
- New wiring and infrastructure, as needed
- Training and support for the new system

The pricing for these upgrades is based on the State of Washington Master Contract. The estimated start date for the project is October 18 and the estimated project completion date is October 29.

All hardware is covered by manufacturer warranty for 3-5 years. All warranty and replacement support is managed by Diversified as long as support contract is maintained.

Staff spoke with Port of Longview from Diversified's reference list. The Port of Longview IT Director spoke only positively of the experience. She informed us that they had their commission room setup with audio and video and the system has worked exactly as expected. She also highly recommended their support department stating most support needs were handled same day, including after-hours requests.

FISCAL CONSIDERATION: This project is not included in the City's 2021 Budget. The project will be fully funded from the City's allocation of American Rescue Plan Act (ARPA) funds.

BOARD OR COMMITTEE RECOMMENDATION: None

RECOMMENDATION/MOTION: Move to authorize the Mayor to enter into an agreement with Diversified for AV technology upgrades in Council Chambers for an amount not to exceed \$96,634.50.



DIVERSIFIED PROPOSAL
July 19th , 2021

City of Gig Harbor

Council Chambers AV Technology Upgrade



July 19th, 2021

Keith Smith
City of Gig Harbor

RE: City of Gig Harbor - Council Chambers AV Technology Upgrade_Rev2

Dear Keith,

Thank you for considering Diversified as the audio-visual implementation partner for your council chambers audio visual upgrade needs.

Diversified believes it is uniquely qualified as a partner for this project based on the following attributes:

- Diversified has been a leading commercial AV integrator for over 25 years with direct experience in consulting, design, installation, integration, programming, commissioning and supporting audio-visual system and solutions. These solutions have been provided to various enterprise and government organizations throughout the country and globally.
- Diversified has been fully vetted and approved as a vendor on the Washington State AV Master contract #03418.
- Our partnerships with major AV industry manufacturers as evidenced by the fact that we hold the highest certifications available per manufacturer.
- Our commitment to maintaining highly trained teams of people has resulted in achieving Avixa's (AV industry's governing trade group) APEX Level certification which is the highest attainable level.
- The commitment we make to each of our clients to provide reliable and easy to use audio visual solutions.

Regards,

A handwritten signature in black ink, appearing to read 'Pete Monuteaux', written over a horizontal line.

Pete Monuteaux
Senior Account Executive
Diversified



Project Name: **City of Gig Harbor
Council Chambers
AV Technology Upgrade**
Project Number: **QUO-29748-R2K1F1_r2**
Account Executive: Pete Monuteaux
Submittal Date: 6-18-21
6-29-21
7-19-21

Scope of Work: City of Gig Harbor Council Chambers AV Technology Upgrade

Diversified is an industry leading technology solutions provider delivering innovative digital media, collaborative, broadcasting, electronic security, and OTT solutions to a global clientele across a wide array of markets. Clients turn to our team of specialized technical experts to design custom solutions that enhance their operations, increase productivity, and help drive ROI. Diversified serves clients globally from 30 offices in the United States and through partnerships around the world.

SCOPE OF WORK

INTENTION

The city council chambers/courtroom located within the Gig Harbor City Hall requires a thorough audio visual upgrade to bring it up to current technology standards. It is the City's request to obtain a proposal for a full system upgrade rather than a proposal with a phased-in approach.

The current state of the systems and technology is described below:

Video

The current video structure does not operate. There are three (3) analog (BNC) cameras that rely on coaxial connections. This type of video cannot be readily encoded for digital streaming. The analog camera system is not compatible with modern technology and is unsupported for most applications. There are two projectors that have limited functionality and the aspect ratio is not compatible with many industry standard video resolutions. The projector screens are configured with a 4:3 aspect ratio which produces a square image. Standard modern resolutions utilize a 16:9 aspect ratio.

Audio

The current Audio consists of 12 gooseneck wired microphones and an additional 6 wireless microphones. The wireless microphones operate from a singular receiver with a single output cable. There will be, at minimum, 13 microphone inputs needed. Each wired microphone has independent cabling. The cabling in-place are XLR compatible and can be reused. There is an intermittent issue regarding feedback, "squealing" and echo at times during microphone usage.

Wiring/Infrastructure

Current wiring infrastructure is largely unknown due to lack of documented schematics and/or "as-builts". The wiring consists of USB, XLR and Ethernet cabling. Each port is designed to operate with many deprecated systems that lack functionality with modern technology, to include streaming. Wiring infrastructure is critical to functionality, maintenance, device management and expansion. ITS staff do not possess the certification or experience for installing the necessary electrical component wiring without detailed schematics.

Following is the Diversified recommended technology upgrade plan:

DIVERSIFIED SCOPE OF WORK

DISPLAY

Diversified shall provide and install (2) Panasonic WUXGA 1920 x 1200, 5000 lumen laser projectors. Projectors shall be located at current locations.

Diversified shall provide and install (2) Draper projection screens, 106" diagonal, 16:9 aspect ratio.

VIDEO

Diversified shall provide and install video processing and scaling to update video signals via Crestron Digital Media (DM) switcher components. (see bill of materials following this document for specific line item descriptions).

AUDIO

Diversified shall provide and install audio processing components to bring audio signals to current standards and to interface with the new microphones, below. (see bill of materials following this document for specific line item descriptions).

Speakers

Diversified recommends retaining the existing ceiling mounted speakers as a cost savings. Diversified shall provide and install a new audio amplifier to drive the existing speakers.

Microphones

The existing gooseneck microphones shall remain and be used within this configuration.

CAMERAS

Diversified shall provide and install (3) Vaddio RoboSHOT cameras to replace the existing cameras. Exact locations may change to improve on camera angles.

CONTROL

Diversified shall provide program and install a Crestron room control system. This control system shall provide on/off, individual component control, audio volume control, microphone control and projector/screen control.



NOTE: The programming intent is to focus on end user ease-of-use providing a minimum number of control screens/pages. There can also be an IT password to allow deeper penetration into the system control parameters if desired.

WIRING/INFRASTRUCTURE

Diversified understands that the chambers space is somewhat of a challenge from a cabling perspective. We will endeavor to run new cabling as discretely as possible, wherever possible. We will work with the city IT team to identify best practices to accomplish a professional result.

SYSTEM COMMISSIONING

Diversified will assign a senior field engineer to fully test and commission the system upon completion of the installation phase.

TRAINING

System training is a major focus of Diversified's. We will engage our field commissioning engineer to provide system overviews and training sessions both for end users and the IT team.

SUPPORT

Diversified sees the ability to provide quality support coverage as a major differentiator with other AV integration vendors. It is also an increasingly critical issue for clients to receive the proper level of support at the proper time.

This proposal includes the basic support requirements as outlined in the Washington State AV Master Contract #03418 (see page six for standard support detail). Below this scope section is a breakout of the Diversified Assurance support SLA which provides a more complete coverage option than the contractual standard. It is an individual client decision whether to retain the standard coverage included in the proposal pricing or opt for Assurance coverage.

TOTAL PRICE – City of Gig Harbor Council Chambers AV Upgrade **\$96,634.50**

NOTE: Pricing based on the Washington State AV Master Contract #03418.

Diversified Assurance technical support coverage SLA is as follows:

Help Desk / User Adoption Support

- | | |
|-------------------------------------|-----------|
| • Global Help Desk Support Tier 1 | Unlimited |
| • Support Escalation Tier 2/3 | Unlimited |
| • Rapid Initial Response | 15 Min. |
| • Priority Queuing - Phone & Email | Yes |
| • Collaboration End-Point Support | Yes |

On-Site

- | | |
|---|--------|
| • Guaranteed Response | 1-Day* |
| • Unlimited Visits with Covered Travel Expenses | |

Project/Room Summary

Item	Manufacturer	Description	Qty	List Price	% Discount Off List	Unit Price	Extended Price
1	COUNCIL CHAMBERS AV UG						
1.10	Crestron	8x8 DigitalMedia Switcher	1.00	\$4,300.00	45.65	\$2,336.96	\$2,336.96
1.20	Crestron	2-Channel DigitalMedia 8G+® 4K60 4:4:4 HDR Output Card for DM® Switchers	2.00	\$1,300.00	45.65	\$706.52	\$1,413.04
1.30	Crestron	2-Channel 4K Scaling HDMI Out	2.00	\$1,800.00	45.65	\$978.26	\$1,956.52
1.40	Crestron	DigitalMedia 8G+® 4K60 4:4:4 HDR Input Card w/Downmixing for DM® Switchers, HDBaseT® Compatible	6.00	\$1,300.00	45.65	\$706.52	\$4,239.12
1.50	Crestron	HDMI® 4K60 4:4:4 HDR Input Card w/Downmixing for DM® Switchers	2.00	\$1,000.00	45.65	\$543.48	\$1,086.96
1.60	Crestron	DigitalMedia 8G+® 4K60 4:4:4 HDR Transmitter	1.00	\$1,500.00	45.65	\$815.22	\$815.22
1.70	Crestron	DigitalMedia 8G+® 4K60 4:4:4 HDR Transmitter	1.00	\$2,000.00	45.65	\$1,086.96	\$1,086.96
1.80	Crestron	DigitalMedia 8G+ 4K60 4:4:4 HDR Receiver and Room Controller with Scaler	2.00	\$1,800.00	45.65	\$978.26	\$1,956.52
1.90	Vaddio	RoboSHOT 20 UHD (Blk/Silver)	3.00	\$5,628.00	23.92	\$4,281.66	\$12,844.98
1.10	VADDIO	AV Bridge 2x1, NA	1.00	\$2,749.00	23.92	\$2,091.55	\$2,091.55
1.11	Vaddio	Drop Down Mount for Small PTZ Cameras - Short	3.00	\$293.00	29.45	\$206.72	\$620.16
1.12	Draper	Silhouette E, 106, HDTV, Matt White XT1000E, 110 V, with Quiet Motor & Low Voltage Controller	2.00	\$2,070.41	38.06	\$1,282.50	\$2,565.00
1.13	Panasonic	WUXGA 1920 X 1200 5000 LMNS LASER PROJECTOR	2.00	\$4,499.00	49.29	\$2,281.52	\$4,563.04

1.14	Biamp	Configurable I/O DSP with up to 48 channels of I/O, 1 DSP-2 card (2 additional DSP-2 cards can be added), no AVB-1 network card	1.00	\$6,720.00	45.65	\$3,652.17	\$3,652.17
1.15	Biamp	Tesira 64x64 Dante™ module for use in SERVER or SERVER-IO chassis	1.00	\$1,478.00	45.65	\$803.26	\$803.26
1.16	Biamp	Tesira 4 channel mic/line input card with acoustic echo cancellation per channel	4.00	\$742.00	45.65	\$403.26	\$1,613.04
1.17	Biamp	Tesira 4 channel mic/line input card	1.00	\$364.00	45.65	\$197.83	\$197.83
1.18	Biamp	Tesira 4 channel mic/line output card	2.00	\$322.00	45.65	\$175.00	\$350.00
1.19	Biamp	Tesira 2 line POTS telephone interface card	1.00	\$638.00	45.65	\$346.74	\$346.74
1.20	Crown International	Four-channel, 300W @ 4Ω Analog Power Amplifier, 70V/100V	1.00	\$2,238.00	51.07	\$1,095.00	\$1,095.00
1.21	ATTERO TECH	2x2 Channel I/O Interface, PoE or 24VDC	1.00	\$650.00	36.74	\$411.20	\$411.20
1.22	Aruba	HPE Aruba 6100 24G Class 4 PoE 4SFP+ Managed Switch - 370W - 28 PORT	1.00	\$0.00	0.00	\$1,956.51	\$1,956.51
1.23	Crestron	infiNET EX® & ER Wireless Gateway	1.00	\$450.00	45.65	\$244.57	\$244.57
1.24	Crestron	8.7 Wireless Touch Screen	1.00	\$3,800.00	45.65	\$2,065.22	\$2,065.22
1.25	CRESTRON	4-Series Control System	1.00	\$2,800.00	45.65	\$1,521.74	\$1,521.74
1.26	CRESTRON	10.1 in. Tabletop Touch Screen, Black Smooth	1.00	\$3,000.00	45.65	\$1,630.43	\$1,630.43
1.27	Crestron	USB over Ethernet Extender with Routing, Host	2.00	\$600.00	45.65	\$326.09	\$652.18
1.28	Crestron	USB over Ethernet Extender with Routing, 4-Port Device Module	1.00	\$600.00	45.65	\$326.09	\$326.09
						Items	\$54,442.01
		Misc					
1.39	Diversified	Tools and cables	1.00	\$0.00	0.00	\$3,339.11	\$3,339.11
						Subtotal	\$3,339.11
		Professional Services					
1.29	Diversified	Design Engineering Services	1.00	\$0.00	0.00	\$0.00	\$2,760.00
1.30	Diversified	Drafting Services	1.00	\$0.00	0.00	\$0.00	\$1,264.00
1.31	Diversified	Project Management Services	1.00	\$0.00	0.00	\$0.00	\$1,962.00
1.32	Diversified	Field Engineering Services	1.00	\$0.00	0.00	\$0.00	\$3,168.00
1.33	Diversified	Programming Services	1.00	\$0.00	0.00	\$0.00	\$5,000.00
1.34	Diversified	Rack Fabrication Services	1.00	\$0.00	0.00	\$0.00	\$456.00
1.35	Diversified	On-site Installation Services	1.00	\$0.00	0.00	\$0.00	\$10,164.00
1.36	Diversified	Project Administration/Coordination	1.00	\$0.00	0.00	\$0.00	\$648.00

Services \$25,422.00

General & Administrative						
1.37	Diversified	Freight	1.00	\$0.00	0.00	\$1,573.40
						\$1,573.40
						Subtotal
						\$1,573.40
Travel & Expense						
1.38	Diversified	On-site support travel expenses from Tukwila	1.00	\$0.00	0.00	\$2,037.96
						\$2,037.96
						Subtotal
						\$2,037.96
Service Contracts						
1.41	Diversified	Support Assurance Plan	1.00	\$0.00	0.00	\$2,004.00
						\$2,004.00
						Contract(s)
						Subtotal
						\$2,004.00
Room/Task Total						\$88,818.48

SUMMARY						
Item	Room/Task	Room/Task Description	Qty			Extended Price
1	\$88,818.	COUNCIL CHAMBERS AV UG	1.00			\$88,818.48
		Estimated Tax - 8.8%				\$7,816.02
		Grand Total				\$96,634.50



Client References

Client Name	Port of Longview
Contact Name	Casey Paradis
Title	Information Technology Manager
Phone Number	360-425-3305
Email Address	cparadis@portoflongview.com
Type of Services Provided	Complete AV upgrade of existing commissioners' chambers and adjacent conference room.

Client Name	Sound Transit
Contact Name	Art Karnig
Title	IT Manager
Phone Number	Prefers email please
Email Address	Art.karnig@soundtransit.org
Type of Services Provided	Complete commissioner's chambers upgrade of AV, broadcast technology and UC platform integration.

Client Name	Tacoma Schools
Contact Name	Kevin Medford
Title	IT Manager
Phone Number	Prefers email please
Email Address	kmedford@tacoma.k12.wa.us
Type of Services Provided	Full design and integration upgrade of boardroom & broadcast technology including UC integration.

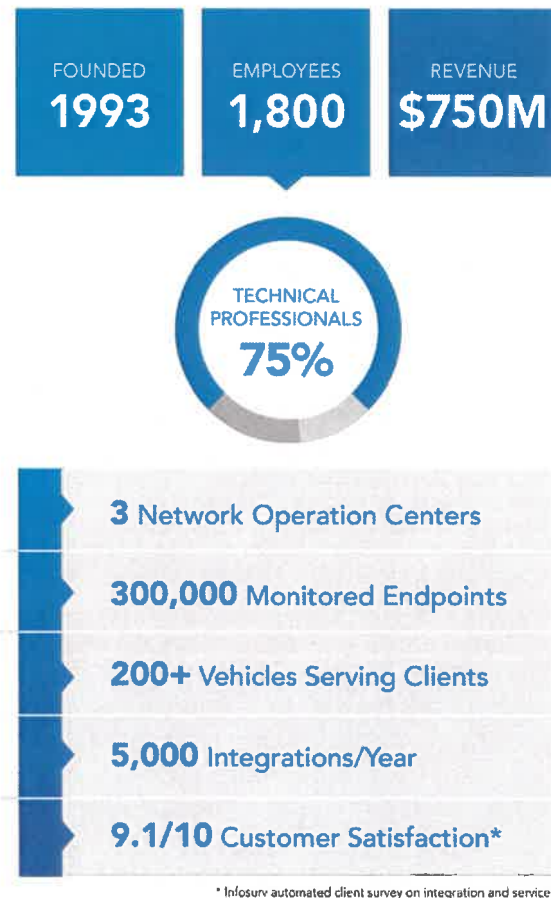
COMPANY PROFILE

CORPORATE HISTORY

Diversified was formed in 1993 as a full-service systems and media technology integration company, originally addressing the technical needs of the broadcast, audio-visual, IT and RF market segments. However, as the market needs continued to grow and evolve, so did Diversified's service offerings. Over the years, the company made a series of strategic investments and acquisitions that not only expanded their portfolio of expertise but also extended their geographic footprint to better serve a growing client base.

With the enhanced capabilities, Diversified emerged as an industry leading technology solutions provider delivering innovative digital media, collaborative, broadcasting, electronic security, and OTT solutions to a global clientele across a wide array of markets including financial, media & entertainment, enterprise, energy, higher education, technology, healthcare, hospitality, government, and more. As an engineering-centric organization, specialized teams of technical experts partner with clients to design custom solutions that enhance their operations, increase productivity, and help drive ROI.

Today Diversified has more than 30 offices serving Fortune 500 clients around the world and is widely recognized for thought leadership and strategic enterprise implementation. From initial design consultation to deployment to managed services, Diversified is a trusted technology partner.





Repair & Maintenance

- Annual Preventative Maintenance Visits 1
- RMA Process Management for Manufacturer Equipment Yes
- Replacement Part Coverage Yes
- Lamp Coverage Optional

Reporting

- Quarterly Reporting Yes

One-Year Assurance Coverage

\$4,250

COMPLETION & EXECUTION OF ORDER

- Quote valid for 30 days from above date
- Sales tax not included in pricing
- Both this scope of work, signed, and client purchase order & deposit are required prior to executing work order

NOTE: Estimated Project start date is October 18th, estimated completion is October 29th. Based on timely engagement with client (signed proposal, purchase order and deposit for equipment purchase). Assuming no manufacturer/distribution delays and the facility is available for the two week duration. To engage with Diversified on this project payment terms & scope acceptance signature is required.

PROFESSIONAL SERVICES

PAYMENT TERMS

Payment Schedule	Bill Amount	Approximate Due Date
Equipment-only Sales		
Deposit	100% of total fee	Due upon delivery of Equipment to Client or Diversified staging facility.
Project-related Services		
Deposit	50% of total fee	Due upon Client placement of order.
Progress Payment	20% of total fee	Due net 30 days of invoice date.
Progress Payment 2	20% of total fee	Due net 30 days of invoice date.
Final Payment	Balance/10% of total fee	Due net 30 days of invoice date.

PROJECT ASSUMPTIONS, LIMITATIONS & EXCLUSIONS

- Project schedule as agreed upon by Diversified and the client will establish the milestones, dates, and period of performance.
- All work will be performed during regular business hours (Monday-Friday, 8AM – 5PM).
- All workspaces will be continuously available as scheduled.
- All workspaces will be unobstructed, clean, and dust free by the dates shown on the official project schedule.
- All wall areas specifically designated for video wall installation shall be prepared, supported and made ready for video wall mounting infrastructure prior to Diversified beginning installation.
- All wall areas found uneven or with irregular surfaces for mounting shall be properly remedied by others prior to Diversified beginning installation.
- All client-provided CAD drawings or building plans provided to Diversified are accurate. (This includes but is not limited to plan views, reflected ceiling plans, elevations, conduit risers, electrical, millwork details, specific mounting details, etc.)
- All necessary technical infrastructure will be available, in place, and functional as defined in the project schedule. (This includes WAN, LAN, cable or satellite, ISDN, POTS lines/digital phones lines, etc.)
- All necessary client provided infrastructure will be provisioned, available, and functional as defined in the project schedule. (This includes the appropriate IP, server, DNS, gateway, and SPID information for any WAN, LAN, or ISDN connection that is part of the system as well as conduit, cable tray, power, grounding, and HVAC)
- All owner furnished equipment and cabling will be available, in place, and functional as defined in the project schedule.
- All electrical services will be available, in place, and functional as defined in the project schedule. (This includes, but is not limited to, AC power, J boxes, conduit/cable pathways, cable trays, grounding wires or rods, floor boxes or pockets, etc.)
- All necessary ceiling trim work, drywall, woodwork, millwork painting, etc., will be in place as defined in the project schedule.
- All user furnished sources will be available during system commissioning and training. (This includes laptops, computers, satellite/cable feeds, etc.)
- Building access through front doors, loading docks, elevators, etc. as required for large equipment and installation load in will be provided.
- Any necessary keys, security badges, clearance, etc. will be provided as needed for the course and duration of the project.
- Parking will be provided within a reasonable distance of the job site.
- All necessary test equipment will be allowed on site with no restrictions.
- Appropriate client representatives will be available during the course of the project and any scheduled training sessions.
- Any changes in the above assumptions must be approved by Diversified and the client following the prescribed change management process and the ramifications communicated.

Diversified Responsibilities

- Inspection and site survey (on premise).
- Weekly project status reports.
- Communicate proposed changes in writing as soon as they arise and follow prescribed change management process expeditiously.
- System delivery, installation, and testing as defined by functional scope.
- Training provided after completion of system installation.

Client Responsibilities

- Communicate proposed changes to any scope, assumptions, or schedule as soon as they arise and follow prescribed change management process expeditiously
- Equipment damage from dust or other contaminants during the course of the project.
- Provide relevant architectural changes to the facility in order to accommodate the integration of equipment supplied by Diversified. (This includes, but is not limited to, rough openings for projection screens, ceiling finish work for projection screens, painting requirements for rear projection rooms (flat back), window treatments, lighting control systems, and lighting changes.)
- Identify third-party contractors (i.e., electricians, construction personnel, architects, and designers) and determine the client coordinator.
- Provide clean and secure installation area during project period. If the space is not clean or secure during installation, Diversified will only deliver equipment that is signed for. Client assumes risk for loss or damage to equipment under these conditions.

Schedule

- Project schedule will be provided within five (5) days of receipt of purchase order or signed contract. This schedule includes client milestones, design, equipment procurement, programming, on-site work, and customer training and is based on the assumptions listed above.

*Variations to the above conditions will not necessarily prohibit installation of this system but would affect the price of installation. These variations in price would need to be considered on an individual basis and would be determined prior to quotation. The aforementioned scope of work includes the project features and design requirements as stipulated in this attachment, the site assessments, and the final proposal. It is the client's responsibility, or their authorized representative, to review the following information for accuracy and make any necessary changes prior to signing this document.

***DIVERSIFIED GLOBAL SERVICES LIMITED WORKMANSHIP WARRANTY**

In addition to any other rights you may have, Diversified shall extend a one-year (365 calendar days) limited workmanship warranty from the date of substantial or practical completion of the system installation or beneficial use of the system by the client whichever is first occurring, unless such period has been superseded by the purchase of a Diversified Service Agreement Package. Details describing our Service Agreement options are outlined in a separate document. Diversified's limited warranty shall cover defects in workmanship for installation work relating to but not limited to cabling,

connectors, structural elements, mountings, equipment rack wiring and internal adjustments. Under the limited warranty, labor services will be provided at no charge. Defects in third party manufacturer equipment and/or installation or other services provided by the manufacturer are covered under the manufacturer's warranty and will be managed by the client after Diversified has demobilized from the project site. Product serial numbers must not be removed.

- a) Diversified's limited warranty excludes coverage due to equipment or system abuse, neglect, alteration, lamps and bulbs, misuse including but not limited to: operating outside of environmental, user error, electrical, temperature or humidity specifications, system alterations neither approved nor performed by Diversified or repair by a service facility other than those authorized by the manufacturer. If within the limited warranty period, we are contacted with a support request that falls under this limited warranty exclusion, time, travel and equipment for this and any subsequent visit required will be billed at our current labor Time & Material rates.
- b) If a warranty in excess of 365 days is required by law in the country, state or local jurisdiction of system installation, Diversified shall extend the minimum warranty term required by applicable law. To the extent permitted by applicable law, any implied warranties, guarantees, terms or conditions, replacement components last only during the term of the limited warranty. Some local jurisdictions, states or countries may not allow limitations on how long an implied warranty, guarantee, term or condition lasts, so this limitation may not apply.
- c) If any provision of Diversified's limited warranty is legally invalid, the limited warranty shall endure except for the invalid provision. However, if a court determines that any provision is invalid, the court may limit the provision, delete specific words or phrases, or replace the invalid provision with one that is valid and that comes closest to expressing the intent of the invalid provision.
- d) TO THE EXTENT PERMITTED BY APPLICABLE LAW, DIVERSIFIED SHALL NOT BE HELD LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ARISING FROM A BREACH OF WARRANTY, SPECIFICALLY, DIVERSIFIED IS NOT RESPONSIBLE FOR ANY COSTS SUCH AS LOSS OF PROFITS OR REVENUE, LOSS OF DATA, BUSINESS DAMAGE OR OTHERWISE. SOME LOCAL JURISDICTIONS, STATES OR COUNTRIES MAY NOT ALLOW A LIMITATION ON SUCH DAMAGES, SO THIS LIMITATION MAY NOT APPLY.

SERVICE PROCESS

- a) Diversified shall respond to warranty support requests (via phone, email or on-site) during the normal working hours of 8AM - 5PM local (client site) time Monday - Friday, except recognized holidays. Service required outside of normal working hours shall be billed at current labor Time & Material rates for overtime work. Diversified will make every effort to address such issues within 72 hours after notification.



- b) Upon arrival for warranty support, Diversified will expect access to the system and equipment. To avoid additional charges, please contact us 24 hours in advance if delays in access are to be expected. If our Technician arrives to a scheduled appointment and cannot gain access to the system or equipment to affect a proper diagnosis or repair, we will bill the service call for time, travel and equipment for this and any subsequent visit required at our current Time & Material rates.

SERVICE AGREEMENTS

As an alternative to our limited warranty and Time & Material Service, Diversified offers several types of Service Agreement Packages. Service Agreement options are outlined in a separate document and provided for your review.

Client Authorization

I, _____, acting as a representative of _____, agree that the information contained in this scope of work is accurate and represents intent and detail for goods and/or services provided as referenced to this document.

Client (print name)

Pete Monuteaux

Diversified (print name)

Client (signature)

Pete Monuteaux

Diversified (Signature)

Date

Date

Business of the City Council
City of Gig Harbor, WA

Subject:

2021 Budget Amendment – Adding
Positions and Position Reclassifications

Dept. Origin: Human Resources

Prepared by: Kameil Borders, HR Director

For Agenda of: July 26, 2021

Exhibits: Attachment A
Attachment B
Operator In Training Job Description

Proposed Council Action:

Move to approve Ordinance 1463
amending the 2021 City of Gig Harbor
Budget at first reading.

Initial & Date

Concurred by Mayor:

email 7/21/21

Approved by City Administrator:

AP 7/21/21

Approved as to for by City Atty:

07/20/21 Email

Approved by Finance Director:

AP for DR 7/21/21

Approved by Department Head:

Expenditure Required	\$178,000	Amount Budgeted	\$82,000	Appropriation Required	\$96,000
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INFORMATION / BACKGROUND

Reclassification of Associate Planner to Senior Planner – The City's Associate Planner has been working out-of-class as a Senior Planner since August 2020 to assist with the emergent needs of the Planning Division of Community Development. It is the intent of the City to reclassify the existing Associate Planner to a Senior Planner, eliminating one Associate Planner within the Planning Division. See fiscal considerations below.

Adding an Additional Building Inspector 1.0 FTE – The Building Division of Community Development is consistently experiencing an extremely high volume of inspections. An additional Building Inspector is needed to provide relief to current employees and bring the inspections to a manageable workload. This classification exists within the department. See fiscal considerations below.

Salary Adoption for Assistant Building Official / Fire Marshal – This job classification is currently within the 2021 Budget and organizational chart. The salary for this position was recently negotiated with Teamsters 117 General Unit and salary will be added to the corresponding salary schedule. Budget neutral.

Adding Classification of Wastewater Treatment Plant Operator In Training (OIT) – The Wastewater Treatment Plan Operator position is currently within the 2021 Budget. The OIT position will provide the Wastewater Supervisor flexibility when recruiting and hiring this position. This job classification is intended to progress into a Wastewater Treatment Plant Operator in accordance with the job description requirements. Budget neutral.

Reclassifying Information Technology Specialist to Infrastructure Systems Engineer – The Information Systems Assistant position is currently vacant due to a recent retirement. The Information Technology Services Program is requesting the vacant position be reclassified to a

Business of the City Council City of Gig Harbor, WA

higher-level technical position to assist with the ongoing needs of the department. This position would primarily focus on the phone systems, internal and cloud-based operations, which were previously outsourced. See fiscal considerations below.

Adding 0.4 FTE to the 2021 Budgeted Information Technology Systems Assistant – In 2021 the City added a 0.6 FTE Information Systems Assistant position bringing Information Systems Assistant positions to 1.6 FTE. This request is to add an additional 0.4 FTE to the Information Systems Assistant position bringing the positions to 1.0 FTE. Recruiting for a full-time position will attract a larger more qualified candidate pool and will eliminate one of the two unbudgeted temporary IT Assistant positions. The remaining unbudgeted temporary position will remain in place until the end of 2021 and is currently being evaluated to determine if the position will be added to the 2022 Budget proposal.

ITS is consistently experiencing a high volume of work from primarily from Public Works and Police. To ensure adequate support and continuity of services to all departments, the additional positions are necessary. With the 0.4 FTE increase in the Information Systems Assistant position and the reclassification of the vacant position to Infrastructure Systems Engineer, the Information Technology Services Program will be staffed at 3.0 FTE (ITS Manager, Infrastructure Systems Engineer, Information Systems Assistant). These positions will be utilized to conduct troubleshooting day-to-day requests for 128 users and over 300 user devices on various platforms, as well as complete ongoing maintenance. See fiscal considerations below.

Adding Position of Human Resources Analyst 1.0 FTE – The City currently has one temporary unbudgeted HR Analyst position assisting the City in ongoing HR needs and support for the departments. This position will focus on full-cycle recruiting, succession planning activities, job classifications, job descriptions updates, onboarding, and other ongoing high volume professional level HR needs. Adding this position will assist HR in providing the much-needed internal services for the departments and employees and aid in the continuity of service. See fiscal considerations below.

Adding an Additional Human Resources Assistant 1.0 FTE – The City currently has one temporary unbudgeted HR Assistant position to assist the City in ongoing HR needs and support for the departments. This position will continue to assist the City with ongoing COVID-19 mandated requirements, records maintenance, and focusing on providing direct support to all HR staff for high volume day-to-day operations, requests, and aiding in compliance tracking. Adding this position will assist HR in providing the much-needed internal services for the departments and employees. The currently budgeted HR Assistant position will continue to primarily focus and assisting the Payroll and Benefits needs for the City. See fiscal considerations below.

FISCAL CONSIDERATION

A direct result from the city having carried in excess of 20 open and vacant positions through July 31, 2021 is a direct budgetary savings in excess of \$700,000; therefore, we expect that the current 2021 budget has adequate funds to accommodate these budget additions.

For the remainder of 2021 the impact is as follows:

Business of the City Council City of Gig Harbor, WA

2021 Budget Impacts

Position	Annual Costs by Fund					TOTAL
	General 1	Street 101	Water 401	WW 402	StormWtr 411	
Reclassifications:						
Associate Planner to Senior Planner	3,183	---	---	---	---	3,183
Information Systems Assistant to Infrastructure Systems Engineer	No Budgetary Impact					
Additions:						
Building Inspector	52,083	---	---	---	---	52,083
IT Systems Assistant (adding 0.4 FTE)	15,619	2,403	2,403	2,403	1,201	24,030
Human Resources Assistant	11,229	2,246	13,475	13,475	4,492	44,916
Human Resources Analyst	13,254	2,651	15,905	15,905	5,302	53,016
	95,368	7,300	31,783	31,783	10,995	177,228

The impact for 2022 is shown in the table below:

2022 Budget Impacts

Position	Annual Costs by Fund					TOTAL
	General Fund 1	Street 101	Water 401	WW 402	StormWtr 411	
Reclassifications:						
Associate Planner to Senior Planner	4,064	---	---	---	---	4,064
Information Systems Assistant to Infrastructure Systems Engineer	No Budgetary Impact					
Additions:						
Building Inspector	111,227	---	---	---	---	111,227
IT Systems Assistant (adding 0.4 FTE)	27,174	4,181	4,181	4,181	2,090	41,807
IT Systems Assistant (*Temp position; proposed for 2022 Budget)	67,935	10,452	10,452	10,452	5,226	104,517
Human Resources Assistant	23,546	4,709	28,255	28,255	9,418	94,183
Human Resources Analyst	32,837	6,567	39,404	39,404	13,135	131,347
	266,783	25,909	82,292	82,292	29,869	487,145

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDED / MOTION

Move to: Move to approve Ordinance 1463 amending the 2021 City of Gig Harbor Budget at first reading.

ORDINANCE NO. 1463

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO THE CITY'S 2021 BUDGET, RECLASSIFICATIONS AND ADDING POSITIONS.

WHEREAS, the City Council adopted the 2021 Budget and Salary Schedule through Ordinance 1449 on December 14, 2020 and amended the Budget and Salary Schedule through Ordinance 1458 on April 12, 2021; and

WHEREAS, the Planning Division of Community Development currently has vacant positions and employees are working out of class to complete the work required; and

WHEREAS, the City intends to reclassify an existing and budgeted Associate Planner position to a Senior Planner; and

WHEREAS, the Building Division of Community Development is consistently experiencing an extremely high volume of inspections; and

WHEREAS, the City intends to add one full-time Building Inspector / Plans Examiner position to the Building Division of Community Development; and

WHEREAS, the City has negotiated with the Teamsters Local Union No. 117 General Unit the salary of the Assistant Building Official / Fire Marshal position; and

WHEREAS, the City has been recruiting for a Wastewater Treatment Plant Operator position since October 2019; and

WHEREAS, the City intends to add an Operator In Training (OIT) job classification that will progress into a Wastewater Treatment Plant Operator in accordance with the job description requirements; and

WHEREAS, the Information Technology Services Program has a vacant position due to a retirement; and

WHEREAS, the City intends to reclassify an existing and budgeted 1.0 full-time equivalent Information Systems Assistant to a 1.0 full-time equivalent Infrastructure Systems Engineer to continue to support the City's technology infrastructure that was previously outsourced; and

WHEREAS, the City currently has two unbudgeted temporary Information Technology Assistant positions and one 0.6 full-time equivalent budgeted Information Systems Assistant position; and

WHEREAS, the City intends to increase the 0.6 full-time equivalent budgeted Information Systems Assistant position to a 1.0 full-time equivalent position to support the ongoing high volume user demands; and

WHEREAS, the City currently has one unbudgeted temporary HR Analyst position and one unbudgeted HR Assistant position to assist in the City's ongoing HR needs and support for departments; and

WHEREAS, the City intends to add one 1.0 full-time equivalent HR Analyst position and one 1.0 full-time equivalent HR Assistant position to the Human Resources Department; and

WHEREAS, the City desires to amend Ordinance No. 1458 to reflect the 2021 salary ranges in Attachment A; and

WHEREAS, the City desires to amend the organizational chart provided in the 2021 Budget;

NOW THEREFORE, The City Council of the City of Gig Harbor, Washington, do ordain as follows:

Section 1. Attachment "A" of Ordinance 1449, which adopted the 2021 Budget, shall be replaced with the schedule attached to this ordinance as Attachment A.

Section 2. The City's amended organizational chart is attached to this ordinance as Attachment B.

Section 3. 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 4. Effective Date. This Ordinance shall take effect and be in full force five (5) days after passage and publication of an approved summary consisting of the title.

ADOPTED by the Council of the City of Gig Harbor at a regular meeting thereof, held this 26th day of July, 2021.

Kit Kuhn
Mayor

Approved as to form:

Attest:

Daniel Kenny
City Attorney

Joshua Stecker
Interim City Clerk

PUBLICATION DATE: 7/28/21
EFFECTIVE DATE: 8/2/21

Attachment A

2021 Salary Schedule Executive Positions

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5
City Administrator	\$154,137	\$161,844	\$169,937	\$178,433	\$187,355
City Attorney	\$141,258	\$148,321	\$155,737	\$163,524	\$171,700
Chief of Police	\$132,949	\$139,596	\$146,576	\$153,905	\$161,600
Finance Director	\$124,639	\$130,871	\$137,415	\$144,286	\$151,500
Public Works Director	\$124,639	\$130,871	\$137,415	\$144,286	\$151,500
Community Development Director	\$124,639	\$130,871	\$137,415	\$144,286	\$151,500
Human Resources Director	\$118,657	\$124,590	\$130,819	\$137,360	\$144,228
Police Lieutenant	\$118,657	\$124,590	\$130,819	\$137,360	\$144,228
Assistant City Attorney	\$97,219	\$102,080	\$107,184	\$112,543	\$118,170
City Clerk	\$89,325	\$93,791	\$98,481	\$103,405	\$108,575
Human Resources Analyst	\$74,929	\$78,676	\$82,610	\$86,740	\$91,077

2021 Salary Range Non-Represented Non-Supervisory Personnel

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Assistant City Clerk	\$73,945	\$76,349	\$78,830	\$81,392	\$84,037	\$86,768	\$89,588	\$92,500
Human Resources Assistant	\$50,566	\$52,210	\$53,906	\$55,658	\$57,467	\$59,335	\$61,263	\$63,254

2021 Salary Range Police Personnel

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5
Police Sergeant	\$8,349	\$8,766	\$9,205	\$9,665	
Police Officer	\$6,322	\$6,638	\$6,970	\$7,318	\$7,684

2021 Salary Range
General Non-Supervisory Personnel

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Senior Engineer	\$92,327	\$95,328	\$98,426	\$101,625	\$104,928	\$108,338	\$111,859	\$115,495
Associate Engineer	\$84,810	\$87,566	\$90,412	\$93,350	\$96,384	\$99,517	\$102,751	\$106,090
Project Engineer	\$84,810	\$87,566	\$90,412	\$93,350	\$96,384	\$99,517	\$102,751	\$106,090
Senior Accountant	\$84,593	\$87,342	\$90,180	\$93,111	\$96,137	\$99,262	\$102,488	\$105,819
Senior Planner	\$84,543	\$87,291	\$90,128	\$93,057	\$96,081	\$99,204	\$102,428	\$105,757
Infrastructure Systems Engineer	\$76,296	\$78,775	\$81,335	\$83,979	\$86,708	\$89,526	\$92,436	\$95,440
Assistant Building Official / FM	\$74,759	\$77,189	\$79,697	\$82,288	\$84,962	\$87,723	\$90,574	\$93,518
Construction Supervisor	\$74,759	\$77,189	\$79,697	\$82,288	\$84,962	\$87,723	\$90,574	\$93,518
Field Supervisor	\$74,759	\$77,189	\$79,697	\$82,288	\$84,962	\$87,723	\$90,574	\$93,518
Senior WWTP Operator	\$70,384	\$72,671	\$75,033	\$77,472	\$79,990	\$82,589	\$85,273	\$88,045
Payroll / Benefits Administrator	\$67,531	\$69,726	\$71,992	\$74,332	\$76,748	\$79,242	\$81,817	\$84,476
Associate Planner	\$67,644	\$69,843	\$72,113	\$74,456	\$76,876	\$79,375	\$81,954	\$84,618
Construction Inspector	\$65,999	\$68,144	\$70,358	\$72,645	\$75,006	\$77,444	\$79,961	\$82,559
Building Inspector/Plans Reviewer	\$65,999	\$68,144	\$70,358	\$72,645	\$75,006	\$77,444	\$79,961	\$82,559
Executive Assistant	\$65,014	\$67,127	\$69,308	\$71,561	\$73,887	\$76,288	\$78,767	\$81,327
Mechanic	\$63,821	\$65,895	\$68,037	\$70,248	\$72,531	\$74,889	\$77,322	\$79,835
WWTP Operator	\$62,965	\$65,011	\$67,124	\$69,305	\$71,558	\$73,883	\$76,285	\$78,764
Engineering Technician	\$62,452	\$64,482	\$66,577	\$68,741	\$70,975	\$73,282	\$75,663	\$78,122
Building Maintenance Technician	\$61,950	\$63,963	\$66,042	\$68,188	\$70,404	\$72,692	\$75,055	\$77,494
Information Systems Assistant	\$61,092	\$63,078	\$65,128	\$67,244	\$69,430	\$71,686	\$74,016	\$76,422
WWTP Collection Systems Tech II	\$58,894	\$60,809	\$62,785	\$64,825	\$66,932	\$69,107	\$71,353	\$73,672
Assistant Planner	\$58,707	\$60,615	\$62,585	\$64,619	\$66,719	\$68,888	\$71,126	\$73,438
Permit Coordinator	\$58,707	\$60,615	\$62,585	\$64,619	\$66,719	\$68,888	\$71,126	\$73,438
Community Services Officer	\$58,186	\$60,077	\$62,029	\$64,045	\$66,127	\$68,276	\$70,495	\$72,786
Finance Technician	\$57,239	\$59,100	\$61,020	\$63,003	\$65,051	\$67,165	\$69,348	\$71,602
Planning Technician	\$56,944	\$58,794	\$60,705	\$62,678	\$64,715	\$66,818	\$68,990	\$71,232
Utility Billing Technician	\$55,662	\$57,471	\$59,339	\$61,268	\$63,259	\$65,315	\$67,438	\$69,629
Administrative Assistant	\$55,662	\$57,471	\$59,339	\$61,268	\$63,259	\$65,315	\$67,438	\$69,629
Community Development Assistant	\$55,662	\$57,471	\$59,339	\$61,268	\$63,259	\$65,315	\$67,438	\$69,629
Public Works Assistant	\$55,662	\$57,471	\$59,339	\$61,268	\$63,259	\$65,315	\$67,438	\$69,629
Police Services Specialist	\$48,135	\$49,699	\$51,315	\$52,982	\$54,704	\$56,482	\$58,318	\$60,213
Court Clerk	\$47,484	\$49,027	\$50,621	\$52,266	\$53,965	\$55,719	\$57,529	\$59,399
Custodian	\$47,317	\$48,855	\$50,443	\$52,082	\$53,775	\$55,522	\$57,327	\$59,190
Public Works Clerk	\$47,287	\$48,824	\$50,411	\$52,049	\$53,741	\$55,487	\$57,291	\$59,153
Community Development Clerk	\$47,287	\$48,824	\$50,411	\$52,049	\$53,741	\$55,487	\$57,291	\$59,153
Laborer	\$44,932	\$46,392	\$47,900	\$49,457	\$51,064	\$52,724	\$54,437	\$56,207

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Maintenance Technician	\$55,245	\$57,041	\$58,894	\$60,809	\$62,785	\$64,825	\$66,932	\$69,107	\$71,353	\$73,672

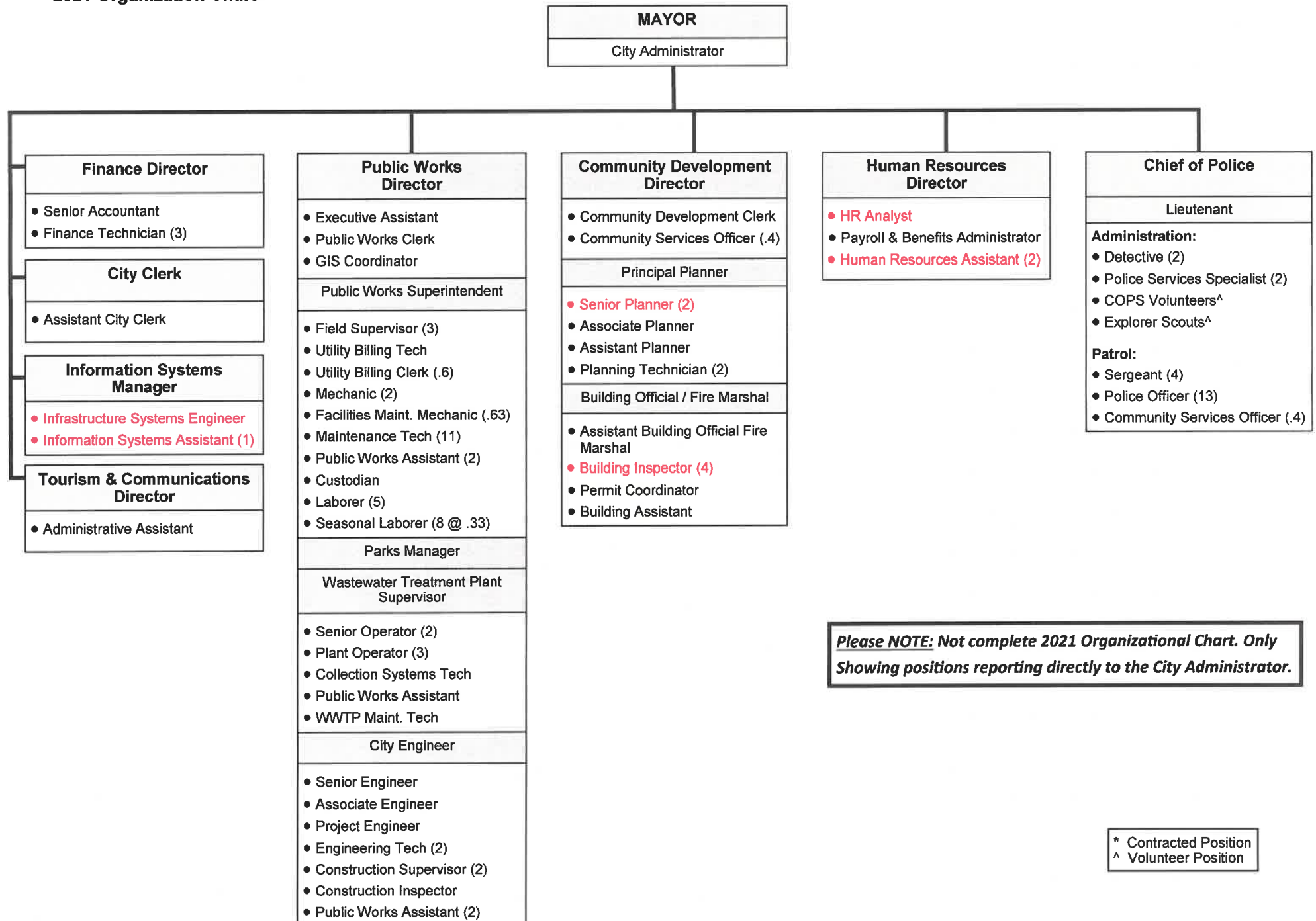
The parties agree to continue the combination of Maintenance Technician I and II ranges. Employees will not be able to exceed the mid-range of this classification until they have been with the City for at least 5 years and have achieved goals, licenses and/or certifications. This classification requires a CDL Class B license with a Tanker Endorsement. Employees who do not have this required license must obtain it within 18 months.

WWTP - Operator In Training (OIT)	\$60,983
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OIT is an automatic progression into WWTP Operator once employee receives Group 1 Certification.

**City of Gig Harbor
2021 Organization Chart**

Attachment B





JOB DESCRIPTION

WASTEWATER TREATMENT PLANT OPERATOR IN TRAINING (OIT)

Department: Public Works
FLSA: Non-Exempt
Salary: \$60,983
Created: 04/14/2021

SUMMARY

This is an entry-level position and the incumbent will train to become skilled in the operation and maintenance of the Wastewater Treatment Plant and Collection system to become certified as a Wastewater Treatment Plant Operator. An employee occupying this position is on an accelerated program to acquire knowledge and certification for the operation and general maintenance of a wastewater treatment and collection system utilizing wastewater lift stations, pressure mains and biological treatment in a single plant. Work involves operating, inspecting, and maintaining plant and collection systems equipment; making required chemical tests and analysis; and monitoring control and alarm equipment. Employees may work overtime, are subject to 24-hour emergency call-out and may be required to work a flexible schedule which can include evenings and weekends.

Under general supervisory control of Wastewater Treatment Plant Senior Operator, and direct supervision of the Wastewater Treatment Plant Supervisor. Technical guidance in the form of operating procedures and processes has been established by equipment manufacturers, design engineers, and the Department of Ecology. As the City's technical authority in wastewater treatment and disposal, incumbents will be required to study and retain knowledge learned from afore mentioned documents to become successful during the duration of this training. The incumbents may consult with the manufacturer's local representatives as well as the City Engineer, WWTP Supervisor and Senior Operators. Work is reviewed mainly for effectiveness in meeting the established City deadlines, processes and procedures, conformance with federal and state laws, department rules, regulations and policies, and resolution of problems as they occur.

ESSENTIAL FUNCTIONS

Duties:

- Acquire knowledge and experience to become certified as a Wastewater Treatment Plant Operator Group I certification to operate a wastewater treatment plant which provides treatment of wastewater through stages to produce secondary effluent. Including but not limited to screening, degritting, anoxic and aerobic processes, clarification, disinfection, solids thickening, solids digestion, centrifuge operation testing and transportation of bio-solids.
- Acquire knowledge and experience to maintain collection system which consists of approximately 60 miles of sewer main and 17 lift stations of various sizes. Must be able to operate small crane truck, eductor truck for line jetting and cleaning; hand and power tools to fully maintain entire system.
- Periodically collects samples from the incoming wastewater, recirculated sludge, effluent, aeration basins, anoxic basins and digester to determine such things as biochemical oxygen demand; temperatures, pH, suspended and dissolved solids; food to micro-organism rates; recirculation rates, chlorine residual; etc.
- Assists in performing laboratory analysis for pH, CBOD, TSS, fecal coliform, DO, etc.

- Assists in troubleshooting and repair of electrical motors, hydraulic equipment, and mechanical equipment.
- Maintains operator logs to record daily flow of wastewater, reads flow meters, records readings and replaces meter charts, records daily maintenance performed on equipment; records amount of chemicals used.
- Maintains chemical feed systems and ultraviolet disinfection system.
- Properly handles, stores, and accounts for chemicals and other materials coming into the treatment plant to maintain quality control.
- Inspects and maintains plant and system equipment which includes assuring proper operation of wastewater lift stations by checking operation of pumps, valves and ventilators; cleaning and servicing equipment; and checking telemetry alarm system which detects malfunctioning equipment.
- Operates auxiliary diesel power pumps and generators to maintain plant and system operations during commercial power failure.
- Participates in the general maintenance of plant buildings and grounds.
- Safely works with toxic and dangerous chemicals and follows all safety requirements directed by the State of Washington Department of Labor & Industries and related safety program initiated by the City, Director and Supervisor.
- Makes calculations, inputs data and performs data analysis covering laboratory testing.
- Assists WWTP Staff investigating and resolving customer requests.
- Performs difficult manual labor and technical troubleshooting under adverse physical and environmental conditions for extended periods of time.
- Safely operates a variety of specialized equipment including but not limited to chain saws, weed eaters, lawn mowers, paint sprayers, pumps, cutoff saw, concrete saws, jackhammers, shoring equipment, compactors, fall protection, gas detectors, line locators, metal detectors, welders, cutting torches, amp probes, multi-meters, voltage testers, and CCTV.
- Safely operates a variety of heavy equipment, including but not limited to dump trucks, forklift, backhoe, excavator, and other equipment.
- Maintains timely and regular attendance.
- Performs other duties as required by designated supervisors.

Knowledge, Skills, and Abilities

- Ability to undertake accelerated training to understand and become certified in secondary wastewater treatment processes and the operation of plant and wastewater system equipment within one year.
- Basic knowledge of federal, state, and local laws, regulations and procedures as pertains to Wastewater Treatment.
- Knowledge of basic math with the ability to read and calculate mathematical formulas.
- Ability to learn attendant laboratory test equipment and procedures for collecting and testing wastewater samples.
- Working knowledge of the principles and application of electrical motors, hydraulic equipment, and mechanical equipment troubleshooting and repair.
- Ability to complete data entry in both Cartegraph and manual logging systems.
- Ability to operate and maintain plant and collection system equipment and facilities.
- Ability to establish and maintain effective working relationships with citizens, staff, elected officials, manufacturer's representatives, and other municipal technicians and officials.
- Ability to respond to emergency calls and/or perform after-hours assignments as directed.
- Ability to quickly grasp new techniques, deal with rapid changes in priorities and remain calm and effective in difficult situations.

- Ability to work independently or as a team member and to meet required schedules and deadlines in a timely, efficient and effective manner.
- Ability to operate a personal computer utilizing a variety of standard and specialized software.
- Ability to effectively communicate orally and in writing in a professional manner.

Physical Demands / Work Environment

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

- Work is performed primarily in an outside environment.
- Plant operation, inspection, and systems maintenance exposes the incumbents to discomforts such as adverse weather conditions, noxious and toxic fumes and gasses, and infection and disease carried by raw wastewater.
- Work may involve moderate risks, discomfort, or unpleasantness such as a high level of noise, dust, grease, mud, moving vehicles or machines, and cold and/or wet weather.
- Normal safety precautions are required, and the incumbent may wear protective clothing and equipment such as rain and snow gear, boots, goggles, and gloves.
- Work requires physical exertion such as long periods of standing, walking over rough and uneven surfaces, and lifting moderately heavy items.
- Work requires a considerable amount of activity involving walking, bending, stooping, reaching, and lifting and/or relocating items of considerable weight, and climbing stairs.
- Work requires average physical agility and dexterity.
- Ability to lift 80 pounds occasionally and 50 pounds frequently
- Employee will be exposed to noise from machine operation.
- Specific vision abilities required by this job include close vision, distance vision, peripheral vision, and the ability to adjust focus.
- Hand-eye coordination is necessary to operate various pieces of equipment.
- The work environment is fast-paced and moderately noisy.

Driving

- Driving for this position would typically require more than 5 hours a workweek.
- If driving on City business, the incumbent must meet and follow all driving requirements.
- Access to guaranteed, reliable transportation is required as needed.
- Position requires the ability to transport oneself to a variety of locations, primarily in and around Pierce County.

QUALIFICATIONS

Required Education & Experience

- Graduation from High School or GED equivalent; AND
- Three (3) years of experience in general maintenance and/or trades-related work; AND
- Ability to obtain a Washington State Department of Ecology Group 1 Certification within twelve (12) months of date of hire.
- A valid Washington State driver's license, and a history of safe driving is required prior to hire and must be maintained throughout employment.

Additional Requirements

The incumbent is responsible for obtaining and maintaining all the following required licenses, certifications and other requirements.

- Prior to employment, the successful candidate will be required to pass pre-employment drug and alcohol testing, physical examination, and past driving record review to determine eligibility to perform the essential functions of the job.
- Once a Group 1 Certification is obtained the incumbent will automatically progress to the entry level step of the Wastewater Treatment Plant Operator position.

Preferred Education & Experience

- At least 6 months of full-time work related to Wastewater Treatment or collections.
- Highly desired for incumbent to have or obtain a CDL Class "B" driver's license and holders must have the ability to comply with drug and alcohol testing requirements under the Federal Omnibus Transportation Employee Testing Act of 1991.

EMPLOYEE SIGNATURE

Employee signature below constitutes the employee's understanding of the requirements, expectations, essential functions, and duties of this position.

Employee

Date

HUMAN RESOURCES JOB DUTIES - BY POSITION

HR Director 1.0 Budgeted FTE	HR Analyst TEMP	HR Assistant TEMP	Payroll & Benefits Admin. 1.0 Budgeted FTE	HR Assistant – Payroll / HR 1.0 Budgeted FTE
Labor Relations • Negotiations – CBA, New Policies, Updating Job Descriptions and/or Salary, Reclassifications • Responding to Grievances • Responding to Demands to Bargain • Responding to Formal and Informal Complaints • Responding to Questions about the CBA's • POC for 3 Unions Creating / Revising Policy Revising Personnel Manual LWOP to City Administrator Drug & Alcohol Pgr. • Random Testing • Training • FMCA Clearinghouse • Updating Policy Hearing Conservation Program • Compliance Management • Follow up screenings • OSHA Reporting Commute Trip Reduction Pgr. • Annual Report • Quarterly Reports • POC for City • Quarterly Emails ADA Accommodations Ergonomics EE Recognition BBQ Safety • Job Hazard Assessments • EE Safety Committee • OSHA Reporting • LNI Claims Mgt. • Accident/Incidents Docs.	Recruitment • Vacated/New Positions • Seasonal Hires • Intake Meetings • Creating Recruiting Materials • Setup in NEOGOV • Mandatory Posting • Voluntary Postings • Social Media • Outreach – College /HS • Setting up Interviews • Conducting Interviews • Creating Offer Onboarding • All EE's and Electeds • New Hire Offer • Pre-employment Screenings • Initial Audiology Apt. • CJS Reporting • Reference Checks • New Hire Paperwork • Orientation • Benefit Notifications Performance Evaluations • Setting Up PERFORM on the NEOGOV Platform • Managing PERFORM • Goal Setting • Job Competencies Training / Development • Setup Users • Setup Rights • Assigns Training – RMSA • Finds Trainings for EE's • Setup EAP Training • Setup EAP Presentations Updating Job Descriptions	Recruitment • Filing / Records Mgt • Putting together packets • Maintaining Job Comparison Info Onboarding • Setting up New Hire Files • Setting up Medical Files • File Mgt. I9 • File Mgt. EEO COVID • Daily Check-in Requirement: In-person to Formstack • Vaccination/Attestation Form Tracking • Required Posters Dept. Vouchers Records Retention Records Management • Online • Hard Copy • Filing • Maintains Vault Performance Evaluations • Tracking Evals • Routing Evals • HR Binder Hearing Conservation Program • Setting up Van • Coordinating Dept. Safety • Filing Documents • Meeting Minutes/Agenda • Annual Earthquake Drill • Annual Fire Drill • Tracking Mandatory Training Wellness	Onboarding • New Hire Processing • New Hire Benefit Setups • Systems Setups • E-Verify • Create Timesheets New Year Setup End of Year Closeouts Managing Payroll Complexity of Contracts & CBAs Payroll • Employee Payroll – Biweekly • Elected Payroll – Monthly • PD Off-duty Payroll – Monthly • Retro Pay Calculations • Process & Calculate Late Evals Biweekly Reporting / AP • DRS: PERS & LEOFF2 • 401 (a) • 457 • IRA • HRA VEBA • HSA • FSA • Child Support Payments Monthly AP • Medical • Aflac • YMCA Dues Quarterly Reporting • LNI / Workers Comp • Unemployment • Federal Withholding • Payroll Tax • Social Security • Medicare	Onboarding • Filing / Records Mgt • Putting together packets • Teleworking • Flex Schedules • Photo Directory • Create Timesheets Payroll FMLA/PFML • Tracking • Emails/Packets • Filing • Follow up Performance Evaluations • Updating Springbrook • Tracking Due Dates • Sending Out Notifications to EE's & Mgrs Unemployment • Responses • File Management I-9 Verification Audit Salary Survey Response Verification of Employment Public Records Requests Jurisdictional Requests Dept. Vouchers – Backup Records Retention Records Management • Online • Hard Copy • Filing Open Enrollment / Benefits Fair LNI Claims Tracking / Filing Send Out ICMA-RC Notifications Update Req. Labor Posters Assist w/ EEO-4 Report Supervisory Toolbox Updates Creating / Updating HR Forms

• POC for LNI • Return to Work • Light Duty Assignments • Responding to Emergencies Wellness • Manage Wellness Budget • Annual Reporting • Event Reporting • Event Planning • Chair on Committee • Attend Monthly Meetings • Annual BBQ • Christmas Event • Wellness Committee Appreciation Event COVID • Updating Policies • Responding to Exposures • Responding to Illnesses • Responding to Questions • POC for LNI • POC for TPCHD • Rules Updates • Policy Creation Performance Management • Assisting Mgrs on Evals • Assisting Mgrs w/EE Issues • Goal Setting • Coaching/Counseling • Documentation • Loudermill Hearings • Union Notifications • Assisting with Staffing Plans Prepare EE Communications – All Staff Emails Research – Ongoing	Creating Job Descriptions Desk Audits EEO-4 Reporting Civil Service • Civil Service Examiner • Recruitments for PD • Sgt. Exam Setup • Sgt. Interviews • Sgt. Scoring • Eligibility Lists • Rules Updates Commute Trip Reduction Pgr. – Backup LNI Claims – Backup Return to Work – Backup	• Event Planning/Coord. • Meeting Minutes/Agenda • Filing Documents • Wellness Newsletter • Annual Flu Shots, etc. Civil Service • Civil Service Secretary • Meeting Minutes/Agenda Training • Schedules Training / Travel for Dept. • Tracks Training & Events • Meeting Minutes/Agendas Processing Incoming/Outgoing Correspondence Verification of Employment – Backup Order Office/Op Supplies Submits Helpdesk Tickets Creating / Updating HR Forms Assists in Organizing HR Takes Messages for Dept.	• State Paid Family Leave Premium Benefits Administration • Setup EE in each system • Update Family/Life Changes • POC for All Vendors • Process Termination of Benefits Annual Items • W2 Prep & Distribution • Open Enrollment • Nondiscrimination Testing • ACA Reporting, Prep & Distribution Shared Sick Leave Pgr.	Researching Digital Timesheets Tracking Educational Reimbursement Requests Assists in Organizing HR Takes Messages for Dept.
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Business of the City Council City of Gig Harbor, WA

Subject: South Sound Housing Affordability Partners Intergovernmental Agreement

Proposed Council Action: Authorize the Mayor to sign the South Sound Housing Affordability Partners Intergovernmental Agreement with final terms to be added consistent with ratification date.

Dept. Origin: Community Development

Prepared by: Katrina Knutson, AICP KNK
Community Development Director

For Agenda of: July 26, 2021

Exhibits:

Initial & Date

Concurred by Mayor:

KAC 7-19-21

Approved by City Administrator:

AP 7/16/21

Approved as to form by City Atty: Email 7/19/21

Approved by Finance Director:

DF 7/16/21

Approved by Department Head 7/16/2021

Expenditure Required	\$5,000	Amount Budgeted	\$30,000	Appropriation Required	0
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INFORMATION / BACKGROUND

In the fall of 2018, County Executive Dammeier, Tacoma Mayor Woodards, and County Councilmember Ladenburg convened local elected officials in a roundtable discussion around housing affordability in Pierce County. The discussions focused on what can be done collectively in Pierce County to address housing affordability and attainability for residents of all income levels, while acknowledging each jurisdiction's unique housing market and challenges. Mayor Kuhn participated in these roundtable discussions and has been a regular participant on behalf of Gig Harbor. The 'Mayor's Roundtable,' as it was originally called, conducted a series of meetings on:

- Local housing affordability data and needs;
- Individual jurisdiction needs and housing types;
- Incentives and needs of housing developers and what kinds of incentives are valued for spurring the creation of additional units including affordable units;
- How other local governments have partnered to achieve results, what tools have been effective, and what lessons have been learned; and
- What is the path forward and how to continue collaborating to move the issue of housing affordability and attainable housing forward?

In 2019, the Mayor's Roundtable group began calling itself the South Sound Housing Affordability Partners (SSHAP). Overtime, SSHAP collectively decided to move forward with both short- and long-term action items. In December of 2019, SSHAP members agreed to engage a consultant to explore developing a regional coalition around housing affordability.

In collaboration with several local governments, the County selected the Cedar River Group as the consultant to explore the development of a formal regional coalition. In 2020 the consultant worked with a group comprised of staff of several local governments and a Steering Committee comprised of local elected officials on the structure, budget, and work plan of the coalition. The recommendation on the structure, budget, and work plan of the coalition was brought forward to the full SSHAP group of elected officials in December 2020. In December 2020, the full SSHAP group agreed to move forward with a draft interlocal agreement with these key elements:

- The SSHAP coalition will be governed by an Executive Board comprised of elected officials (or other designated officials) of the members' governments. Each member will have one vote on the Executive Board;
- The SSHAP coalition will have an Advisory Board comprised of key housing stakeholders;
- Pierce County will act as the administrative entity and fiscal agent;
- SSHAP will include 1.5 staff to provide services to all member governments; and
- SSHAP will be structured to include the possibility of creating a capital fund.

The proposed Intergovernmental Agreement provides the basis to create an Executive Board who will have the responsibility and authority to create and implement the SSHAP work program. The Agreement also establishes the funding commitments from each member jurisdiction through the first full term. The City of Gig Harbor's share of SSHAP for the first year is an amount not to exceed \$5,000.

Dates within the agreement and total list of participating cities will be filled in once ratification has occurred in member jurisdictions. The Mayor will not sign the agreement until the final ratification date is known.

FISCAL CONSIDERATION

Total cost of legislative action is \$5,000 which can be covered within the Planning Division Budget Objective #6 "Housing Attainability".

BOARD OR COMMITTEE RECOMMENDATION

Planning and Building Committee – Approval

RECOMMENDATION / MOTION

Authorize the Mayor to sign the South Sound Housing Affordability Partners Intergovernmental Agreement with final terms to be added consistent with ratification date.

**Intergovernmental Agreement for SSHA³P
South Sound Housing Affordability Partners**

(Effective Date: **Date of Execution**)

This Intergovernmental Agreement ("Agreement") is entered into by and between the Cities of ??, Pierce County (each municipal corporations and political subdivisions of the State of Washington), and the Puyallup Tribe of Indians, a federally-recognized Indian tribe (the Tribe) Individually each member of SSHA³P is a "Party" and collectively, the "Parties". This Agreement relates to the creation and operation of a joint undertaking among the Parties hereto to be known as the South Sound Housing Affordability Partners ("SSHA³P"). This Agreement is made pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW, and has been authorized by the legislative body of each government.

WHEREAS, the recent increases in the cost to purchase or rent housing in Pierce County has resulted in more than one-third of all households in the county considered cost-burdened, paying more than 30% of their income for housing costs; and

WHEREAS, in the past decade increases in Pierce County median home sales prices (108%) and rental rates (78%) have dramatically outpaced the increases in median household incomes (10%); and

WHEREAS, the recent global pandemic has placed new pressures on the housing market, with the economic downturn resulting in many households unable to afford rent or mortgage payments, anticipated increases in the number of evictions and foreclosures (including among those small rental property owners who have not been receiving rental payments), and at the same time increased demand for purchasing homes due to historically low interest rates and the large increase in the number of those now working remotely; and

WHEREAS, the Parties have a common goal to ensure the availability of housing that meets the needs of residents and workers at all income levels in Pierce County, including but not limited to families, veterans, and seniors; and

WHEREAS, the Parties share a common goal to eliminate housing inequities for all races, ethnicities and other vulnerable or marginalized communities and geographic locations in Pierce County; and

WHEREAS, the Parties wish to provide a sound base of housing policies and programs in Pierce County and to complement the efforts of local governments and existing public and private organizations to address housing needs in Pierce County; and

WHEREAS, the Parties wish to act cooperatively to formulate policies that create access to affordable/attainable housing policies and strategies that address housing stability by helping homeowners and renters stay in their homes, ensure an ample housing supply that remains affordable for all income levels, provide incentives for affordable/attainable housing for lower and middle income households, foster efforts to preserve and provide access to affordable/attainable housing by combining public funding with private-sector resources, and support implementation of the goals of the Washington State (the "State") Growth Management Act, related countywide planning policies, and other local policies and programs relating to providing access to affordable and attainable housing, and to do so efficiently and expeditiously; and

WHEREAS, the Parties have determined that the most efficient and effective way for the Parties to address access to affordable and attainable housing needs in Pierce County is through cooperative action and pooling their resources to create a larger scale of activities than any one Party could accomplish on their own, achieve economies of scale, and leverage other public and private resources; and

WHEREAS, the intent of this cooperative undertaking is not to duplicate efforts of non-profit corporations and other entities already providing affordable/attainable-housing-related services; and

WHEREAS, a cooperative work plan with a primary focus on the production and preservation of affordable/attainable housing, is needed because the lack of access to affordable/attainable housing is one of the key contributors to homelessness;

WHEREAS, the Parties are each empowered to promote the public health, safety, and welfare, pursuant to RCW 36.32.120(7), RCW 35.22.195, and RCW 35A.11.020; and

WHEREAS, the parties are authorized by Revised Code of Washington 39.34 to enter into agreements for the joint exercise of governmental powers.

NOW, THEREFORE, the Parties agree to the above Recitals and the following terms and conditions:

1. DEFINITIONS. The following terms used in this Agreement are defined as follows:

a. *Administering Agency* - One or more of the Parties that will provide administrative support services on behalf of SSHA³P. The role of the Administering Agency will be to serve as the fiscal agent for SSHA³P, in accordance with the requirements of chapter 39.34 RCW, and provide space and administrative support for the SSHA³P staff. These roles could be provided by one Party or the roles could be split and provided by two Parties.

b. *Advisory Board* - A board consisting of 15 to 20 community members and/or key stakeholders appointed by the Executive Board to provide advice and recommendations to the Executive Board on policy needs related to housing stability, program design and development, land and/or funding resource allocation for enhancing access to affordable/attainable housing projects, and other immediate affordable/attainable housing needs, and to provide public education and community outreach support.

c. *Area of Activity* - The area in Pierce County where SSHA³P is expected to conduct its work, and where future expansion of SSHA³P membership could occur, as further described in Exhibit A.

d. *Direct Service Housing* - Direct service housing programs may include but are not limited to relocation assistance programs, rent voucher and/or deposit loan programs.

e. *Executive Board* - The governing board for SSHA³P comprised of members as provided herein, which will act on behalf of all Parties and as may be in the best interest of SSHA³P in order to carry out the purposes of this Agreement.

f. *SSHA³P Fund* - A fiduciary fund established by the Administering Agency, as authorized by RCW 39.34.030, to be known as the "Operating Fund of the SSHA³P Executive Board". Within the SSHA³P Fund may be established various subfunds and/or subaccounts including but not limited to a "SSHA³P Operating Account" and a "Housing Capital Funds Account".

i. *SSHA³P Operating Account* - A subaccount or subfund created by the Administering Agency for the receipt of contributions from the Parties and other private or public

entities, for the purpose of paying for the operations of and supporting the SSHA³P annual budget.

ii. *Housing Capital Funds Account* - A subaccount or subfund established by the Administering Agency within the SSHA³P Fund for the purpose of administering the voluntary contributions of Parties, or other public or private entities, to affordable/attainable housing projects and programs, to be known as the SSHA³P Housing Capital Funds Account. The amounts in the Housing Capital Funds Account will be held and disbursed by the Administering Agency.

iii. *Individual Account(s)* - One or more subaccounts or subfunds established within the Housing Capital Funds Account for each Party to this Agreement that chooses to contribute to the Housing Capital Funds Account. Contributions to an Individual Account from a Party may be released only upon, and in accordance with, the written direction of that Party.

g. *SSHA³P Executive Manager* - The managing lead staff for SSHA³P will be responsible for carrying out the SSHA³P annual work plan, as developed by the Executive Board, and other terms of this Agreement. The Executive Manager will be an employee of the Administering Agency subject to the human resource rules and requirements of that agency.

h. *SSHA³P Staff* - The full-time and part-time staff hired or assigned by the Administering Agency with the responsibility for carrying out the SSHA³P work plan, under the direction of the SSHA³P Executive Manager.

2. PURPOSE. All Parties to this Agreement have responsibility for local, regional and tribal planning for the provision of housing affordable to residents that work and/or live in Pierce County. The Parties agree to act cooperatively to formulate housing policies that address access to affordable/attainable housing, housing stability and to foster efforts to preserve and create affordable/attainable housing by combining public funding or other resources with private-sector resources. In order to accomplish the purposes of this Agreement, the Parties agree to create a joint, voluntary and cooperative undertaking responsible for administering the activities described herein. The cooperative undertaking among the Parties will be called the South Sound Housing Affordability Partners ("SSHA³P"). The Parties further intend that this Agreement serve as a framework for all participating municipalities within the broader SSHA³P Area of Activity to do the aforementioned work. It is the intent of the

Parties to create a collaboration that involves members representing broad geographic diversity across the county, governments of different sizes, and regional perspectives about affordable, attainable and accessible housing needs and solutions. The Parties encourage other cities and tribes and other public and private entities in Pierce County within the SSHAP Area of Activity to join the Parties in this endeavor.

3. STRUCTURE; CREATION OF JOINT BOARD. By executing this Agreement, the Parties hereto create a joint board pursuant to RCW 39.34.030(4) to govern SSHAP. The joint board created by this Agreement will be called the "Executive Board" and will be composed of members as provided for in Section 5.a of this Agreement. The Joint Board created in this Agreement is not a separate legal or administrative entity within the meaning of RCW 39.34.030(3). The Executive Board will act on behalf of all Parties and as may be in the best interest of SSHAP in order to carry out the purposes of this Agreement. The Executive Board is not authorized to own assets or have employees.

4. RESPONSIBILITIES AND AUTHORITY. In order to carry out the purposes of SSHAP and this Agreement, the Executive Board will have the responsibility and authority to:

a. Create and implement an annual work plan approved by the Executive Board to guide the work of SSHAP Staff. The work plan will include activities that may benefit multiple participating jurisdictions or individual jurisdictions. The work plan activities will be consistent with the purpose described in this Agreement. The Executive Board will determine how it will track, monitor and report on progress on the work plan and the timeliness of deliverables. For purposes of accountability and transparency, this will include methods for timely reporting to members and to the public.

b. Make decisions regarding the allocation of public and private funding deposited into the SSHAP Housing Capital Funds Account for the purpose of enhancing access to affordable/attainable housing.

c. Recommend to the Administering Agency to enter into agreements with third parties for the use and application of public and private funds contributed by individual Parties to the SSHAP Fund, including the Housing Capital Funds Account established in Section 14, under terms and conditions as may be agreed by the individual contributing Parties, as further described in Section 14. At least annually, report to the Parties on the geographic

distribution of all housing capital funds as recommended by the SSHA³P Executive Board.

d. Guide the SSHA³P Staff in the performance of the following duties:

- i. Provide recommendations to the Parties regarding local and regional policies to improve access to affordable/attainable housing. SSHA³P Staff may assist the Parties in developing strategies and programs to achieve State Growth Management Act housing goals, growth targets, local Comprehensive Plan Housing Element goals, and local housing strategy plans, as appropriate.
- ii. SSHA³P Staff may provide technical assistance as requested to any Party considering adoption of land use incentives or requirements, or programs to enhance access to affordable/ attainable housing. SSHA³P Staff may research model programs, develop draft legislation, prepare briefing materials and make presentations to planning commissions and councils on request by a Party. SSHA³P Staff may assist Parties in developing strategies and programs to implement county-wide affordable/attainable housing policies to meet State Growth Management Act objectives, growth targets, local Comprehensive Plan Housing Element goals, and local housing strategy plans for an equitable and rational distribution of low- and moderate-income housing.
- iii. Facilitate cooperation between the private and public sector with regard to the provision of and access to affordable/attainable housing. SSHA³P Staff may communicate directly with private developers, financial institutions, non-profit corporations and other public entities to assist in the implementation of affordable/attainable housing projects. SSHA³P Staff may work directly with any Party to provide technical assistance with regard to the public funding of affordable/attainable housing projects and the implementation of affordable/attainable housing regulatory agreements for private developments.

- iv. SSHA³P Staff may also identify public and private sites that are available for affordable/attainable housing and develop housing alternatives for such sites.
- v. After the Housing Capital Fund is created, develop standard regulatory agreements acceptable to private and public financial institutions to facilitate the availability of funding for private and public projects containing affordable/attainable housing, and other documents and procedures as appropriate.
- vi. Provide other technical advice to any Party upon request and, as staff capacity allows, enter into agreements to provide technical assistance to other public entities on a reimbursable basis.
- vii. Provide support and educational activities and to monitor legislative and regulatory activities and proposed policy changes related to enhancing access to affordable/attainable housing at the county, state and federal levels. Ensure that the Parties to this Agreement have a strong Pierce County voice in federal, state and regional decision making regarding affordable/attainable housing programs, policy and funding. All lobbying activities will comply with state laws and regulations.
- viii. After the Housing Capital Fund is created, develop and carry out procedures for monitoring of affordable/attainable units and to administer direct service housing programs on behalf of any Party.
- ix. Work directly with other public and private entities for the development of affordable/attainable housing policies and encourage the provision and preservation of affordable/attainable housing.
- x. Work with the Advisory Board appointed under this Agreement and Pierce County agencies and organizations working on regional housing stability and access to affordable and attainable housing, identify trends and promising practices, and mobilize those agencies and organizations to

support Pierce County positions in regional, state and federal decision-making forums.

- xi. Support public and private fundraising efforts of public and private entities (including non-profit corporations) to raise funds to carry out the purposes of this Agreement. Enter into agreements with those entities for the use of such funds in order to carry out the purposes of this Agreement.
- xii. As recommended by the Executive Board, accept public and private funding, receive and invest those funds in accordance with State and Federal law, and take other appropriate and necessary action to carry out the purposes of this Agreement.

5. EXECUTIVE BOARD.

a. Membership. SSHA³P will be governed by an Executive Board composed of individuals who represent the perspectives of their governments.

- For cities/towns: Members will either be Mayors or, as designated by the Mayor, Council members or a City Manager/Administrator.
- For tribes: Members will be the Tribal Council Chair or a member of the Tribal Council as designated by the Chair.
- For the county: Members will be the County Executive, and the County Council Chair (or their designee).

Each Party will have one vote on the Executive Board. For purposes of voting, the County shall be considered an individual Party and entitled to one vote. The vote will be split equally between the County's two Executive Board members.

Municipalities, local governments, tribes and public agencies within the Area of Activity may become Parties to this Agreement with representation on the Executive Board described in this Section 5, upon satisfaction of the requirements of Section 20.

The Executive Board will administer this cooperative undertaking under the terms of this Agreement and under any procedures adopted by the Executive Board.

b. Officers. The Chair and Vice Chair of the Executive Board will be elected by the members of the Board from the Board membership. The Chair, or in their absence the Vice Chair, will preside over all meetings of the Executive Board; and will, in the

absence of an Executive Manager provided for in Section 6 of this Agreement, process issues, organize meetings and provide for administrative support as required by the Executive Board. The Chair will serve a one-year term, but may be reelected by the Executive Board for one additional term.

c. Alternate Member. Each member of the Executive Board may designate one alternate member who will serve in the place of the member on the Executive Board during the member's absence from a meeting. Notice of the designation will be provided to the Chair of the Executive Board. An alternate member may only vote on behalf of the Party if the Chair has received written notice of the alternate's appointment. It is not intended that alternates will serve on the Board in an ongoing capacity.

d. Powers. It is intended that the Executive Board will serve as a decision-making body for SSHAP. The Executive Board will have the power to:

- i. develop and recommend an annual budget and annual work plan for SSHAP and oversee the management of the SSHAP Fund;
- ii. adopt procedures for the administration of SSHAP (including securing any necessary legal counsel as needed) and for the conduct of meetings;
- iii. make recommendations to the Parties concerning planning, policy, programs and the funding of projects to enhance access to affordable/attainable housing;
- iv. establish policies for the expenditure of SSHAP budgeted items;
- v. work with the designated Administering Agency (see Section 6) to carry out the terms of this Agreement;
- vi. work with the Administering Agency to establish a special fund within the Administering Agency as authorized by RCW 39.34.030, to be known as the "Operating Fund of the SSHAP Executive Board" ("SSHAP Fund") within which Fund may be established various accounts and subaccounts including but not limited to a "SSHAP Operating Account" (into which will be deposited funding for the SSHAP operating budget) and a "Housing Capital Funds Account";
- vii. hold regular meetings on those dates and at those places as the Executive Board may designate;
- viii. recommend that the Administering Agency enter into contracts and agreements for the provision of personnel and other necessary services to SSHAP,

- including accounting and legal services and the purchase of insurance, and advise the Administering Agency to execute such other contracts, agreements or other legal documents necessary with public and private entities for SSHAP to carry out its purposes;
- ix. work with the Administering Agency to: establish the responsibilities for the SSHAP Executive Manager, conduct the hiring process and performance review for that position and direct and oversee the activities of the SSHAP Executive Manager;
 - x. create a recruitment process and appoint members of the Advisory Board;
 - xi. assist with incorporating and/or work with a non-profit corporation to accept grants, donations and other funds on behalf of SSHAP and recommend the Administering Agency to enter into contracts or other agreements with such agency for the use of those funds to carry out the purposes of this Agreement; and
 - xii. take whatever other action is necessary to carry out the purposes of this Agreement.

6. ADMINISTRATION AND OVERSIGHT. The Executive Board will have final decision-making authority on behalf of SSHAP over all legislative priorities and administrative matters within the scope of this Agreement. The Executive Board may delegate responsibility for general oversight of the operations of SSHAP to an Executive Manager. The SSHAP Executive Manager will submit quarterly budget performance and progress reports on the status of the work program elements to the Executive Board and annually to the legislative body of each Party. The reports and their contents will be in a form acceptable to the Executive Board.

The Executive Board will, by two-thirds supermajority vote, designate one or more of the Parties to serve as the Administering Agency, which will provide administrative support services on behalf of SSHAP. To change the Administering Agency, the Executive Board will, by two-thirds supermajority vote, designate one or more of the Parties to serve as the Administering Agency. Each Party that serves in the capacity of Administering Agency hereby agrees to comply with the terms of this Agreement applicable to the Administering Agency in order to permit SSHAP to carry out its purposes. SSHAP will be staffed with personnel funded by the Parties and/or independent contractors contracting with the Administering Agency on behalf of SSHAP.

Any Party providing personnel to SSHA³P will remain solely responsible for the continued payment of all compensation and benefits to those personnel as well as for any worker's compensation claims. All Parties will cooperate fully in assisting SSHA³P to provide the services authorized in this Agreement.

7. MEETINGS OF EXECUTIVE BOARD.

a. Frequency. The Executive Board will meet as often as it deems necessary, but not less often than quarterly. Executive Board meetings will comply with the requirements of the State Open Public Meetings Act (OPMA).

b. Quorum. A quorum at any meeting of the Executive Board will consist of the Board members (or alternates) who represent a simple majority of the Board's membership.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Executive Board requires an affirmative vote by a majority of the Board members present at a meeting, provided however, that a supermajority (two-thirds of all Board members) will be required to change the Administering Agency, or to modify the proposed contribution methodology for dues and assessments (see Section 15). Official action by the Executive Board may be conducted by motion, resolution, declaration, or such means as determined to be necessary by the Executive Board in their procedures for conducting meetings (referred to in 5.d above), provided however, changing the Administering Agency or Agencies shall be completed by resolution. All official action of the Executive Board shall be recorded in its official minutes. Each Executive Board member, or his or her alternate, will have one vote on any proposed action; except that shared member voting shall be in accordance with the Executive Board's approval under Section 5 (a). Proxy voting will not be allowed. To the extent applicable to meetings of the Executive Board, the Executive Board will comply with applicable requirements of the Washington State Open Public Meetings Act (chapter 42.30 RCW).

8. ADVISORY BOARD.

a. Purpose and Role. The Executive Board will create an Advisory Board to provide advice and recommendations on the work of SSHA³P. Specific objectives shall be to advise the Executive Board regarding: assessment of affordable/attainable housing needs for different populations in Pierce County; the development of policies and/or funding resources to meet those needs; the priorities for allocation of future SSHA³P capital resources to

create or preserve access to affordable/attainable housing; input on program design and development related to housing affordability and stability; suggested approaches to federal, state and regional legislative advocacy; and providing support for public education and community outreach activities. The Advisory Board will be created before the end of the first year of SSHA³P operations (with the start of the year defined as the hiring of the SSHA³P Executive Manager).

b. Membership. The Advisory Board will consist of not more than twenty (20) and not less than fifteen (15) community members and/or key stakeholders. The Executive Board will appoint members to the Advisory Board. Appointed members must have knowledge and understanding of affordable/attainable housing and be committed to the furtherance of improving access to affordable/attainable housing for all in Pierce County. Membership should reflect a geographic diversity of Pierce County cities, towns, tribes and unincorporated areas. Membership will reflect one-third consumers of affordable/attainable housing (rental and ownership housing), one-third developers, designers, planners, managers of affordable/attainable housing, and one-third advocates and advisors who work on land use and housing issues.

c. Terms. Appointments will be for a three-year term. When the Advisory Board is created, the initial terms of members shall be staggered as follows:

- One-third shall be appointed for a one-year term
- One-third shall be appointed for a two-year term
- One-third shall be appointed for a three-year term

The membership categories of the Advisory Board, described in section 8.b above, will be evenly distributed across the three initial terms.

d. Recruitment and Termination. The Executive Board will adopt procedures for the recruiting, convening and administration of the Advisory Board. A member may be removed from the Advisory Board by the Executive Board with or without cause on a majority vote of membership of the Executive Board.

e. Officers. When the Advisory Board has been duly created, the members shall elect a Chair and Vice Chair, who will be responsible for working with the SSHA³P Executive Manager to set agendas and facilitate meetings.

f. Conflict of Interest. Members of the Advisory Board shall comply with Ch. 42.23 RCW, the Code of Ethics for Municipal Officers. It is the responsibility of each Board Member to declare

potential conflicts of interest. The Chair shall be responsible for mediating differences of opinion on these matters as they may arise.

9. MEETINGS OF ADVISORY BOARD.

a. Frequency. The Advisory Board will meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Advisory Board will consist of the Board members who represent a simple majority of the Board's membership. Advisory Board members may participate in any meeting by phone and/or video conferencing for all purposes, including but not limited to voting and establishing a quorum.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Advisory Board requires an affirmative vote by a majority of those members attending a Board meeting where a quorum exists. Official action by the Advisory Board may be conducted by motion, resolution, declaration, or other means as determined to be necessary by the Advisory Board. Proxy voting is not allowed. To the extent applicable to meetings of the Advisory Board, the Advisory Board will comply with applicable requirements of the Washington State Open Public Meetings Act (chapter 42.30 RCW).

10. AGREEMENT DURATION. This Agreement will be in full force and effect for a period commencing as provided in Section 34, and ending December 31, 2023. This Agreement will automatically renew for successive two-year terms, unless sooner terminated under the provisions of this Agreement.

11. TERMINATION OF AGREEMENT. This Agreement may be terminated at any time by affirmative vote of a majority of the legislative bodies of the Parties to this Agreement. Parties may consider multiple factors/reasons for termination, including but not limited to the timeliness of work plan deliverables and the sufficiency of dues to support the work plan and SSHA³P staff.

Upon termination of this Agreement, all property acquired during the life of the Agreement will be disposed of in the following manner:

a. all property contributed without charge by any Party will revert to the contributing Party;

b. all property purchased on behalf of SSHA³P after the effective date of this Agreement will be distributed to the Parties based on each Party's pro rata contribution to the overall budget at the time the property was purchased;

c. except as provided in Subsection d. below, all unexpended or reserve funds will be distributed to the Parties based on each Party's pro rata contribution to the overall budget in effect at the time the Agreement is terminated;

d. all uncommitted monies in the Housing Capital Funds Account will be distributed to the Parties by remitting the total uncommitted amounts remaining in each Party's Individual Account (as described in Section 14) to that Party; and

e. each Party that has funded a project through the Housing Capital Funds Account will be substituted for the Administering Agency with regard to all project financing documents, and the Administering Agency will be released from further obligations with respect thereto.

12. WITHDRAWAL. If a Party wishes to withdraw from participation in this Agreement, it may do so after the initial term if its Legislative Body first gives six months advance written notice to the Executive Board of its intention to withdraw, which notice will be due on or before June 30, 2023. If notice of an intent to withdraw is timely received, withdrawal will be effective as of 11:59 p.m. on December 31, 2023. The initial members of SSHA³P agree they will participate for at least through the first full term of the collaboration.

After December 31, 2023, an opportunity is provided once per year for a Party to withdraw from this Agreement. Under this provision, advance written notice must be provided from the Legislative Body of any Party to this agreement to the Executive Board on or before June 30, of its intention to withdraw from participation in the Agreement, effective as of 11:59 p.m. on December 31st of that current year.

Any Party withdrawing from this Agreement will remain legally and financially responsible for any obligation incurred by the Party pursuant to the terms of this Agreement, including but not limited to any project financing documents executed by the Administering Agency on behalf of that Party, during the time the withdrawing Party was a member of SSHA³P. A notice of withdrawal may be revoked by the Party that submitted the notice only by approval of a majority of the Executive Board to accept the revocation. Any

Party that provides written notice of its intent to withdraw may continue to vote on all matters before the Executive Board prior to the effective date of its withdrawal, except the budget and work plan for the following year.

13. BUDGET. The fiscal year for SSHA³P will be January 1 to December 31 of any year. The first year budget and anticipated second year budget for SSHA³P are attached to this Agreement as Exhibit B and incorporated herein by this reference. Approval of this Agreement by the legislative body of each Party includes approval of the SSHA³P budgets through the first full term of the agreement. For subsequent years, on or before July 1st of each year, a recommended operating budget for SSHA³P for the following budget year will be prepared, reviewed and recommended by the Executive Board and transmitted to each Party. The recommended operating budget will contain an itemization of all categories of budgeted expenses and will contain an itemization of the amount of each Party's contribution, including in-kind services, toward that budget. Contributions to the SSHA³P annual budget may also come from other public or private entities. The Executive Board will approve acceptance of those contributions.

a. No recommended budget will become effective until approved by the legislative body of each Party and adopted by the Executive Board, except for SSHA³P's first full term (2021, 2022 and 2023). Once the legislative body of each Party has approved its contribution to SSHA³P, either separately or through its budget process, and the SSHA³P budget has been adopted by the Executive Board, each Party will be obligated to make whatever contribution(s) is budgeted for that Party. If a Party does not approve the budget in a timely manner, the Executive Board may adopt the annual budget and work plan with a two-thirds majority vote.

b. Each Party's contribution(s) will be transmitted to SSHA³P on an annual basis no later than the end of the first quarter of each calendar year, unless otherwise provided in the budget document. The Administering Agency will submit invoices to each Party for their annual dues payments. Each Party will specify the amount of its contribution to be deposited by the Administering Agency into the SSHA³P Operating Account, as well as the amount, *if any*, to be deposited into the Party's Individual Account within the SSHA³P Housing Capital Funds Account established by Section 14.

c. If any Party is delinquent by more than three months in the payment of its approved operating budget contribution to

the SSHA³P Operating Account, that Party will not be entitled to vote on matters before the Executive Board until the delinquency has been paid. A Party's decision not to contribute funds to its Individual Account, or its delinquency in funding the same will not affect that Party's voting rights on the Executive Board.

14. HOUSING CAPITAL FUNDS ACCOUNT ESTABLISHED; PROCEDURES FOR ADMINISTERING HOUSING CAPITAL FUNDS ACCOUNT CONTRIBUTIONS. If authorized by resolution of the Executive Board, the Administering Agency may establish and maintain a subaccount or subfund within the SSHA³P Fund for the purpose of administering the contributions of Parties, or other public or private entities, to affordable/attainable housing projects and programs, to be known as the SSHA³P Housing Capital Funds Account. The amounts in the Housing Capital Funds Account will be held and disbursed by the Administering Agency as described in this Agreement.

a. Within the Housing Capital Funds Account, a sub-account or subfund will be established for each Party to this Agreement that chooses to contribute to the Housing Capital Funds Account. Such sub-accounts are collectively referred to as the "Individual Accounts." The Executive Board will work with the Administering Agency to create policies and procedures for the release of those funds.

b. A subaccount may be established within each Individual Account for each project or program funded in whole or part by a Party from its Individual Account. Such sub-accounts are referred to as "Project Accounts." The intent is to create a structure that enables each Party to easily track the use of their contributed funds.

c. The Administering Agency will maintain records sufficient to separately track the deposits, withdrawals and interest earnings, within each Individual Account and each Project Account, and will provide quarterly reports to all Parties as to the status of funds in each Individual Account and Project Account. The Administering Agency's responsibilities under this Section may be delegated to the SSHA³P Executive Manager to the extent consistent with applicable law and as the Administering Agency and Executive Board may agree.

d. Funds transmitted to SSHA³P for deposit in the Housing Capital Funds Account will be held by the Administering Agency on behalf of SSHA³P until directed for application by the contributing Party (as described in 14.a. above). Uncommitted funds in an Individual Account will be remitted to the contributing

Party within 45 days of receipt of written request from the Party signed by its chief executive officer, or upon the Party's withdrawal from SSHAP in accordance with the terms of Section 12, or on the dissolution of SSHAP per Section 11.

e. Funds held by the Administering Agency on behalf of SSHAP will be subject to laws applicable to public funds, including but not limited to limitations on investments for public funds as provided in State law and the State constitutional limitations on the gifting of public funds. Investment earnings will be credited to each Individual Account and Subaccount on a pro rata basis.

f. The Executive Board will develop standard forms of approvals and agreements to be used in the application of funds contributed to the Housing Capital Funds Account (collectively referred to as "project financing documents"), consistent with the following goals and procedures:

- i. The SSHAP Executive Board will authorize the application of specified amounts of Individual Account monies to projects or programs consistent with the purpose of the SSHAP Capital Fund, and will authorize and recommend the SSHAP Executive Manager, and the Administering Agency to take such actions as necessary to accomplish this. At least two weeks prior to the Executive Board action they will notify the individual parties whose funds will be used for such projects or programs of the various terms to accompany their authorizations, and will at a minimum include terms related to:
 1. amount of funds allocated;
 2. project description, including minimum affordability requirements, if any;
 3. nature of the funding commitment (loan, grant, or other);
 4. in the event the funding commitment is provided as a loan, the general repayment terms including but not limited to the term of the loan and applicable, interest rate(s); and
 5. a general description of the security interests, if any, to be recorded in favor of the Party.
- ii. For each individual housing project or program to be funded through the Housing Capital Funds Account, the developer, owner or administrator of such project or program (generally referred to as

the "developer"), will enter into the necessary set of agreements (project financing documents) with the Administering Agency. The project financing documents will specify that the Administering Agency is acting as administering agency on behalf of each Party that is providing Housing Capital Funds Account funding to the project or program pursuant to this Agreement and RCW 39.34.030(4), and will identify each participating funding Party. The project financing documents will be consistent with general forms of agreement approved by the Executive Board and the terms and conditions approved by the legislative bodies of the funding Parties. To the extent permitted by law, the project financing agreements will incorporate all terms and conditions relative to the use and (if applicable) repayment of such funds, and provide for transfer of the Housing Capital Funds Account monies from the funding Parties to the developer.

- iii. Funding contributions to, and repayments (if any) from, specific projects and programs will be recorded by the Administering Agency, including recording of monies deposited and withdrawn from each Party's Individual Account and Project Accounts. Repayments (if any) under any project financing agreement will be applied *pro rata* to the funding Parties' Individual Accounts based on the ratio of funding contributed to the project by each Party, unless the funding Parties otherwise agree.
- iv. Unless the Parties funding a project or program through the Housing Capital Funds Account otherwise agree, a default, termination or other action against a developer or other third party may be declared only after securing approval in writing of the chief executive officers of funding Parties which together have contributed not less than 51% of the total SSHAP member funding to the project. The Administering Agency will provide reasonable notice and information regarding the status of projects as necessary to each funding Party's chief executive officer to allow them to make a timely decision in this regard. Funding Parties not consenting to such default, termination or other action will be bound by the decision of the majority. All funding Parties will be obligated on

a pro rata basis (based on their contributions to the project) to pay to the Administering Agency its reasonable costs and expenses incurred as a result of declaring a default, terminating an agreement or taking other action against a developer or other third party. Any funds recovered through such enforcement proceedings will be allocated to the funding Parties Individual Accounts pro rata based on their respective funding contributions to a project.

- v. The Executive Board may from time to time authorize the Administering Agency to administer housing project agreements entered into before the effective date of this Agreement, upon terms consistent with this Agreement and subject to the consent of the Administering Agency and the Parties to such agreements.

15. DUES, ASSESSMENTS AND BUDGET AMENDMENTS. Contributions to the SSHAP³P Operating fund will be based on groupings of like-sized cities (based on population), or whatever contribution methodology is approved by a two-thirds majority of the Executive Board. Funding for the activities of SSHAP³P will be provided solely through the budgetary process. Unless otherwise specified in this Agreement, no dues, charges or assessments will be imposed or required of the Parties except upon unanimous vote of the membership of the Executive Board and ratification by the legislative body of each Party subject to the dues, charges or assessments. An approved budget (the overall revenues and expenditures) will not be modified until approved by the legislative body of each Party and finally adopted by the Executive Board. If a Party agrees to totally fund an additional task to the work program, not currently approved in the budget, the task may be added to the work plan and the budget amended to reflect the funding of the total cost of such task by the requesting Party, upon approval by a majority of the membership of the Executive Board without approval by the individual Parties. Notwithstanding the foregoing, contributions by a Party to its Individual Account within the Housing Capital Funds Account will be solely within the discretion of that Party and are not considered "dues or assessments."

16. PUBLIC RECORDS REQUESTS. Each party to this agreement shall be responsible for retaining and producing the records it creates, owns or uses, in accordance with applicable public records access and retention laws and regulations. Nothing in this Section

is intended to require a Party to collect or produce records that are not prepared, owned, used, or retained by that agency as defined by the Public Records Act (RCW 42.56), other than as provided for herein.

The Administering Agency shall be responsible for maintaining and storing, in compliance with the state Public Records Act (Chapter 42.56 RCW), those records of the Executive Board and Advisory Committee that are created by the Administering Agency in connection with this Agreement (SSHA³P Records). SSHA³P records may include, but are not limited to, Executive Board and Advisory Committee meeting agendas, meeting summaries, reports, plans, budgets, and other related documents. For purposes of the Public Records Act, the SSHA³P Executive Manager shall serve as the Public Records Officer with respect to requests for SSHA³P records and the Administering Agency shall be responsible for ensuring compliance with RCW 42.56.152 (Training-Public Records Officers). Upon receipt of a request for SSHA³P records, the SSHA³P Executive Manager, serving as the SSHA³P Public Records Officer, shall timely share the request with the Parties. In the event that the SSHA³P Executive Manager shares a request for SSHA³P records with the Parties, each party notified by the SSHA³P Executive Manager shall cooperate with the SSHA³P Executive Manager as requested to fulfill the request. Parties who receive requests for SSHA³P records or records related to SSHA³P are also encouraged, but not required, to share those with the SSHA³P Executive Manager.

Each party shall indemnify and hold the other party to this Agreement harmless for any and all claims, demands, damages, lawsuits, liabilities, losses, liens, expenses including reasonable attorney's fees and costs arising from a public records require (collectively "Claims"), to the extent attributed to the indemnitor party's Fault. The term "Fault" as used herein shall have the same meaning as set forth in RCW 4.22.015. This obligation to indemnify and hold the other party harmless shall survive termination of this Agreement.

17. INDEMNIFICATION AND HOLD HARMLESS.

a. Each Party will indemnify, defend and hold other Parties (including without limitation the Party serving as, and acting in its capacity as, SSHA³P's Administering Agency), their officers, officials, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of that Party's wrongful acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries or damages are caused

by another Party. If there is any recovery under this Section, the Party responsible for any wrongful acts or omissions will pay any judgment or lien arising from the acts or omissions, including all costs and other Parties' reasonable attorney's fees. If more than one Party is held to be at fault, the obligation to indemnify and to pay costs and attorney's fees, will be only to the extent of the percentage of fault allocated to each respective Party by a final judgment of the court.

b. If 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 a Party (including without limitation the Party serving as, and acting in its capacity as, SSHAP's Administering Agency), its officers, officials, employees, and volunteers, the Party's liability hereunder will be only to the extent of the Party's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Party's waiver of immunity under Industrial Insurance Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the Parties. The provisions of this Section will survive the expiration or termination of this Agreement.

c. Each Party (including without limitation the Party serving as, and acting in its capacity as, SSHAP's Administering Agency) will give the other Parties proper notice of any claim or suit coming within the purview of these indemnities.

18. INSURANCE. The Executive Board, SSHAP Executive Manager and the Administering Agency will take such steps as are reasonably practicable to minimize the liability of the Parties associated with their participation in this Agreement, including but not limited to the utilization of sound business practice. The Executive Board will determine which, if any, insurance policies may be reasonably practicably acquired to cover the operations of SSHAP and the activities of the Parties pursuant to this Agreement (which may include general liability, errors and omissions, fiduciary, crime and fidelity insurance), and will direct the acquisition of same.

19. AMENDMENTS. Any amendments to this Agreement must be in writing. This Agreement may be amended upon approval of the legislative bodies of all Parties to this Agreement, evidenced by the authorized signatures of those Parties as of the effective date of the amendment. This Section will not be construed to

require amendment of this Agreement for the addition of a new Party contemplated under Section 20 or for any related revision to Executive Board membership authorized in Section 5(a) or Advisory Board membership in Section 8(b). The Executive Board will review this Agreement, no less than every five years, to determine if the purposes of SSHA³P are being achieved and if any amendments or modifications to the Agreement are needed.

20. ADDITIONAL PARTIES. Municipalities, local governments, tribes, and public agencies within the SSHA³P Area of Activity may, on execution of the Agreement and approval of the budget and work plan by its legislative body, become a Party to this Agreement on affirmative vote of at least fifty percent of the Executive Board. The Executive Board will determine by a vote of at least fifty percent of its membership what, if any, funding obligations the additional Party will commit to as a condition of becoming a Party to this Agreement.

21. SEVERABILITY. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement, will not affect the validity of the remaining provisions of the Agreement.

22. CONFLICT RESOLUTION. Whenever any dispute arises between the Parties or between a Party or Parties, the Executive Board, or the Administering Agency (referred to collectively in this Section as the "Parties") under this Agreement which is not resolved by routine meetings or communications, the parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting will include the Chair of the Executive Board, the SSHA³P Executive Manager, and the representative(s) of the Parties involved in the dispute. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith between the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) will be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute will share equally the costs of mediation and assume their own costs.

23. SURVIVABILITY. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 10 (Agreement Duration), Section 11 (Termination of Agreement), Section 12 (Withdrawal), Section 16 (Public Records Requests), and Section 17 (Indemnification and Hold Harmless) will remain operative and in full force and effect, regardless of the withdrawal or termination of any Party or the termination of this Agreement.

24. WAIVER. No term or provision of this Agreement will be deemed waived and no breach excused unless that waiver or consent is in writing and signed by the Party claimed to have waived or consented.

25. SUBSEQUENT BREACH. Waiver of any default will not be deemed a waiver of any subsequent default. Waiver of breach of any provision of this Agreement will not be deemed to be a waiver of any other or subsequent breach and will not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval of all Parties.

26. NOTICE. Any notice to the Executive Board will be in writing and will be addressed to the Chair of the Executive Board and to the SSHA³P Executive Manager. In the absence of a SSHA³P Executive Manager, notice will be given to the chief executive officer of the Administering Agency. Any notice to an Officer or Party will be sent, to the address specified by the chief executive officer of the Party.

27. ASSIGNMENT. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without Executive Board approval.

28. APPLICABLE LAW AND VENUE. This Agreement and any rights, remedies, or obligations provided for in this Agreement will be governed, construed, and enforced in accordance with the substantive and procedural laws of the State. The Parties agree that the venue for any legal action under this Agreement is in the County in which a project is located, provided that the venue for any legal action against Pierce County may be filed in accordance with RCW 36.01.050.

29. RETAINED RESPONSIBILITY AND AUTHORITY. Parties retain the responsibility and authority for managing and maintaining their own internal systems and programs related to affordable/attainable housing activities.

30. INDEPENDENT CONTRACTORS. Each Party to this Agreement is an independent contractor with respect to the subject matter of this Agreement. No joint venture or partnership is formed as a result of this Agreement.

Nothing in this Agreement will make any employee of one Party an employee of another party for any purpose, including, but not limited to, for withholding of taxes, payment of benefits, worker's

compensation pursuant to Title 51 RCW, or any other rights or privileges accorded by virtue of their employment. No Party assumes any responsibility for the payment of any compensation, fees, wages, benefits or taxes to or on behalf of any other Party's employees. No employees or agents of one Party will be deemed, or represent themselves to be, employees of another Party.

31. NO THIRD PARTY BENEFICIARIES. This Agreement is for the benefit of the Parties only, and no third party will have any rights under this agreement.

32. NONDISCRIMINATION. The Parties will comply with the nondiscrimination requirements of applicable federal, state and local statutes and regulations.

33. COUNTERPARTS. This Agreement may be signed in counterparts and, if so signed, will be deemed one integrated Agreement. Parties will submit copies of signed Agreements to the Administering Agency, or to Pierce County before an Administering Agency is selected.

34. FILING AND EFFECTIVE DATE; PRIOR AGREEMENTS. This Agreement will become effective (Date of Execution), subject to its approval by the legislative bodies of all jurisdictions who are members of SSHA³P as of (Date of Execution), and, pursuant to RCW 39.34.040, upon recording this Agreement or posting this Agreement on a Party's web site or other electronically retrievable public source. Although this Agreement may be approved and signed by a Party after the Agreement's effective date, all acts consistent with the authority of this Agreement that occur on or after , (Date of Execution), are hereby ratified and affirmed, and the terms of this Agreement will be deemed to have applied.

(Signature Page Follows)

Approved and executed this _____ day of _____, 2019.

Name of Party: _____ Approved as to form

By: _____ City Attorney
Its: _____

Exhibit A – SSHA³P Area of Activity (Map)



EXHIBIT B – SSHA³P Budgets for First 2.5 Years

NOTE: The following budgets are draft and won't be finalized until the final number of member governments are identified. The numbers may also change depending the amount of outside revenue raised.

The following provides draft budgets for years 1 (6 months of operations)² and 3. There are two scenarios: one in which ten governments participate and the other in which 16 governments participate.

DRAFT BUDGET PROPOSAL (10 Governments)

YEAR 1 (2021) - 1 FTE

Funding for 6 Months Operations

Annual Expense Budget

Full-time manager with salary/taxes/benefits	\$	154,000
Administrative & policy support with salary/taxes/benefits (3 months)	\$	-
Direct Expenses - travel, phone, postage	\$	12,000
Insurance	\$	15,000
Space	\$	12,000
SubTotal	\$	193,000
10% Overhead/Administration Fee	\$	19,300
TOTAL	\$	212,300
Cost for 6 months of Operations:	\$	106,150

Revenue Budget

Outside sources* (Philanthropy, aligned organizations)	\$	7,500
Office Space (in-kind donation) [Pro-rated]	\$	6,000
Shared among participating governments (see below)	\$	92,650
TOTAL	\$	106,150

Shares for participating governments:

	Population (OFM 2021 est)	% of Population	Grouped by Population Size
Auburn	10,050	1%	\$ 2,250
Fife	10,360	1%	\$ 2,250
Gig Harbor	11,490	1%	\$ 2,250
Lakewood	60,330	7%	\$ 8,500
Puyallup	43,040	5%	\$ 6,500
Puyallup Tribe	6,000	1%	\$ 1,500
Steilacoom	6,555	1%	\$ 1,500
Sumner	10,500	1%	\$ 2,250
Tacoma	214,700	27%	\$ 22,000
Unincorporated Pierce Co	436,840	54%	\$ 46,000
TOTAL	809,865		\$ 95,000

YEAR 2 (2022) - 1.5 FTE
10 Governments Providing Full Year of Operations Funding

Annual Expense Budget

Full-time manager with salary/taxes/benefits/inflation for 2nd year	\$	159,390
Administrative & policy support with salary/taxes/benefits/inflation 2nd yr	\$	67,636
Direct Expenses - travel, phone, postage	\$	12,420
Insurance	\$	15,000
Space	\$	12,000
SubTotal	\$	266,446
10% Overhead/Administration Fee	\$	26,645
TOTAL	\$	293,090

Revenue Budget

Outside sources (Philanthropy, aligned organizations)	\$	15,000
Office Space (in-kind donation)	\$	12,000
Shared among participating governments (see below)	\$	266,090
TOTAL	\$	293,090

Shares for participating governments:

	Population (OFM 2021 est)	% of Population	Grouped by Population Size
Auburn	10,050	1%	\$ 5,250
Fife	10,360	1%	\$ 5,250
Gig Harbor	11,490	1%	\$ 5,250
Lakewood	60,330	7%	\$ 22,000
Puyallup	43,040	5%	\$ 15,500
Puyallup Tribe	6,000	1%	\$ 4,250
Steilacoom	6,555	1%	\$ 4,250
Sumner	10,500	1%	\$ 5,250
Tacoma	214,700	27%	\$ 66,000
Unincorporated Pierce Co	436,840	54%	\$ 134,000
TOTAL	809,865		\$ 267,000

YEAR 3 (2023) - 1.5 FTE
10 Governments Providing Full Year of Operations Funding

Annual Expense Budget

Full-time manager with salary/taxes/benefits/inflation for 3rd year	\$	164,969
Administrative & policy support with salary/taxes/benefits/inflation 3rd yr	\$	70,003
Direct Expenses - travel, phone, postage	\$	12,855
Insurance	\$	15,000
Space	\$	12,000
SubTotal	\$	274,826
10% Overhead/Administration Fee	\$	27,483
TOTAL	\$	302,309

Revenue Budget

Outside sources (Philanthropy, aligned organizations)	\$	15,000
Office Space (in-kind donation)	\$	12,000
Shared among participating governments (see below)	\$	275,309
TOTAL	\$	302,309

Shares for participating governments:

	Population (OFM 2021 est)	% of Population	Grouped by Population Size
Auburn	10,050	1%	\$ 5,434
Fife	10,360	1%	\$ 5,434
Gig Harbor	11,490	1%	\$ 5,434
Lakewood	60,330	7%	\$ 22,770
Puyallup	43,040	5%	\$ 16,043
Puyallup Tribe	6,000	1%	\$ 4,399
Steilacoom	6,555	1%	\$ 4,399
Sumner	10,500	1%	\$ 5,434
Tacoma	214,700	27%	\$ 68,310
Unincorporated Pierce Co	436,840	54%	\$ 138,690
TOTAL	809,865		\$ 276,345

DRAFT BUDGET PROPOSAL (16 Governments)

YEAR 1 (2021) - 1 FTE

Funding for 6 Months Operations

Annual Expense Budget

Full-time manager with salary/taxes/benefits	\$	154,000
Administrative & policy support with salary/taxes/benefits (3 months)	\$	-
Direct Expenses - travel, phone, postage	\$	12,000
Insurance	\$	15,000
Space	\$	12,000
SubTotal	\$	193,000
10% Overhead/Administration Fee	\$	19,300
TOTAL	\$	212,300
Cost for 6 months of Operations:	\$	106,150

Revenue Budget

Outside sources* (Philanthropy, aligned organizations)	\$	7,500
Office Space (in-kind donation) [Pro-rated]	\$	6,000
Shared among participating governments (see below)	\$	92,650
TOTAL	\$	106,150

Shares for participating governments:

	Population (OFM 2021 est)	% of Population	Grouped by Population Size
Auburn	10,050	1%	\$ 2,000
Dupont	9,605	1%	\$ 2,000
Edgewood	13,000	1%	\$ 2,000
Fife	10,360	1%	\$ 2,000
Fircrest	6,860	1%	\$ 2,000
Gig Harbor	11,490	1%	\$ 2,000
Lakewood	60,330	7%	\$ 7,000
Milton	6,845	1%	\$ 2,000
Orting	8,675	1%	\$ 2,000
Puyallup	43,040	5%	\$ 5,000
Puyallup Tribe	6,000	1%	\$ 1,000
Steilacoom	6,555	1%	\$ 1,000
Sumner	10,500	1%	\$ 2,000
Tacoma	214,700	24%	\$ 20,000
University Place	33,730	4%	\$ 5,000
Unincorporated Pierce Co	436,840	49%	\$ 41,000
TOTAL	888,580		\$ 98,000

YEAR 2 (2022) - 1.5 FTE
16 Governments Providing Full Year of Operations Funding

Annual Expense Budget

Full-time manager with salary/taxes/benefits/inflation for 2nd year	\$	159,390
Administrative & policy support with salary/taxes/benefits/inflation for 2nd year	\$	67,636
Direct Expenses - travel, phone, postage	\$	12,420
Insurance	\$	15,000
Space	\$	12,000
SubTotal	\$	266,446
10% Overhead/Administration Fee	\$	26,645
TOTAL	\$	293,090

Revenue Budget

Outside sources (Philanthropy, aligned organizations)	\$	15,000
Office Space (in-kind donation)	\$	12,000
Shared among participating governments (see below)	\$	266,090
TOTAL	\$	293,090

Shares for participating governments:

	Population (OFM 2021 est)	% of Population	Grouped by population size
Auburn	10,050	1%	\$ 5,000
Dupont	9,605	1%	\$ 5,000
Edgewood	13,000	1%	\$ 5,000
Fife	10,360	1%	\$ 5,000
Fircrest	6,860	1%	\$ 3,000
Gig Harbor	11,490	1%	\$ 5,000
Lakewood	60,330	7%	\$ 20,000
Milton	6,845	1%	\$ 3,000
Orting	8,675	1%	\$ 5,000
Puyallup	43,040	5%	\$ 12,000
Puyallup Tribe	6,000	1%	\$ 3,000
Steilacoom	6,555	1%	\$ 3,000
Sumner	10,500	1%	\$ 5,000
Tacoma	214,700	24%	\$ 60,000
University Place	33,730	4%	\$ 12,000
Unincorporated Pierce Co	436,840	49%	\$ 120,000
TOTAL	888,580		\$ 271,000

YEAR 3 (2023) - 1.5 FTE
16 Governments Providing Full Year of Operations Funding

Annual Expense Budget

Full-time manager with salary/taxes/benefits/inflation for 3rd year	\$ 164,969
Administrative & policy support with salary/taxes/benefits/inflation for 3rd year	\$ 70,003
Direct Expenses - travel, phone, postage	\$ 12,855
Insurance	\$ 15,000
Space	\$ 12,000
SubTotal	\$ 274,826
10% Overhead/Administration Fee	\$ 27,483
TOTAL	\$ 302,309

Revenue Budget

Outside sources (Philanthropy, aligned organizations)	\$ 15,000
Office Space (in-kind donation)	\$ 12,000
Shared among participating governments (see below)	\$ 275,309
TOTAL	\$ 302,309

Shares for participating governments:

	Population (OFM 2021 est)	% of Population	Grouped by population size
Auburn	10,050	1%	\$ 5,175
Dupont	9,605	1%	\$ 5,175
Edgewood	13,000	1%	\$ 5,175
Fife	10,360	1%	\$ 5,175
Fircrest	6,860	1%	\$ 3,105
Gig Harbor	11,490	1%	\$ 5,175
Lakewood	60,330	7%	\$ 20,700
Milton	6,845	1%	\$ 3,105
Orting	8,675	1%	\$ 5,175
Puyallup	43,040	5%	\$ 12,420
Puyallup Tribe	6,000	1%	\$ 3,105
Steilacoom	6,555	1%	\$ 3,105
Sumner	10,500	1%	\$ 5,175
Tacoma	214,700	24%	\$ 62,100
University Place	33,730	4%	\$ 12,420
Unincorporated Pierce Co	436,840	49%	\$ 124,200
TOTAL	888,580		\$ 280,485



Business of the City Council City of Gig Harbor, WA

Subject: Harborview Drive and Stinson Avenue Intersection Improvements Project – Public Works Construction Contract Award, Professional Services Contract Amendment for Construction Support Services, and Professional Services Contract for Materials Testing Services

Dept. Origin: Public Works/Engineering

Proposed Council Actions:

1. Authorize the Mayor to execute a Public Works Construction Contract with Active Construction Inc. in an amount not to exceed \$2,188,188.01 for the Harborview Drive and Stinson Avenue Intersection Improvements Project;
2. Authorize the Mayor to execute a Professional Services Contract Amendment for Construction Support Services with Transportation Solutions, Inc., in an amount not to exceed \$98,640.21;
3. Authorize the Mayor to execute a Professional Services Contract for Materials Testing with Construction Testing Laboratories, Inc., in an amount not to exceed \$31,390;
4. Authorize the City Engineer to approve additional Public Works Construction Contract expenditures up to \$175,000.

Prepared by: Aaron Hulst, PE
Senior Engineer

For Agenda of: July 26, 2021

- Exhibits:**
- Public Works Construction Contract
 - Professional Services Contract Amendment for Construction Support Services
 - Professional Services Contract for Materials Testing Services Scope and Fee

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

KK 7-19-21
TA 7/16/21
email 7/15/21
DP 7/16/21
OK 7/16/21
TW 7/16/21

Expenditure Required	\$2,493,218.22	Amount Budgeted	\$ 1,330,000.00	Appropriation Required	\$0.00
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INFORMATION/BACKGROUND

The Harborview Drive and Stinson Avenue Intersection Improvements Project provides for full depth pavement replacement at the intersection of Harborview Drive and Stinson Avenue, construction of a roundabout, planing and overlay of sections of both roadways, storm drainage, waterline, and sanitary sewer system improvements, retaining walls, cement concrete curb, gutter, and sidewalk, a pedestrian walkway and driveway improvements, rectangular rapid flashing beacons and illumination, channelization, landscaping and a modified existing irrigation system, adjusting utility appurtenances. Due to economies of scale for permitting and civil construction costs, this work will include the construction of additional parking stalls for the Eddon Boat Park Brick House Rehabilitation project.

BID RESULTS

The Project was competitively bid using the City's Public Works Bidding process. On July 8, 2021, the City received four (4) responsive bids for the Project. The bid amounts are shown below.

BIDDER	TOTAL BID AMOUNT
1. Active Construction Inc.	\$ 2,188,188.01
2. NW Cascade, Inc.	\$ 2,284,249.21
3. Sound Pacific Const.	\$ 2,540,422.91

4. Port Madison Enterprises

\$ 2,798,284.67

FISCAL CONSIDERATION

As design of this project proceeded, Public Works notified City Council of additional work required to address unanticipated field conditions, additional design and analysis required for permitting, additional work for DRB meeting support, expansion of project limits, and utility relocations and eventually presented a resulting design contract amendment to Council at their February 22, 2021 council meeting.

Public Works was not aware of the financial extent of the project overage until we received the engineers estimate in mid-June 2021. An updated project cost was included in the Six-Year TIP Report that was presented to council on June 28, 2021. The overages are related to the water main relocation, storm trunk main relocation, sewer main relocation.

The Project is included in the 2021 Budget. A budget summary is shown in the table below:

2021 Budget Project Funding:	
Harborview Drive and Stinson Avenue Intersection Improvements - Street Capital, Objective 4 – TIF Funds	\$ 434,000.00
Harborview Drive and Stinson Avenue Intersection Improvements – TIB Grant	\$ 816,000.00
Harborview Drive and Stinson Avenue Intersection Improvements – Local Funds	\$ 80,000.00
Total 2021 Budget:	\$1,330,000.00
Project Expenses:	
Public Works Construction Contract – Active Construction Inc. / Construction Contract	(\$2,188,188.01)
Construction/Bid Support Services – Transportation Solutions, Inc. / Professional Services Contract	(\$98,640.21)
Materials Testing Services – Construction Testing Laboratories / Professional Services Contract	(\$31,390.00)
City Engineer Change Order Authority Amount *	(\$175,000.00)
Total budget overrun **:	(\$1,163,218.22)

*The change order authority provides for, if required, addressing any unforeseen additional Public Works Construction Contract work.

** The project overage related to the sewer repair will be paid out of the sewer fund. This amount is \$246,721.83. The remaining over-budget amount of \$916,496.39 will be paid from Hospital Benefit Zone (HBZ) funds and Transportation Impact Fee (TIF) funds. HBZ will pay for \$100,000 of the overage and the TIF fund will pay for the remaining \$816,496.39.

BOARD OR COMMITTEE RECOMMENDATION

The intersection improvements were presented as part of the corridor improvements to the Public Works Committee on 12/11/18, followed by a Council Study Session on 12/17/18 and again on 06/03/20. The intersection improvements were also included in the Six-Year Transportation Improvement Program (TIP) presented to the Public Works Committee on 11/13/17, 06/11/19, 01/12/21, 03/09/21, 05/11/21, and again on 06/11/21.

RECOMMENDATION/MOTION

1. Authorize the Mayor to execute a Public Works Construction Contract with Active Construction Inc. in an amount not to exceed \$2,188,188.01 for the Harborview Drive and Stinson Avenue Intersection Improvements Project;

2. Authorize the Mayor to execute Professional Services Contract Amendment with Transportation Solutions, Inc., for Construction Support Services in an amount not to exceed \$98,640.21;
3. Authorize the Mayor to execute a Professional Services Contract with Construction Testing Laboratories, Inc., for Materials Testing Services in an amount not to exceed \$31,390;
4. Authorize the City Engineer to approve additional Public Works Construction Contract expenditures up to \$175,000.

PUBLIC WORKS CONTRACT**HARBORVIEW DRIVE AND STINSON AVENUE INTERSECTION
IMPROVEMENTS****City Project No. CSP-1904
TIB Project No. 8-1-127(009)-1**

THIS AGREEMENT, made and entered into, this ____ day of _____, 2021, by and between the City of Gig Harbor, a Non-Charter Code city in the State of Washington, hereinafter called the "City", and Active Construction, Inc., organized under the laws of the State of Washington, located and doing business at, 5110 River Rd E, Tacoma, WA 98443; whose mailing address is, P.O. Box 430, Puyallup, WA 98371 hereinafter called the "Contractor."

WITNESSETH:

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

The Contractor shall do all of the work and furnish all of the labor, materials, tools, and equipment necessary to complete the work under this contract generally consisting of repair and maintenance of asphalt concrete roadways within the City of Gig Harbor. This contract generally provides for the construction of a roundabout at Harborview Drive and Stinson Avenue, construction of a roundabout, planing and overlay of sections of both roadways, storm drainage, waterline, and sanitary sewer system improvements, retaining walls, cement concrete curb, gutter, and sidewalk, a pedestrian walkway and driveway improvements, rectangular rapid flashing beacons and illumination, channelization, landscaping and a modified existing irrigation system, adjusting utility appurtenances, and other work, all in accordance with the attached Contract Plans, these Special Provisions, and the Standard Specifications including the schedule of prices in the "Proposal," the sum of Two Million One Hundred Eighty-eight Thousand One Hundred Eighty-eight Dollars and One Cent (\$2,188,188.01), subject to the provisions of the Contract Documents, the Special Provisions, and the Standard Specifications.

1. The Notice to Proceed will be given in accordance with Section 1-08.4 of Contract Documents. The Contractor shall commence construction activities on the project site in accordance with Section 1-08.4 of the Contract Documents. Contract time shall begin in accordance with Section 1-08.5 of Contract Documents. Work shall be substantially complete in accordance with Section 1-08.5 of the Contract Documents.
2. The Contractor agrees to pay the City for liquidated damages incurred according to Section 1-08.9 of the Contract Documents per day for each and every day all work remains uncompleted after expiration of the specified time, as liquidated damages.
3. The Contractor shall provide for and bear the expense of all labor, materials, tools and equipment of any sort whatsoever that may be required for the full performance of the work provided for in this Contract upon the part of the Contractor.
4. The term "Contract Documents" shall mean and refer to the following: "Invitation to Bidders," "Bid Proposal," "Addenda" if any, "Specifications," "Plans," "Contract," "Performance Bond," "Maintenance Bond," "Payment Bond," "Special Provisions," "Notice to Proceed," "Change Orders" if any, and any documents referenced or incorporated into the Contract Documents, including, but not limited to the Washington State Department of Transportation's "2021

Standard Specifications for Road, Bridge, and Municipal Construction," including the American Public Works Association (APWA) General Special Provisions, MUTCD, WSDOT Standard Plans and City of Gig Harbor Public Works Standards.

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

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

CITY of GIG HARBOR:

CONTRACTOR:

Kit Kuhn, Mayor
City of Gig Harbor

Date: _____

(Signature of Official)

(Print Name)

(Title)

ATTEST:

Date: _____

Interim City Clerk

APPROVED FOR FORM:

City Attorney

**FIFTH AMENDMENT
TO
PROFESSIONAL SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
TRANSPORTATION SOLUTIONS, INC.**

THIS FIFTH AMENDMENT is made to that certain Professional Services Contract dated June 24, 2019 (the "Agreement"), as amended on December 10, 2019, and again on January 28, 2020, and again on February 8, 2021, and again on February 22, 2021 by and between the City of Gig Harbor, a Washington municipal corporation (hereinafter the "City"), and Transportation Solutions, Inc., a corporation organized under the laws of the State of Washington (hereinafter the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in completing the Harborview Drive and Stinson Avenue Intersection Improvements Project and desires to extend consultation services in connection with the project; and

WHEREAS, section 17 of the Agreement requires the parties to execute an amendment to the Agreement in order to modify the scope of work to be performed by the Consultant and to amend the amount of compensation paid by the City;

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

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

2. Payment. Section 2(A) of the Agreement is amended to increase compensation to the Consultant for the work to be performed as described in **Exhibit A** in an amount not to exceed Ninety-eight Thousand Six Hundred Forty Dollars and Twenty-one Cents (\$98,640.21), as shown in **Exhibit B**, attached to this Amendment and incorporated herein.

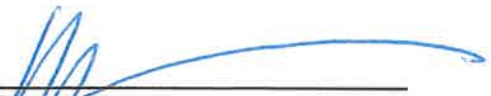
3. Duration of Work. Section 3 of the Agreement is amended to extend the duration of this Agreement to March 1, 2023.

[Remainder of page left intentionally blank]

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

IN WITNESS WHEREOF, the parties have executed this Amendment on this _____ day of _____, 2021.

CONSULTANT

By: 
Its Principal

CITY OF GIG HARBOR

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Amendment 5 Scope of Work

General

The extra work included within this amendment includes:

Phase 2 extra work required beyond the authorized MRF release for Sanitary Sewer Main Replacement Design, extra work required beyond the authorized MRF release for Storm Drain Culvert Replacement Design, and extra work required to provide Bidding Assistance not included in the original scope of work.

Phase 3 includes new extra work for Construction Support Services not included in the original scope of work.

Extra Work Phase 2 Final Design

Extra Work Task 60 Utilities Coordination Sanitary Sewer Main Replacement

MRF Task Order 3 authorized \$6,000 for this design task to begin based upon the available MRF balance. The actual work necessary to complete the design exceeded this initially authorized amount. Design work began on 3/10/21 following receipt of a concept plan sketch of the new sanitary sewer alignment that was prepared and provided by the City. Design adjustments to the concept alignment were developed and evaluated for consistency with both proposed and existing features in the vicinity of the improvements, such as new walls and existing utility poles. After coordination and collaboration with the City, a modified version of the original concept sketch alignment was the one selected for inclusion into the 100% design level PS&E bid documents that were submitted for City review on 6/07/21.

The new plan sheet included with the 100% design level submittal, Sanitary Sewer Plan and Profile, also included a sanitary sewer pipe profile, manhole information, and construction notes. Also included with the 100% PS&E submittal was new information and adjustments to the following plan sheets: Traffic Control Plan – Notes (revision), Traffic Control Plan – Phase 0 (new plan sheet), Roadway Plan and Profile 1 of 3 (revision), Roadway Plan and Profile 2 of 3(revision). The 100% design submittal included modifications and additions to the contract specifications to include the added sanitary sewer work. The Bid Schedule, included within the Project Specifications/Project Manual, was modified into two separate schedules of work, Schedule A for Roadway Work and Schedule B Sanitary Sewer and Related Work. The Engineer's Estimate was correspondingly divided into the same two separate bid schedules (A and B). Quantities for Schedule B (sanitary sewer related work) were calculated and estimated for construction costs accordingly. Following City review of the 100% PS&E, adjustments were made to the PS&E bid documents associated with the sanitary sewer main replacement work. The project, including the sanitary sewer main replacement, was advertised for contractor bids on 6/17/21.

Extra Work Task 60 Utilities Coordination Storm Drain Culvert Replacement

MRF Task Order 3 authorized \$5,000 for this design task to begin based upon the available MRF balance. The actual work necessary to complete the design exceeded this initially authorized amount. Design work began on 3/10/21 following receipt of a concept plan sketch of the new sanitary sewer alignment that was prepared and provided by the City. Design work was informed with receipt of pothole information of the existing box culvert which was provided by the City on 4/28/21. A concept sketch of the new Storm Drain Culvert replacement of the existing box culvert within Eddon Boat Park, was submitted to the City on the same day, 4/28/21. The Design work for the storm conveyance pipe replacement was influenced and informed by the design work related to the Sanitary Sewer Replacement work described in the Extra Work Task above. After coordination and collaboration with the City, a modified version of the original concept sketch alignment was included with the Final PS&E bid documents that were advertised for contractor bids on 6/17/21.

Similar to the Sanitary Sewer Replacement Extra Work task, the project work for the Storm Drain Culvert Replacement was included in Schedule B, for which additional material quantities were calculated and construction costs were estimated. This Schedule B work was included in a separate Bid Schedule in the Project Specifications/Project Manual. The contract specifications were modified and added for this added work to the project. Traffic control plans illustrating were also added and modified to the plan set to account for this added work for the project.

Extra Work New Task 110 Bidding Assistance

The CONSULTANT shall provide assistance during the bid and award of the construction contract. The following tasks will be provided by the CONSULTANT.

Pre-Bid Support

The CONSULTANT shall coordinate with the City for submittal to the Builder's Exchange website for advertisement for bids.

During Bid Support

The CONSULTANT shall assist the CITY during the bid period to answer any questions that arise concerning the PS&E documents and will assist the CITY in preparing addenda required. It is anticipated that 1 to 4 addenda will be needed for the project and will require preparation and coordination with the CITY and/or Builder's Exchange.

Post-Bid Support

The CONSULTANT shall prepare for and attend a pre-construction meeting with the construction contractor to assist the CITY in responding to questions and inquiries.

Extra Work Phase 3 Construction Support Services

The CONSULTANT shall provide Construction Support Services that correspond to the tasks described in the following sections of this Scope of Services as required for the completion of the PROJECT. The first working day of the project is anticipated to be August 23, 2021; however, it is anticipated that with a winter suspension, the last working day for the contractor will be August 15, 2022.

Task 310 Project Management

The CONSULTANT shall provide additional Project Management and Quality Control services that correspond to the services described in the following sections of this Scope of Services as required for the completion of the PROJECT.

Task 320 Coordination/Site Meetings

The CONSULTANT will attend weekly virtual coordination meetings during the construction period. This scope of work assumes the CONSULTANT will attend up to 20 weekly virtual coordination meetings. The CONSULTANT shall provide meeting minutes and a record of action items within two (2) days of each meeting. The CONSULTANT shall attend up to 5 site visits.

Task 330 Requests for Information (RFIs)

The CONSULTANT shall provide responses to contractor RFI's in a timely manner. Generally, the CITY will need RFI responses within three (3) business days of the request, however more or less time may be allocated for this task depending on the issue. This scope of work assumes the CONSULTANT will respond to up to 16 RFIs.

Task 340 Requests for Approval of Materials (RAMs)

The CONSULTANT shall compete requests for Materials Approvals in a timely manner. Generally, the CITY will need responses within three (3) business days of the request, however more or less time may

be allocated for this task depending on the documentation provided by the contractor. It is anticipated that the CONSULTANT will review materials related to the illumination system, rectangular rapid flashing beacon system, landscape features and irrigation system. This scope of work assumes the CONSULTANT will respond to up to 5 RAMs.

Task 350 Plan Clarifications/Design Revisions

The CONSULTANT will provide input and guidance on constructability issues (as requested by the City and with consideration of the allocated budget for this task). This includes CITY requested design revisions based on field conditions, or suggested plan changes by CITY staff. This scope of work assumes the CONSULTANT will respond to up to 12 Plan Clarifications/Design Revisions requests.

Task 360 Survey Support

The construction contract includes contractor provided surveying; however, the CONSULTANT may provide additional survey to support design revisions necessary to address actual field conditions or CITY requested design changes. This work will be provided by Skilling the survey subconsultant utilizing unused budget from their Phase 2 budget.

Task 370 Geotechnical Support

The CONSULTANT may provide additional geotechnical analysis and/or recommendations to support design revisions necessary to address actual field conditions or CITY requested design changes. This work will be provided by AESI the geotechnical subconsultant by allocating unused budget from their Phase 2 budget.

Task 380 Landscape/Irrigation Design Support

The CONSULTANT may provide additional analysis and/or recommendations to support design revisions necessary to address actual field conditions or CITY requested design changes.

Amendment 5 Request Summary by Phase and Total
7/13/2021

	Ph2	Ph3	Total
TSI	\$ 36,673.50	\$ 62,068.00	\$ 98,741.50
Subs	\$ (10,036.29)	\$ 9,935.00	\$ (101.29)
MRF	\$ -	\$ -	\$ -
Total	\$ 26,637.21	\$ 72,003.00	\$ 98,640.21

Exhibit B	Amendment No. 5				
Phase 2 Sch A - Stinson Ave and Harborview Dr Intersection Improvement Project				City of Gig Harbor	
FEE Estimate					
TRANSPORTATION SOLUTIONS, INC				7/13/2021	
NEGOTIATED HOURLY RATE (NHR):					
Classification	Hours	x	Rate	= Cost	
VLS/KAH-ENGR VIII	79	x	235.00	= \$18,565.00	
MLM-ENGR V	21	x	168.50	= \$3,538.50	
MS-TECH V	94	x	155.00	= \$14,570.00	
DH-ENGR I	0	x	100.00	= \$0.00	
JB ADMIN V	0	x	115.00	= \$0.00	
				\$36,673.50	
REIMBURSABLES:					
Mileage	0	x	0.58	= \$0.00	
Miscellaneous Expenses	0	x	18	= \$0.00	
				\$0.00	
SUBCONSULTANT COST					
			Markup		
Skillings Connolly, Inc.	-\$5,621.29	x	0%	= -\$5,621.29	
Associated Earth Sciences, Inc.	-\$4,415.00	x	0%	= -\$4,415.00	
Contract Land Staff	\$0.00	x	0%	= \$0.00	
Berger Partnership	\$0.00	x	0%	= \$0.00	
				-\$10,036.29	
SUB-TOTAL (NHR + REIMBURSABLES + SUBCONSULTANTS)					
				Sub Total = -\$10,036.29	
MANAGEMENT RESERVE FUND					
	\$0.00	x	MRF 25,000.00	= MRF = \$0.00	
GRAND TOTAL					
GRAND TOTAL =				GRAND TOTAL = \$26,637.21	

City of Gig Harbor Exhibit B Phase 2 Sch A - Stinson and Harborview		VLS/KAHA-ENGR VIII	MLM-ENGR V	MS-TECH V	DH-ENGR I	JB ADMIN V	7/13/2021	
Amendment No. 5 Transportation Solutions, Inc. Labor Estimate								
Billrate		235.00	168.50	155.00	100.00	115.00		
#	Task						Hours	Amount
10	PROJECT MANAGEMENT						0	-
20	PUBLIC INVOLVEMENT						0	-
30	SURVEYING AND MAPPING						0	-
40	GEOTECHNICAL INVESTIGATIONS						0	-
50	ENVIRONMENTAL - SEPA & SHORELINE PERMIT APPLICATION CHECKLISTS						0	-
60	UTILITIES COORDINATION (Storm and Sewer combined)	45.0	20	68	0		133	24,485.00
70	LANDSCAPING						0	-
80	PRELIMINARY PS&E						0	-
90	FINAL PLANS, SPECIFICATIONS, AND ESTIMATE (100% PS&E						0	-
100	RIGHT OF WAY						0	-
110	BIDDING ASSISTANCE	34	1	26			61	12,188.50
GRAND TOTAL =		79	21	94	0	0	194	36,673.50

Exhibit B		Amendment No. 5				City of Gig Harbor	
Phase 3 - Construction Support Services							
FEE Estimate							
TRANSPORTATION SOLUTIONS, INC						7/13/2021	
NEGOTIATED HOURLY RATE (NHR):							
Classification	Hours	x	Rate	=	Cost		
VLS/KAH-ENGR VIII	138	x	235.00	=	\$32,430.00		
MLM-ENGR V	68	x	168.50	=	\$11,458.00		
MS-TECH V	68	x	155.00	=	\$10,540.00		
DH-ENGR I	16	x	100.00	=	\$1,600.00		
JLS-PLANNER III	40	x	105.00	=	\$4,200.00		
JB ADMIN V	16	x	115.00	=	\$1,840.00		
					\$62,068.00		
REIMBURSABLES:							
Mileage	0	x	0.58	=	\$0.00		
Miscellaneous Expenses	0	x	18	=	\$0.00		
					\$0.00		
SUBCONSULTANT COST							
			Markup				
Skillings Connolly, Inc.	\$3,000.00	x	0%	=	\$3,000.00		
Associated Earth Sciences, Inc.	\$4,415.00	x	0%	=	\$4,415.00		
Contract Land Staff	\$0.00	x	0%	=	\$0.00		
Berger Partnership and Design 24/26	\$2,520.00	x	0%	=	\$2,520.00		
					\$9,935.00		
SUB-TOTAL (NHR + REIMBURSABLES + SUBCONSULTANTS)							
					Sub Total =	\$9,935.00	
MANAGEMENT RESERVE FUND							
	1	x	MRF	=	MRF =	\$0.00	
GRAND TOTAL							
GRAND TOTAL =				GRAND TOTAL =		\$72,003.00	

City of Gig Harbor Exhibit B Phase 3 - Construction Support Services Amendment No. 5 Transportation Solutions, Inc. Labor Estimate		VLS/KAHA-ENGR VIII	MLM-ENGR V	MS-TECH V	DH-ENGR I	JIS PLANNER III	JB ADMIN V	7/13/2021	
Billrate		235.00	168.50	155.00	100.00	105.00	115.00		
#	Task							Hours	Amount
310	PROJECT MANAGEMENT	32					16	48	9,360.00
320	COORDINATION/SITE MEETINGS	40	28			40		108	18,318.00
330	REQUEST FOR INFORMATION (RFIs)	24	24	24				72	13,404.00
340	REQUEST FOR APPROVAL OF MATERIALS (RAMs)	8		12				20	3,740.00
350	PLAN CLARIFICATIONS/DESIGN REVISIONS	34	16	32	16			98	17,246.00
360	SURVEY SUPPORT							0	-
370	GEOTECHNICAL SUPPORT							0	-
380	LANDSCAPE/IRRIGATION DESIGN SUPPORT							0	
GRAND TOTAL =		138	68	68	16	40	16	346	62,068.00

**PROFESSIONAL SERVICES CONTRACT
BETWEEN THE CITY OF GIG HARBOR AND
CONSTRUCTION TESTING LABORATORIES, INC.**

THIS AGREEMENT is made by and between the City of Gig Harbor, a Washington municipal corporation (the "City"), and Construction Testing Laboratories, Inc., a Washington corporation (the "Consultant").

RECITALS

WHEREAS, the City is presently engaged in construction of the Harborview Drive and Stinson Ave Intersection Improvements project and desires that the Consultant perform services necessary to provide the following consultation services; and

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

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

TERMS

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

2. **Payment.**

A. The City shall pay the Consultant an amount based on time and materials, not to exceed Thirty-one Thousand Three Hundred Ninety Dollar and Zero Cents (\$31,390.00) 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 A**. The Consultant shall not bill for Consultant's staff not identified or listed in **Exhibit A** or bill at rates in excess of the hourly rates shown in **Exhibit A**, 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 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 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 December 31, 2022; provided however, that additional time shall be granted by the City for excusable days or extra work. Further, the parties may extend the duration of this Agreement consistent with the terms of Section 17 below.

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 negligent or wrongful 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. 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 performance of the work hereunder by the Consultant, its agents, representatives, or employees.

B. No Limitation. The Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City of Gig Harbor's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance. The Consultant shall obtain at no cost to the City and maintain said insurance in force for the duration of this agreement, insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 or a substitute form providing equivalent liability coverage and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named by endorsement as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Professional's profession.

D. Minimum Amounts of Insurance. The Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Employer's Liability, each accident \$1,000,000, Employer's Liability Disease-each employee \$1,000,000, and Employer's Liability Disease - Policy Limit \$1,000,000.
4. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim.

E. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respect to the City of Gig Harbor. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute to it.
2. The City of Gig Harbor will not waive its right to subrogation against the Consultant. The Consultant's insurance shall be endorsed acknowledging that the City of Gig Harbor will not waive its right to subrogation. The Consultant's insurance shall be endorsed to waive the right of subrogation against the City of Gig Harbor, or any self-insurance, or insurance pool coverage maintained by the City of Gig Harbor.
3. The Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party, unless thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
4. If any coverage is written on a "claims made" basis, then a minimum of a three (3) year extended reporting period shall be included with the claims made policy, and proof of this extended reporting period provided to the City.

F. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII and licensed to conduct business in the State of Washington.

G. Verification of Coverage. The Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

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.

A. 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.

B. Consultant acknowledges that the City is an agency governed by the public records disclosure requirements set forth in chapter 42.56 RCW. Consultant shall fully cooperate with and assist the City with respect to any request for public records received by the City concerning any public records generated, produced, created and/or possessed by Consultant and related to the services performed under this Agreement. Upon written demand by the City, the Consultant shall furnish the City with full and complete copies of any such records within ten business days. Consultant's failure to timely provide such records upon demand shall be deemed a material breach of this Agreement. To the extent that the City incurs any monetary penalties, attorneys' fees, and/or any other expenses as a result of such breach, the Consultant shall indemnify and hold harmless the City as set forth in Section 7. For purposes of this section, the terms "public records" and "agency" shall have the same meaning as defined by chapter 42.56 RCW, as construed by Washington courts.

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

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:
ATTN: Jon Price
Construction Testing Laboratories, Inc.
400 Valley Ave NE, Ste 102
Puyallup, WA 98372
253-383-8778

City of Gig Harbor
ATTN: Aaron Hulst
City of Gig Harbor
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.

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. If extending the duration of the Agreement only, the parties may agree to such duration extension by written instrument approved and signed by the Consultant and by the Mayor if all other terms of the Agreement are unchanged and remain in full force and effect for the entire new duration of the Agreement.

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

CONSULTANT

CITY OF GIG HARBOR

By: Chris Pedersen
Its: OPERATIONS MANAGER

By: _____
Mayor

ATTEST:

Interim City Clerk

APPROVED AS TO FORM:

City Attorney



Construction Testing Laboratories

New Business - 5
100 Valley Avenue NE
Suite 102
Puyallup, WA 98372
253-383-8778
fax 253 770-8232
www.ctlwa.com

July 08, 2021

EXHIBIT A

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

Attn: Maureen Whitaker

RE: **Harborview Drive/Stinson Avenue Intersection Improvements**
Special Inspection & Testing Services

Dear Ms. Whitaker,

I am pleased to submit our proposal to provide special inspection and testing services for the above project.

CERTIFICATIONS:

Our firm is registered with WABO and accredited by AASTHO (R-18), in accordance with the requirements of ASTM E329, D3740 and D3666. We are routinely inspected by, and participate in proficiency testing with CCRL and AMRL. This includes the fields of soils, aggregate, masonry, concrete, and bituminous mixtures. We are also validated by the U.S. Army Corps of Engineers. Our inspectors are certified by ACI, ICC and WABO and many of them have been with us for ten to twenty years. All equipment is calibrated at regular intervals, as required by ASTM and AASHTO. Copies of all calibrations are on file.

ADMINISTRATIVE:

All project management, report preparation, clerical, engineer review of reports, final inspection report and mail distribution costs are included in the hourly/unit rates. There are no hidden charges.

BASIS OF CHARGES:

Four-hour minimum for inspection and field-testing. One-hour minimum for sampling and cylinder pick-up. Time and one half (1.5) for work in excess of eight hours per day and Saturdays. All work performed outside normal working hours (07:00 hr. to 16:00 hr.) Monday through Friday will be charge at 1.5 times the standard rate. Double time for Sundays and holidays. Hourly rates and mileage are portal to portal. Terms are thirty (30) days. Twenty-four (24) hour notice is required to schedule technician(s). Rush Laboratory Testing will be billed at 1½ times the applicable standard rate.

Our estimated cost does not include overtime. All parties are aware we are T&M, so you control the actual budget. The actual cost will vary, as our costs are directly dependent upon the contractor and the sub-contractor's schedule.

Our highly trained staff would be delighted to assist you in the successful completion of this project. If you have any questions regarding this proposal or if we may be of service, please call or visit our website at www.ctlwa.com.

Sincerely,

Construction Testing Laboratories, Inc. (CTL)

Digitally signed by Jon

Price

Date: 2021.07.08

13:49:35 -07'00'

Jon Price

Chris Pedersen

Operations Manager

e-mail: chrisp@ctlwa.com

phone # 253-383-8778

Jon Price

Technical Director

e-mail: jonp@ctlwa.com



Construction Testing Laboratories

New Business - 5
400 Valley Avenue NE
Suite 102
Puyallup, WA 98372
253-383-8778
fax 253 770-8232
www.ctllwa.com

Estimate of Project Costs			
Type of Inspection & Testing	Approximate # of hours/tests	Price per test	Estimated Cost
CONCRETE			
Reinforcing Steel	40	\$ 60.00	\$ 2,400.00
Concrete Technician	195	\$ 60.00	\$ 11,700.00
Concrete Test Cylinders	165	\$ 25.00	\$ 4,125.00
		SUBTOTAL	\$ 18,225.00
SOILS			
Soils Technician	125	\$ 61.00	\$ 7,625.00
Maximum Density Optimum Moisture-Density Curve (Proctor)	4	\$ 205.00	\$ 820.00
Sieve Analysis	4	\$ 185.00	\$ 740.00
		SUBTOTAL	\$ 9,185.00
ASPHALT			
Asphalt Testing Technician	40	\$ 61.00	\$ 2,440.00
Rice Maximum Theoretical Density	4	\$ 130.00	\$ 520.00
Extraction/Gradation	4	\$ 255.00	\$ 1,020.00
		SUBTOTAL	\$ 3,980.00
ESTIMATED TOTAL COST			\$ 31,390.00

Our estimated cost does not include overtime. All parties are aware we are T&M, so you control the actual budget. The actual cost will vary, as our costs are directly dependent upon the contractor and the sub-contractor's schedule.



Construction Testing Laboratories

New Business - 5
490 Valley Avenue NE
Suite 102
Puyallup, WA 98372
253-383-8778
fax 253-770-8232
www.ctllwa.com

Fee Schedule

Item #	Description	Price
Technician/Engineering Personnel		
1	Acoustic Ceiling Inspection	\$ 59.00
2	Anchor Pull Testing	\$ 85.00
3	Badges/Safety Classes/Time	\$ 61.00
4	CESCL	\$ 78.00
5	Coring Support Technician	\$ 55.00
6	Coring Technician	\$ 97.00
7	Emergency Lighting Inspection	\$ 60.00
8	Epoxy Bolt/Anchor Bolting/Dowel Inspection	\$ 60.00
9	Fire-Resistant Penetrations and Joints Inspection	\$ 85.00
10	Floor Flatness	\$ 130.00
11	Hazmat Technician	\$ 97.00
12	High Strength Bolt Inspection	\$ 70.00
13	Infiltration Testing	\$ 63.00
14	Laboratory Technician	\$ 75.00
15	Lateral Framing/Nailing Inspection	\$ 60.00
16	Magnetic Particle or Dye Penetrant	\$ 91.00
17	Moisture Vapor Through Floor/Slab	\$ 70.00
	• Calcium Test Kits	\$ 24.00
18	Pachometer Technician	\$ 90.00
19	Piling Inspection	\$ 65.00
20	Post Tension Inspection	\$ 65.00
21	Rebound Number of Hardened Concrete (C-805) (Schmidt Hammer)	\$ 69.00
22	Reinforcing Concrete & Masonry Technician	\$ 60.00
23	Reinforcing Steel Inspection	\$ 60.00
24	Relative Humidity – Concrete Floors	\$ 70.00
	• RH Test Tubes	\$ 45.00
25	Roofing Inspection	\$ 60.00
26	Shotcrete Inspection	\$ 63.00
27	Soils & Asphalt Technician	\$ 61.00
28	Spray- Applied Fire-Resistive Materials Inspection	\$ 63.00
29	Ultrasonic Test (UT)	\$ 91.00
30	Visual Welding Inspection	\$ 70.00
31	Wood Moisture Testing (In-Field)	\$ 63.00



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Fee Schedule

Item #	Description	Price
Concrete		
32	Cast by Client/Contractor Core Specimens	\$ 61.00
33	Cast by Client/Contractor Cylinder Specimens *if sawing or extra handling is required a minimum rate of \$61.00 each will be charged.	\$ 45.00
34	Clay Lumps & Friable Particles	\$ 115.00
35	Compressive Strength Tests (C-39)	\$ 25.00
36	Flexural Strength, 6"x6"x22" Concrete Beam (C-293)	\$ 73.00
37	Light Weight Pieces (C-123)	\$ 180.00
38	Organic Impurities (C-40)	\$ 90.00
39	Shotcrete Panels: 3 Cores with Compressive Strength	\$ 275.00
	• Additional Cores from Panel	\$ 90.00
40	Sulfate Soundness (C-88) Magnesium, per sample	\$ 360.00
41	Sulfate Soundness (C-88) Sodium, per sample	\$ 395.00
42	Unit Weight of Aggregate (C-29)	\$ 100.00
Masonry		
43	Compressive Strength, Masonry Composite Prisms (UBC-2405)	\$ 76.00
44	Compressive Tests, Masonry Unit (C-140)	\$ 66.00
45	Compressive Tests, Mortar Cubes (C-109)	\$ 25.00
46	Compressive Tests, Mortar or Grout Specimens (UBC-24/23)	\$ 25.00
Soils Mechanics Laboratory Tests		
47	% Organics By Weight (D-2974)	\$ 150.00
48	Aggregate Durability Index (AASHTO T-210)	\$ 200.00
49	Atterberg Limits (D-424), Liquid Limit, Plastic Limit, Plasticity Index	\$ 210.00
50	Flat & Elongated Pieces in Aggregate (ASTM D-4791)	\$ 140.00
51	Fracture Face Count	\$ 85.00
52	Laboratory Determination of Moisture Content (D-2216)	\$ 80.00
53	Maximum Density Optimum Moisture-Density Curve [Proctor] (D-698, D-1557)	\$ 205.00
54	Particle Size Analysis (D-422) Hydrometer (with D-854)	\$ 390.00
55	Particle Size Analysis (D-422) Hydrometer (without D-854)	\$ 290.00
56	pH of Soils/Aggregates (D-4972)	\$ 75.00
57	Resistance to Abrasion, Los Angeles Machine (C-131, C-535)	\$ 260.00
58	Sand Equivalent (D-2419)	\$ 105.00
59	Sieve Analysis (Add #270, C-136, C-117 [Wet Sieve])	\$ 215.00
60	Sieve Analysis (C-136, C-117 [Wet Sieve])	\$ 185.00
61	Specific Gravity of Soils (D-854)	\$ 145.00
62	Specific Gravity/Absorption of Coarse Aggregate (C-127)	\$ 105.00
63	Specific Gravity/Absorption of Fine Aggregate (C-128)	\$ 160.00
64	Uncompacted Void Content of Fine Aggregate T-304, Specific Gravity Not Included	\$ 125.00
65	Wood Waste (WSDOT)	\$ 75.00
66	WSDOT Degradation	\$ 200.00



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Fee Schedule

Item #	Description	Price
Asphaltic Concrete Mixes		
67	Anti-Strip evaluation TSR (D-4867) when performing mix design	\$1,250.00
68	Anti-Strip evaluation TSR (D-4867) without performing mix design	Quote Upon Request
69	Mix Design of Bituminous Mixture by Marshall Method (Does not include anti-strip testing)	\$5,000.00
70	Mix Design by Gyratory Method (SHRP/Suprapave) (Does not include anti-strip testing)	\$5,000.00
71	Extraction and Gradation % Bitumen (T-308) (C-136 [West]) Sieve (C-117)	\$ 255.00
72	Gyratory Tests (Suprapave) (312)	\$ 285.00
73	Hamburg, performed with Mix Design, CTL makes 2 or 4 specimens	\$ 900.00
74	Hamburg, performed without Mix Design, CTL makes 2 or 4 specimens	Quote Upon Request
75	Hamburg, production sample	\$ 700.00
76	Hamburg, test only, supplier provides 2 or 4 specimens	\$ 500.00
77	IDT, performed with Mix Design, CTL makes 3 specimens	\$ 360.00
78	IDT, performed without Mix Design, CTL makes 3 specimens	Quote Upon Request
79	IDT, test only, supplier provides 3 specimens	\$ 160.00
80	Marshall Test, per Molded Specimen (D-1559) Includes Stability, Flow, and Unit Wt.) per set of 3	\$ 450.00
81	Permeability of Asphaltic Concrete	\$ 350.00
82	Rice Maximum Theoretical Density (D-2041)	\$ 130.00
83	Specific Gravity of Compacted Field Sample (D-2726) WSDOT 704 (Pavement Core)	\$ 70.00
Miscellaneous:		
84	Dry Density of Fireproofing Material	\$ 150.00
85	Ferry Charges	Quote Upon Request
86	Mileage	\$ 0.75
87	Per Diem (Lodging, Meals, and Etc.)	Quote Upon Request
Basis of Charges (Rate Charges & Notification)		
Four-hour minimum for inspection, sampling, and field testing. One-hour minimum for cylinder pick-up. Time and one half (1.5) for work in excess of eight hours per day and Saturdays. All work performed outside normal working hours (0700 hr. to 1600 hr.) Monday through Friday will be charged at 1.5 times the standard rate. Double time will be charged for Sundays and holidays. Four-hour minimum for weekend and holidays. Hourly rates and mileage are portal to portal. Terms are thirty (30) days. Prices are subject to change without notice. Twenty-four (24) hour notice is required to schedule technician(s). Six-hour notification required for cancellations for night and weekend work (a four-hour minimum charge would apply without proper notification). A 3% escalation for hourly and unit prices for multi-year contracts will apply.		
Mail Distribution (Reports)		
All overhead, engineer review of reports, final inspection report, and mail distribution costs are included in the hourly/unit rates.		
Terms of Sale (Payment Due Date/Past Due):		
All invoices are "NET" and pavement is due on the 30 th day following the invoice date, unless otherwise stated on the application invoice. An account is considered past due on the 31 st day following the date of invoice. All accounts not paid by due date may be subject to suspension. A late charge of 1.5% per month annual will be imposed on past due accounts. Customers/Clients agree to pay all attorney's fees and costs of collection.		
Dispatch Notification		
Also, it is the responsibility of the client or designated representative to schedule and/or cancel field work with our office only, not through field personnel. CTL cannot be held responsible for scheduling and/or cancellation of services made through field inspector(s). In addition, twenty-four hour notices are required to schedule or dispatch inspector(s) for inspection and testing services.		



Business of the City Council City of Gig Harbor, WA

Subject: Community Paddler's Dock Project
– Public Works Construction Contract Award

Dept. Origin: Public Works

Proposed Council Action: Approve and authorize the Mayor to:

Prepared by: Jeff Langhelm, PE
Public Works Director

1. Execute a Public Works Construction Contract with American Construction Co., Inc in an amount not to exceed \$758,726.00.
2. Authorize the Public Works Director to approve project change order expenditures up to \$25,000.

For Agenda of: June 26, 2021

Exhibits: Public Works Construction Contract

Concurred by Mayor:

Approved by City Administrator:

Approved as to form by City Atty:

Approved by Finance Director:

Approved by Public Works Dir.:

Initial & Date

KK 7-21-21
JP 7/21/21
by email 7/16/21
AD HDR 7/20/21
JDX 7/21/21

Expenditure Required	\$783,726	Amount Budgeted	\$400,000	Appropriation Required	See Fiscal Consideration
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INFORMATION/BACKGROUND

The Community Paddler's Dock project includes the removal of the existing private gangway and float system and constructing new public in-water improvements for public use and access within the proposed sublease area. Ongoing efforts between the Jerkovich Family, the City, and the Gig Harbor Canoe and Kayak Race Team has led to a completed set of design and permit documents at a location that is mutually beneficial to all parties.

BID RESULTS

The Project was competitively bid using the City's Public Works Bidding process. On July 20, 2021, the City received four (4) responsive bids for the Project. The engineer's opinion of probably construction cost was \$683,000. The bid amounts are shown below.

BIDDER	TOTAL BID AMOUNT
1. American Construction Co., Inc.	\$ 758,726.00
2. Quigg Bros., Inc.	\$ 981,561.00
3. Rognlin's Inc.	\$1,015,258.00
4. Masana Construction Inc.	\$1,233,351.51

FISCAL CONSIDERATION

This project was originally included in the City's 2021 Budget at a cost of \$400,000. However, after the engineer's estimate for the total project was refined in January 2021 the City was faced with a new estimated total project cost of \$733,000. At the February 11, 2021 Council Study Session, Staff presented a proposed project funding proposal that has since been modified based on an increase in the minimum donation from the Gig Harbor Canoe and Kayak Race Team (GHCKRT), anticipated Port of Tacoma Local Economic Development Investment Funds (LEDIF), and an increase in the HBZ funding as outlined below

Anticipated 2021 Revenues	
Parks Development (Fund 109, Objective 6, Page 135)	
Hospital Benefit Zone	\$ 377,163
General Fund	\$ 100,000
Lodging Tax Advisory Committee Funds	\$ 100,000
Park Impact Fees	\$ 160,000
GHCKRT Donation	\$ 150,000
Port of Tacoma LEDIF	\$ 25,000
Total =	\$ 912,163
Anticipated 2021 Expenditures	
Davido Consulting Group – Contract for Design/Permitting	(\$ 28,018)
Davido Consulting Group – Contract Amendment #1	(\$ 86,719)
<i>Construction Surveying</i>	(\$ 13,700)
Public Works Construction Contract	(\$ 758,726)
Public Works Director Change Order Authority*	(\$ 25,000)
Remaining 2021 Budget =	\$ 0

Note: Construction Surveying expenditure in italics is estimated.

*The change order authority provides for, if required, addressing any unforeseen additional project work during construction.

BOARD OR COMMITTEE RECOMMENDATION

None

RECOMMENDATION/MOTION

Approve and authorize the Mayor to:

1. Execute a Public Works Construction Contract with American Construction Co., Inc. in an amount not to exceed \$758,726.00.
2. Authorize the Public Works Director to approve project change order expenditures up to \$25,000.

CONTRACT FORM

**CITY OF GIG HARBOR
COMMUNITY PADDLERS DOCK PROJECT
CPP-1824**

THIS AGREEMENT, made and entered into, this ____ day of _____, 201__, by and between the City of Gig Harbor, a Non-Charter Code city in the State of Washington, hereinafter called the "City", and American Construction Co., Inc., hereinafter called the "Contractor."

WITNESSETH:

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

1. The Contractor shall do all of the work and furnish all of the labor, materials, tools, and equipment necessary for the construction of the Community Paddlers Dock Project, all in accordance with the Technical Specifications, Conditions of the Construction Contract and Supplementary Conditions of the Contract, and shall perform any changes in the Work, all in full compliance with the Project Manual entitled "Community Paddlers Dock Contract Documents, CPP-1824," which are by this reference incorporated herein and made a part hereof; and agrees to accept payment for the same in accordance with the said Project Manual, including the schedule of prices in the "Proposal," the sum Seven Hundred Fifty-Eight Thousand Seven Hundred Twenty-Six Dollars and Zero Cents (\$758,726.00), including state sales tax, subject to the provisions of the Project Manual.
2. Work shall commence and contract time shall begin as stated in Section SC-2.04 of the Supplementary Conditions. All Contract Work shall be physically complete as stated in Section 01 12 16.
3. The Contractor agrees to pay the City Liquidated Damages for each and every working day all Work remains uncompleted after expiration of the specified time, as stated in Section 01 12 16.
4. The Contractor shall provide for and bear the expense of all labor, materials, tools, and equipment of any sort whatsoever that may be required for the full performance of the Work provided for in this Contract upon the part of the Contractor.
5. The term "Project Manual" shall mean and refer to the following: "Invitation to Bidders," "Bid Form," "Addenda" if any, "Specifications," "Plans," "Contract," "Performance Bond," "Payment Bond," "Notice to Proceed," "Change Orders" if any, and any documents referenced or incorporated into the Project Manual, including, but not limited to the Standard General Conditions, the Supplementary Conditions, and the Technical Specifications.
6. The City agrees to pay the Contractor for materials furnished and Work performed in the manner and at such times as set forth in the Project Manual.
7. The Contractor for himself/herself, and for his/her heirs, executors, administrators, successors, assigns, agents, subcontractors, and employees, does hereby agree to the full performance of all of the covenants herein contained upon the part of the Contractor.

8. It is further provided that no liability shall attach to the City by reason of entering into this Contract, except as expressly provided herein.

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

CITY OF GIG HARBOR:

CONTRACTOR:

Kit Kuhn, Mayor
City of Gig Harbor
Date: _____

Print Name: _____
Print Title: _____
Date: _____

ATTEST:

City Clerk

APPROVED FOR FORM:

City Attorney



Business of the City Council City of Gig Harbor, WA

Subject: Eddon Boat Brick House Remodel –
Chimney Reconstruction Change Order.

Dept. Origin: Public Works/Engineering

Proposed Council Action: Approve and authorize the Mayor to execute a change order to rebuild the chimney over the kitchen at the brick house in an amount not to exceed \$33,993.85

Prepared by: Marcos McGraw *MRM*
Project Engineer

For Agenda of: July 26, 2021

Exhibits: Change Order form, Approved Design Details, Contractor's cost proposal

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

VK 7-29-21

AD 7/20/21

Email – 7/19/2021

DR 7/20/21

PD 7/19/21

TW 7/19/21

Expenditure Required	\$ 33,993.85	Amount Budgeted	\$ 430,000.00	Appropriation Required	\$0
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INFORMATION/BACKGROUND

An identified Parks Development Objective within the 2021 budget provides for the remodel and rehabilitation of the brick house at Eddon Boat Park. During inspection of the seal around the existing brick chimney above the kitchen the Public Works Operations Crew discovered that the chimney was unstable, and it required removal to evaluate the necessary repairs. Council approved a contract amendment for the architect to inspect the remaining portion of the chimney and design the associated details for rebuilding the chimney. Staff provided a preliminary construction cost estimate for the chimney repair at the April 12 council meeting. The contractor based that cost estimate on repairing the chimney from the roof line to the top of the chimney. However, the final chimney design details were completed to meet current building codes consisted of rebuilding the chimney from the ceiling to the top of the chimney, which required additional reinforcement and doubled the height of the rebuilt section of the chimney. The contractor's negotiated change order resulted in a much higher price due to the additional construction requirements.

The City Community Development Department approved the drawings for rebuilding the chimney on June 23, 2021. At which time, city staff in the Engineering Division negotiated the costs from the contractor.

FISCAL CONSIDERATION

This project is included in the City of Gig Harbor 2021 Budget. The budgeted amount includes \$100,000.00 of local funds. The budget summary for this item is provided in the table below.

Project Funding:	
2020 Budget Parks Development, Objective 4	\$ 330,000.00
2021 Budget Parks Development, Objective 10	\$ 100,000.00
2021 expenditures	
SHKS Architects – limited construction support	(\$4,444.27)
SHKS Architects Amendment #5 – chimney restoration	(\$5,260.00)
JA Morris Construction – construction contract (2020 expenses)	(\$136,355.22)
JA Morris Construction – construction contract (2021 remaining amount)	(\$210,827.15)
City Engineer Change Order Authority Amount	(\$30,000.00)
Chimney Rebuilding Change Order (incl. tax)	(\$33,993.85)
Remaining Budget:	\$9,000.00

NOTE: This project was fully funded on the 2020 budget. Construction started in 2020. It continued into 2021. The \$100,000 carryover amount for 2021 anticipated completion of more of this contract than occurred.

BOARD OR COMMITTEE RECOMMENDATION

PW Staff, as the applicant, requested a Certificate of Appropriateness from the Design Review Board regarding the removed waterward chimney. On March 25, 2021, the Design Review Board recommended approval of the Certificate of Appropriateness subject to the following conditions: 1) The rehabilitation of the chimney shall include protection measures from water intrusion, 2) The protection from water intrusion shall be designed in a manner that is not visible from the exterior of the structure and 3) The removed chimney shall be replaced in conjunction with Secretary of Interior Standards for rehabilitation, including reconstruction in the same manner, shape and form and with retained materials.

RECOMMENDATION/MOTION

Approve and authorize the Mayor to execute a change order to rebuild the chimney over the kitchen at the brick house in an amount not to exceed \$33,993.85

Date: 3/29/2021	 City of Gig Harbor Public Works Department Change Order Form	CO # 2 Page 1 of 1																														
☒ Order by Engineer under terms of Article 11 of the Standard General Conditions and related amendments ☐ Change Proposed by Contractor		Project No.: CPP1403 Project Name: Eddon Boat Park Brick House Remodel Ph. 2 Contractor Name: JA Morris Construction Contractor Address: P. O. Box 12645 Olympia, WA 98508																														
When this Change Order has been approved by the City Engineer, you are directed to make the changes described below to the plans and specifications or to complete the following described work originally not included in the Project Manual. This adjustment shall include full payment for all items required for such work, including, without limitation: all compensation for all direct and indirect costs for such work; costs for adjustments to scheduling and sequence of work; equipment; materials delivery; project "acceleration"; costs for labor, material, equipment and incidental items; overhead costs and supervision, including all extended overhead and office overhead of every nature and description. All work, materials, and measurements shall be in accordance with the provisions of the Project Manual or as provided by this Change Order for the type of construction involved.																																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Description of Changes</th> <th style="width: 10%;">Qty</th> <th style="width: 10%;">Unit</th> <th style="width: 15%;">Unit Price</th> <th style="width: 12.5%;">Decrease in Contract Price</th> <th style="width: 12.5%;">Increase in Contract Price</th> </tr> </thead> <tbody> <tr> <td> Bid Item 24 C.O. #2 Rebuild Brick Chimney This change order pays for the costs for additional work related to rebuilding the brick chimney over the kitchen. It also adds contract time for associated work consisting of delayed placement of sheetrock, paint, interior door, and finishing flooring. The supporting documents consist of minutes from construction meetings dated 3/2/2021, 4/20/2021, 5/4/2021, 6/1/2021, 6/22/2021, design details from the Architect dated 5/28/2021, Work Change Directive #7 dated 6/23/2021, and the Contractor's Cost Proposal dated 7/6/2021. </td> <td style="text-align: center;">1</td> <td style="text-align: center;">LS</td> <td style="text-align: right;">\$31,273.09</td> <td></td> <td style="text-align: right;">\$31,273.09</td> </tr> <tr> <td colspan="3"></td> <td style="text-align: right;">Sub-total =</td> <td style="text-align: right;">\$0.00</td> <td style="text-align: right;">\$31,273.09</td> </tr> <tr> <td colspan="3"></td> <td style="text-align: right;">Tax Rate = 8.7%</td> <td style="text-align: right;">Tax =</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td colspan="3"></td> <td style="text-align: right;">Totals =</td> <td style="text-align: right;">\$0.00</td> <td style="text-align: right;">\$33,993.85</td> </tr> </tbody> </table>		Description of Changes	Qty	Unit	Unit Price	Decrease in Contract Price	Increase in Contract Price	Bid Item 24 C.O. #2 Rebuild Brick Chimney This change order pays for the costs for additional work related to rebuilding the brick chimney over the kitchen. It also adds contract time for associated work consisting of delayed placement of sheetrock, paint, interior door, and finishing flooring. The supporting documents consist of minutes from construction meetings dated 3/2/2021, 4/20/2021, 5/4/2021, 6/1/2021, 6/22/2021, design details from the Architect dated 5/28/2021, Work Change Directive #7 dated 6/23/2021, and the Contractor's Cost Proposal dated 7/6/2021.	1	LS	\$31,273.09		\$31,273.09				Sub-total =	\$0.00	\$31,273.09				Tax Rate = 8.7%	Tax =	\$0.00				Totals =	\$0.00	\$33,993.85	
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			Totals =	\$0.00	\$33,993.85																											
Original Contract Amount \$347,182.37	Total Changes by Previous Change Orders \$12,676.82	Total Amount of this Change Order \$33,993.85	Adjust Contract Amount Including this Change Order \$393,853.04																													

This Change Order revises the time for substantial completion by:

20 working day increase. _____ working day decrease. _____ no change in working days.

In accordance with Article 11, by his/her signature below the contractor accepts all requirements of this change order and agrees that this change order constitutes full payment and final settlement of all claims for contract time and for all costs of any kind, including costs of delays, related to any work either covered or affected by change. By accepting this Change Order, or by failing to follow the procedures of Article 12 of the Standard General Conditions and as amended in the Supplementary Conditions, the Contractor attests that the Contract adjustment for time and money as provided herein is adequate, and constitutes compensation in full for all costs, claims, mark-up, and expenses, direct or indirect, attributable to this or any other prior Change Order(s). The Contractor further attests that the equitable adjustment provided herein constitutes compensation in full for any and all delays, acceleration, or loss of efficiency encountered by the Contractor in the performance of the Work through the date of this Change Order, and for the performance of any prior Change Order by or before the date of substantial completion. All other items, conditions and obligations of the contract shall remain in full force and effect except as expressly modified herein, in writing, by this Change Order.

ACCEPTED:

Contractor Signature

Date

Surety Signature, when required

Date

APPROVED:

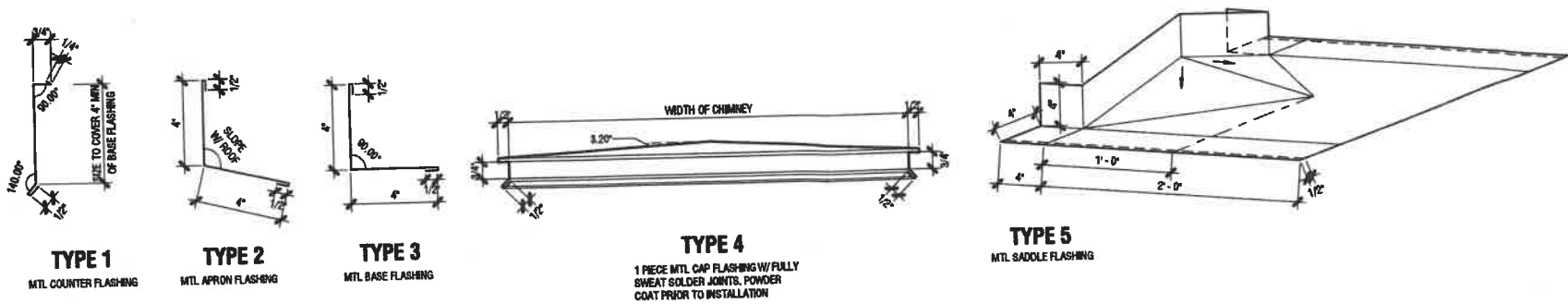
Kit Kuhn, Mayor

Date

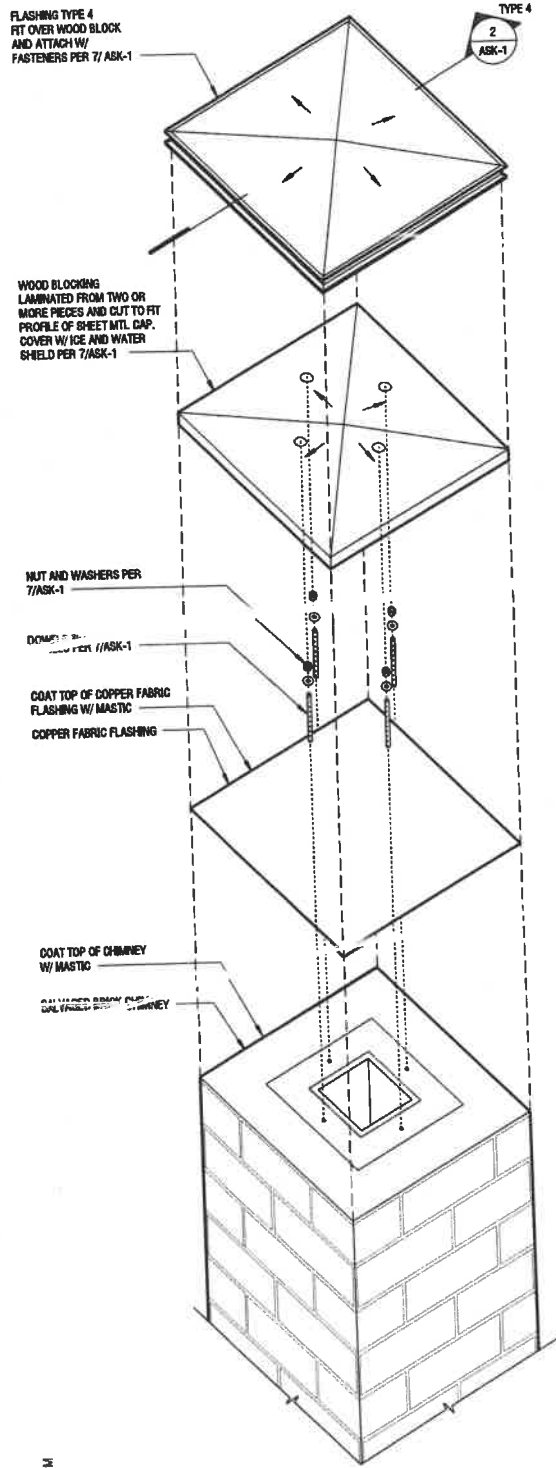
Reviewed and Approved by the City
of Gig Harbor
06/04/2021 2:08:58 PM
S BRADY

1050 N 38th St
Seattle, WA 98103
PH: 206.675.9151
www.shkarchitects.com

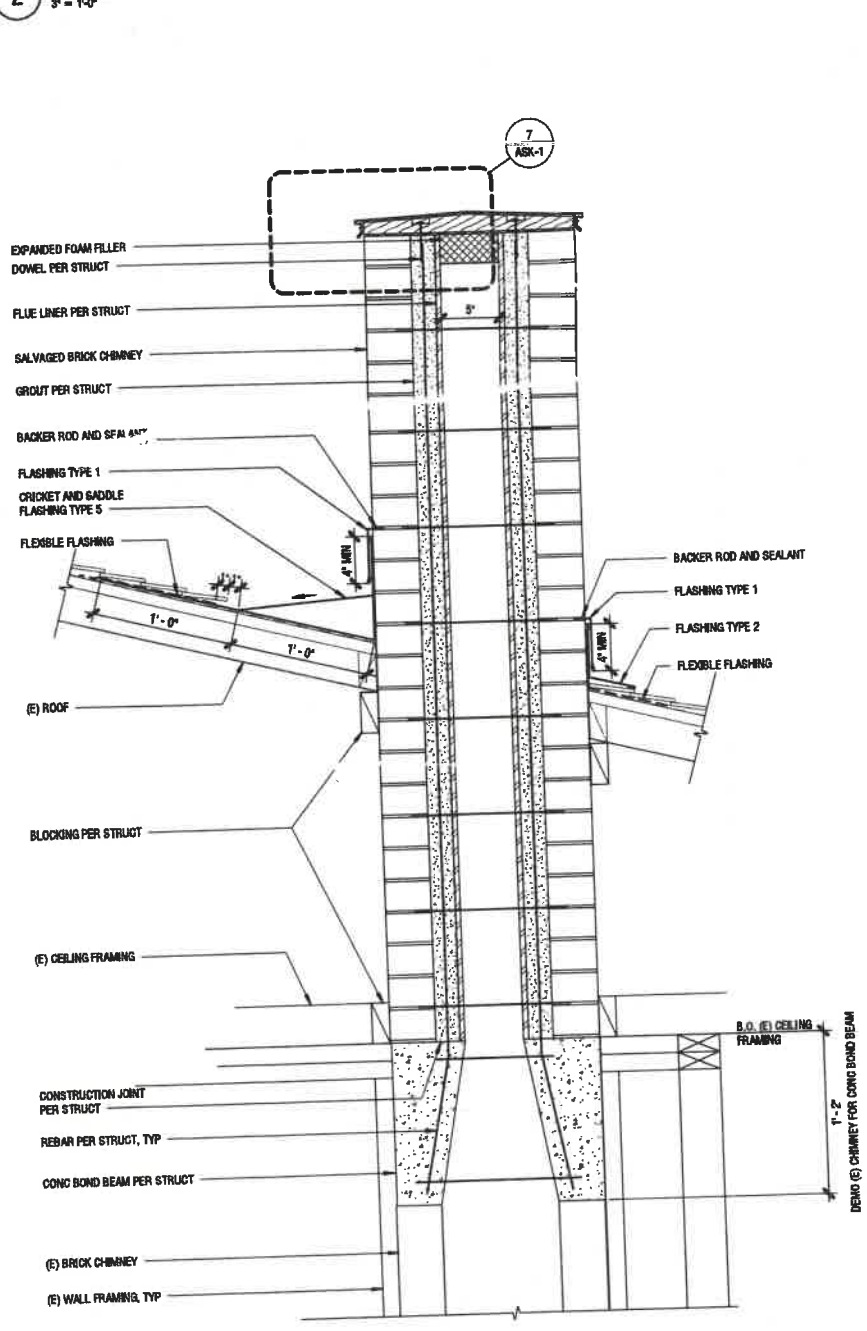
6130 REGISTERED
ARCHITECT
JONATHAN H. HANZLING
STATE OF WASHINGTON



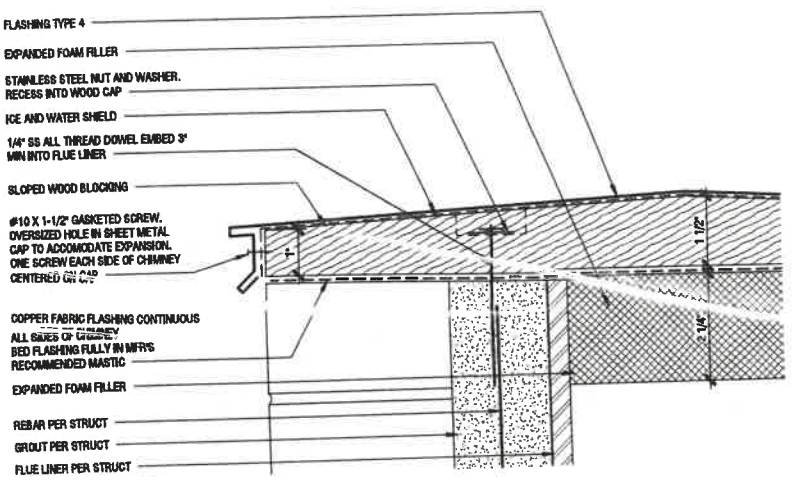
2 FLASHING TYPES
1/2" = 1'-0"



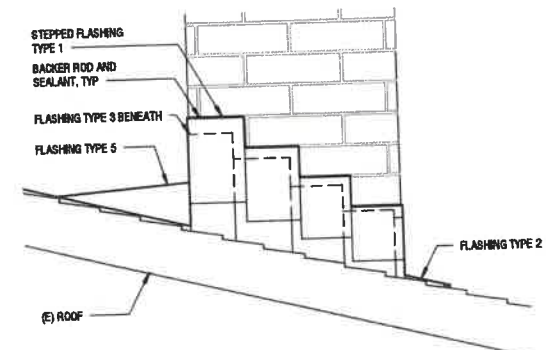
13 CHIMNEY CAP DIAGRAM
1/2" = 1'-0"



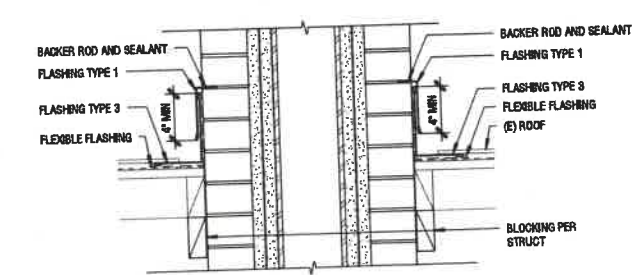
14 REBUILT BRICK CHIMNEY SECTION
1/2" = 1'-0"



7 REBUILT BRICK CHIMNEY CAP SECTION
1/2" = 1'-0"



11 STEP FLASHING CHIMNEY ELEVATION
1/2" = 1'-0"



15 CHIMNEY SECTION PERPENDICULAR TO SLOPE
1/2" = 1'-0"

- MATERIAL NOTES:**
- CONCRETE: REFERENCE STRUCTURAL NOTES.
 - BRICK MASONRY: REFERENCE SPEC SECTION 04 20 00, UNIT MASONRY.
 - A. SALVAGE EXISTING BRICKS FOR REINSTALLATION. CONTRACTOR TO COORDINATE WITH OWNER TO DETERMINE SUITABILITY FOR REUSE. WHERE NEW BRICKS REQUIRED, PROVIDE PER SPECIFICATION.
 - B. PROVIDE PRODUCT SUBMITTALS PER SPECIFICATION.
 - C. INSTALL MASONRY IN WORKMAN LIKE MANNER AND IN ACCORDANCE WITH SPECIFICATION.
 - D. BRICK MATERIAL: SALVAGED EXISTING BRICKS OR PRODUCTS BY MUTUAL MATERIALS.
 - E. MORTAR AND GROUT: REFERENCE STRUCTURAL NOTES.
 - F. REINFORCING STEEL: REFERENCE STRUCTURAL NOTES.
 - G. TIES AND ANCHORS: REFERENCE STRUCTURAL NOTES.
 - H. MASONRY ACCESSORIES:
 - 1. FLASHING: COPPER AND COATED METAL FLASHINGS SPECIFIED IN SECTION 07 62 00.
 - 2. COPPER FABRIC FLASHING: #4150 AS MANUFACTURED BY WIRE-BOND.
 - 3. MASTIC: ASPHALT MASTIC FOR BEDDING COPPER FABRIC FLASHING, MANUFACTURED BY WIRE-BOND, OR APPROVED EQUAL.
 - 4. FOAM FILLER: RIGID FOAM FILLER, AS MANUFACTURED BY DOW, OWENS CORNING, OR APPROVED EQUAL. CUT FOAM TO FIT TIGHTLY TO FLUE. SEAL FOAM TO FLUE WITH EXPANDING FOAM SEALANT. TRIM FLUSH TO TOP OF FLUE.
 - WOOD: REFERENCE SPEC SECTION 09 10 00 ROUGH CARPENTRY.
 - A. PROVIDE SOLID WOOD BLOCKING AT OPENINGS IN ROOF AND CEILING.
 - ASPHALT SHINGLES: REFERENCE SPEC SECTION 07 31 00, SHINGLES AND SHAKES.
 - A. REMOVE (E) ASPHALT SHINGLES TO A POINT SUFFICIENT TO ACCOMPLISH PROPER INSTALLATION OF UNDERLAYMENT, FLASHINGS, AND ASPHALT COMPOSITION SHINGLES TO PROVIDE A FULLY WEATHER-TIGHT AND WATER-TIGHT ASSEMBLY.
 - B. PROVIDE PRODUCT SUBMITTALS PER SPECIFICATION.
 - C. INSTALL SHINGLES IN A WORKMAN LIKE MANNER AND IN ACCORDANCE WITH SPECIFICATION.
 - D. ASPHALT SHINGLES:
 - 1. PRODUCTS BY PABCO ROOFING PRODUCTS, GAF MATERIALS CORP, OWENS CORNING FIBERGLASS, OR APPROVED EQUAL.
 - E. ASPHALT SHINGLE ACCESSORIES: PRODUCTS BY GAF SPECIFIED FOR TYPE AND QUALITY.
 - 1. NP AND RIDGE SHINGLES.
 - 2. UNDERLAYMENT FELT: GAF SHINGLE-MATE
 - 3. SELF-ADHERING SHEET UNDERLAYMENT: GAF STORMGUARD
 - 4. METAL FLASHINGS, AS SPECIFIED IN 07 62 00
 - SHEET METAL FLASHING: REFERENCE SPEC SECTION 07 62 00, SHEET METAL FLASHING AND TRIM.
 - A. PROVIDE FLASHING SYSTEMS TO PREVENT WATER LEAKAGE INTO BUILDING INTERIOR.
 - B. PROVIDE PRODUCT SUBMITTALS PER SPECIFICATION.
 - C. INSTALL FLASHINGS IN WORKMAN LIKE MANNER AND IN ACCORDANCE WITH SPECIFICATION.
 - D. FLASHING MATERIAL:
 - 1. PREFINISHED GALVANIZED STEEL SHEET: ASTM A653 STEEL SHEET WITH G90 GALVANIZED COATING, FACTORY PREFINISHED WITH KYNAR 500 OR HYLAR 5000 COATING. MEETS STANDARD COLOR AS SELECTED BY OWNER.
 - 2. GALVANIZED SHEET METAL CAP FLASHING: ASTM A 653, G90 HOT DIPPED GALVANIZED, 24 GAGE. POWDER COATED IN COLOR SELECTED BY OWNER.
 - E. FLASHING ACCESSORIES:
 - 1. FASTENERS:
 - A. BONDED STAINLESS STEEL / NEOPRENE SEALING WASHERS FOR EXPOSED APPLICATIONS.
 - B. FINISH EXPOSED FASTENERS TO MATCH MATERIAL BEING FASTENED.
 - C. MATERIAL:
 - 1. GALVANIZED STEEL SHEETS: USE GALVANIZED STEEL OR STAINLESS STEEL.
 - 2. STAINLESS STEEL.
 - D. USE SCREWS WHEN FASTENING TO WOOD OR SHEET METAL.
 - E. USE EXPANSION ANCHORS OR DRIVE PINS WHEN FASTENING INTO CONCRETE OR MASONRY.
 - 2. SEALANTS:
 - A. LAP AND BEDDING SEALANT: BUTYL RUBBER TYPE - ONE OF THE FOLLOWING:
 - 1. BUTYL SEALANT BY TREMCO, INC.
 - 2. "BP-400" BY ADCO GLOBAL, INC.
 - B. JOINT SEALANT: POLYURETHANE SEALANT - ONE OF THE FOLLOWING:
 - 1. "CHEM-DALK 500" BY BOSTIK CONSTRUCTION PRODUCTS
 - 2. "DYNATROL 1" BY PEDORA CORP.
 - 3. "SONOLASTIC NP 1" BY SONNEBORN/CHEMREX
 - 3. SOLDER: ASTM B32.
 - A. SOLDER ALL NON-MOVING SHOP FABRICATED JOINTS IN STAINLESS STEEL FLASHING AND GALVANIZED STEEL CHIMNEY CAP.
 - B. LAP JOINT 1 INCH MINIMUM; ACCURATELY CUT AND FIT AS NECESSARY TO MAINTAIN PROFILE. FULLY SWEAT SOLDER CONTACT SURFACES. RIVET WITH STAINLESS STEEL RIVETS AT 8 TO 4 INCHES O.C. SEAL RIVETS WITH SOLDER. AFTER SOLDERING REMOVE FLUX AND WIFE AND WASH SOLDER JOINTS CLEAN.
 - 5. FLEXIBLE FLASHING: GAF STORMGUARD, OR APPROVED EQUAL.

Eddon Boat Park
Brick House
Phase 2

KITCHEN
CHIMNEY
REPAIR

3805 HARBORVIEW DR
GIG HARBOR, WA 98335

Drawn by: SK
Checked: JH
Date: 05/28/2021
Scale: As Indicated
Revisions: No Date Remarks

CHIMNEY
REBUILD
SKETCHES

ASK-1

CHANGES SHALL BE APPROVED BY THE CITY OF GIG HARBOR PRIOR TO CONSTRUCTION

KITCHEN CHIMNEY REPAIR

SCOPE OF WORK: DECONSTRUCT EXISTING BRICK CHIMNEY DOWN TO 14" BELOW 2ND FLOOR CEILING AND REBUILD IN ACCORDANCE WITH THE 2018 INTERNATIONAL BUILDING CODE.

CONSTRUCTION SEQUENCING:

1. DECONSTRUCT EXISTING BRICK CHIMNEY DOWN TO 14" BELOW 2ND FLOOR CEILING. CLEAN MORTAR FROM EXISTING BRICKS AND STORE FOR REUSE.
2. CONSTRUCT 14" TALL CONCRETE BOND BEAM DIRECTLY BELOW 2ND FLOOR CEILING AS SHOWN PER DETAIL. BOND BEAM TO BE REINFORCED WITH #4 VERTICAL BAR EACH CORNER (4 BARS TOTAL) AND #4 TIES TOP AND BOTTOM. BOND BEAM SHALL BE COMPLETELY ENCLOSED WITHIN INTERIOR WALLS. VERTICAL BARS TO EXTEND TO TOP OF CHIMNEY.
3. INSTALL 5" SQUARE OR ROUND FLUE LINER (INSIDE DIMENSION). LINER TO REST ON NEW CONCRETE BOND BEAM AND EXTEND 1" ABOVE HEIGHT OF CONCRETE CHIMNEY CAP. FLUE LINER TO ACT AS INSIDE FORMWORK FOR REINFORCED CHIMNEY. IT IS ACCEPTABLE FOR GROUT TO BOND TO FLUE LINER, AS CHIMNEY HAS BEEN DECOMMISSIONED AND THERMAL EXPANSION IS NOT A CONCERN.
4. USING EXISTING BRICKS, REBUILD CHIMNEY. PROVIDE 1/4" DIAMETER TIE AT THE BED JOINT OF EVERY 3RD COURSE OF BRICK (APPROXIMATELY 9" OC)
5. GROUT VOID SPACE BETWEEN BRICK AND FLUE LINER IN 24" LIFTS MAXIMUM.
6. PROVIDE CAST IN PLACE CONCRETE CAP SLOPED TO DRAIN. #4 VERT BARS TO EXTEND 2" MINIMUM INTO CONCRETE CAP AND BE ENCLOSED WITH #3 TIE.

SEE ARCHITECTURAL NOTES FOR FLASHING AND WEATHERPROOFING REQUIREMENTS.

MATERIAL SPECIFICATIONS

CONCRETE: $f_c = 2500$ PSI AT 28 DAYS
CEMENT: ASTM C150, TYPE I OR II
COURSE AND FINE AGGREGATE: ASTM C33
WATER: CLEAN AND POTABLE
FLYASH: ASTM C618 CLASS C OR F NOT TO EXCEED 20% OF CEMENTITIOUS MATERIAL

REINFORCING STEEL: ASTM A615 GRADE 60

BRICK MORTAR: ASTM C270, TYPE N, $f_c = 750$ PSI AT 28 DAYS

GROUT: ASTM C476, $f_c = 2500$ PSI AT 28 DAYS, 5 1/2 SACK MIX (MINIMUM), 3/8" MAX AGGREGATE, SLUMP 8" TO 11"

AT CONTRACTOR OPTION CEMENTITIOUS GROUT MAY BE USED FOR BOND BEAM CONSTRUCTION.

TOP OF CHIMNEY
MATCH ORIGINAL
HEIGHT

(4) SIMPSON 1/4" x 3 1/4"
STAINLESS STEEL TITEN
SCREWS - (1) EACH
CORNER, CSK AS
REQ'D, 3/8" MAX

PROVIDE SOLID
WOOD BLOCKING
WITH GWB SHIMS
TIGHT TO CHIMNEY
AT ROOF AND
CEILING LEVEL -
TYPICAL ALL SIDES

METAL CAP FLASHING OVER PT
WOOD CAP - SLOPE PER ARCH

EXTEND VERTICAL BAR TO TOP OF
CHIMNEY - LOCATE IN CENTER OF
GROUTED SPACE. LAP SPLICE AT
CONTRACTOR OPTION (24" MIN)

EXISTING BRICK TO BE REUSED

ROOF BEYOND

FLUE LINER

1/4" DIAMETER TIE - LOCATE IN MORTAR
BED OF EVERY 3RD COURSE OF BRICK
AND BELOW TOP COURSE

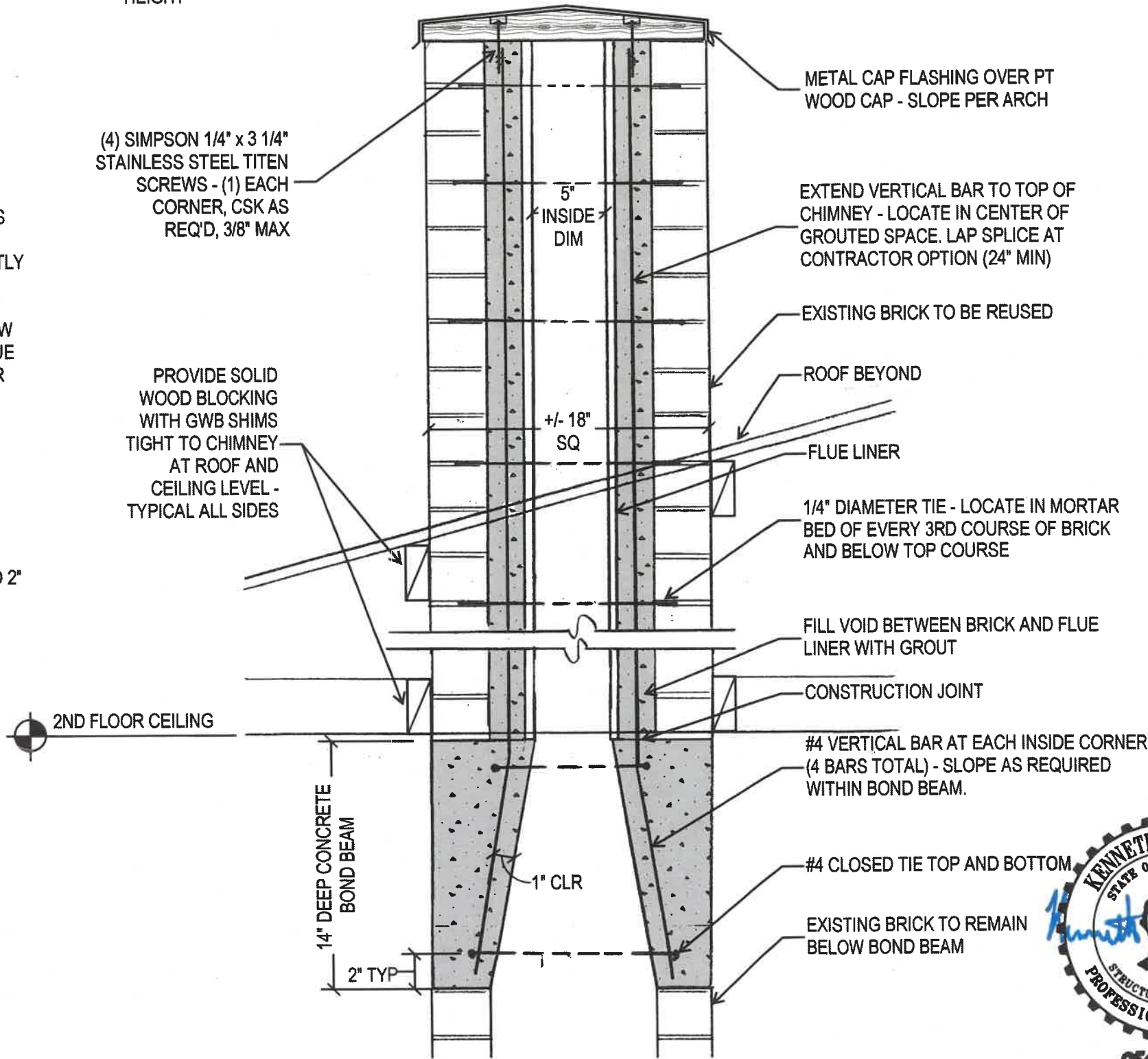
FILL VOID BETWEEN BRICK AND FLUE
LINER WITH GROUT

CONSTRUCTION JOINT

#4 VERTICAL BAR AT EACH INSIDE CORNER
(4 BARS TOTAL) - SLOPE AS REQUIRED
WITHIN BOND BEAM.

#4 CLOSED TIE TOP AND BOTTOM

EXISTING BRICK TO REMAIN
BELOW BOND BEAM



1200 6th Avenue
Suite 1620
Seattle, WA 98101
206.267.2425 TEL
206.267.2429 FAX

EDDON BOAT PARK BRICK HOUSE RENOVATION

KITCHEN CHIMNEY REPAIR DETAIL

DRAWN BY: AMS

DATE: 5/28/2021

JOB NO.: 2160387.20

SSK-1

CHANGES SHALL BE APPROVED BY THE CITY OF GIG HARBOR PRIOR TO CONSTRUCTION



Project: CPP - 1403		COST ISSUE: COP #012		DATE: 7/6/2021	
WCD 007					
	LABOR	HOURS			
J A MORRIS CONSTRUCTION SUPERVISION	\$80.00	20			\$1,600.00
J A MORRIS CONSTRUCTION self performed labor	\$75.00	20			\$1,500.00
Cascade Masonry					\$18,325.00
Evergreen Roofing and flashings					\$2,400.00
Remobilization - GWB and Painting					\$2,835.78
See Breakouts					
Subtotal from above					\$26,660.78
SAFETY				1%	
BONDING AND INSURANCE				2%	\$533.22
SUBTOTAL					27,194.00
PROFIT				15%	4,079.10
This price + WSST				Total	\$31,273.09