

CITY COUNCIL WORKSHOP

August 20, 2013
5:30 p.m.

AGENDA



“Where Dreams Can Soar”

The City of Bonney Lake’s Mission is to protect the community’s livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.
Website: www.ci.bonney-lake.wa.us

*The City Council may act on items listed on this agenda, or by consensus give direction for future action.
The Council may also add and take action on other items not listed on this agenda.*

Location: Bonney Lake Justice & Municipal Center, 9002 Main Street East, Bonney Lake, Washington.

I. Call to Order: Mayor Neil Johnson

II. Roll Call:

Elected Officials: Mayor Neil Johnson, Jr., Deputy Mayor Dan Swatman, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin, Councilmember Katrina Minton-Davis, Councilmember James Rackley, and Councilmember Tom Watson.

III. Agenda Items:

Pg 3 A. **Presentation:** AB13-91 – Pierce County Sustainable Resources Administrator Steve Wamback – Regional Solid Waste Structure and Preparing for an RFP.

B. Council Open Discussion

Pg. 15 C. **Review of Minutes:** July 16, 2013 Workshop, July 23, 2013 Meeting, August 13, 2013 Meeting.

Pg. 35 D. **Presentation/Discussion:** 6 Month Budget Status Update – Don Morrison, Al Juarez.

Pg. 39 E. **Discussion:** (Tabled from July 23, 2013) AB13-85 – Resolution 2311 – Adopting a Six-Year Transportation Improvement Plan (2014-2019).

Pg. 59 F. **Discussion:** (Tabled from July 23, 2013) AB13-86 – Resolution 2312 – A Resolution Authorizing Investment of City Monies in the Local Government Investment Pool (LGIP), which is managed by the WA State Treasurer.

Pg. 67 G. **Discussion:** AB13-105 – Resolution 2322 – A Resolution Authorizing a Sewer Development Financing Contract and Utility Latecomer Agreement with Kahne Properties, LLC Re: Eastown Sewer Development.

Pg. 87 H. **Discussion:** (Tabled from July 16, 2013) AB13-82 – Ordinance D13-82 – Water and Sewer Utility Charges, Billing and Collection Updates.

Pg. 105I. **Discussion:** AB13-106 – Resolution 2323 - Approving a Lease with Landover Corporation / Coldwell Banker Bain for the City Hall Annex located on Main St. E.

IV. Executive Session: Pursuant to RCW 42.30.110(b), the City Council may hold an executive session. The topic(s) and the session duration will be announced prior to the executive session.

V. Adjournment

For citizens with disabilities requesting translators or adaptive equipment for listening or other communication purposes, the City requests notification as soon as possible of the type of service or equipment needed.

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Pierce County's Regional Solid Waste Management System

Steve Wamback, Administrator
Pierce County Public Works and Utilities
Sustainable Resources

August 20, 2013

Bonney Lake City Council

Overview

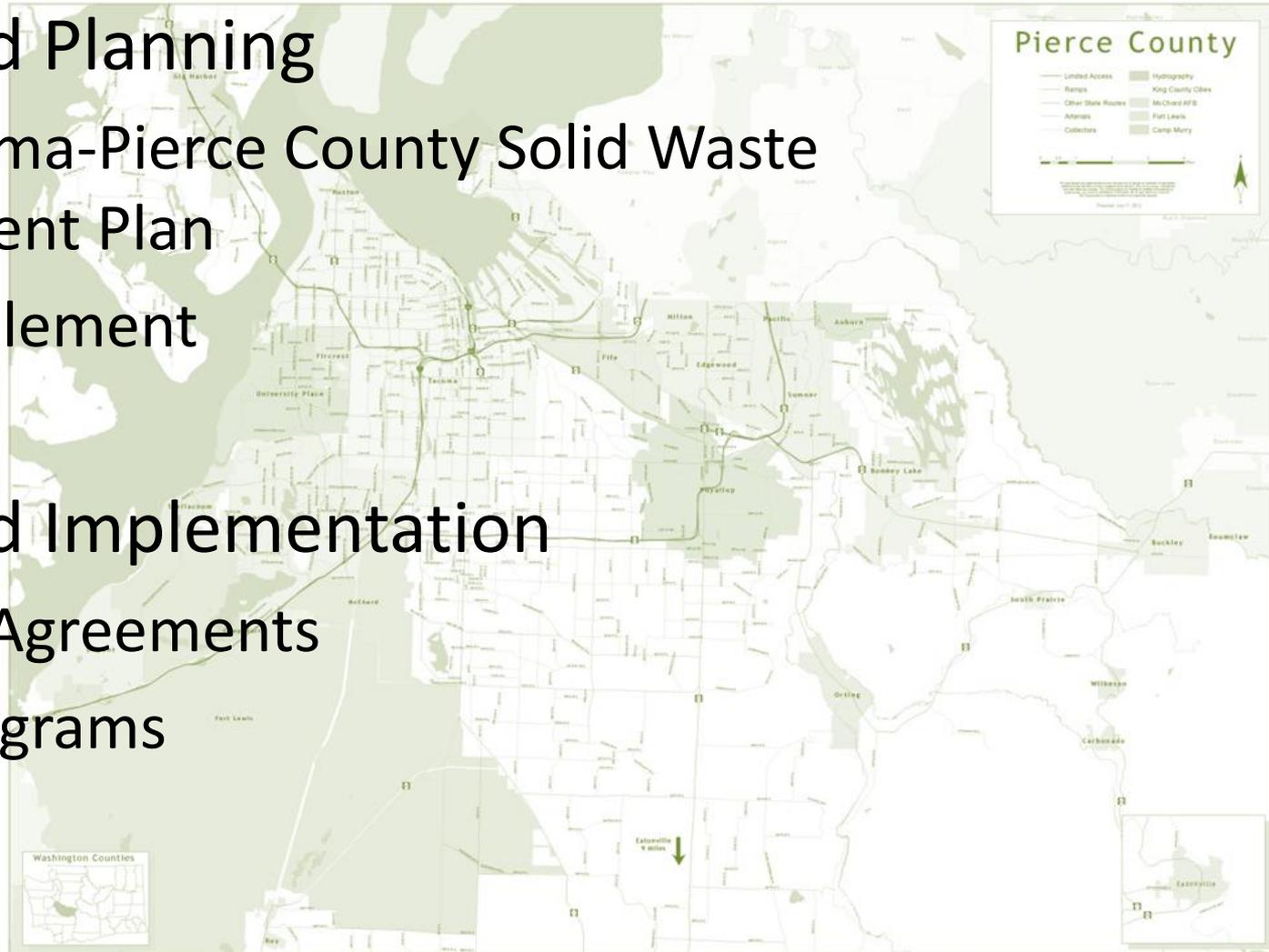
- Introduction
- Our Regional System
- Bonney Lake's Responsibilities
- Hot Topics
- Questions and Answers

Our Mission

Empower Pierce County residents and businesses to reduce wasteful consumption, conserve natural resources, save money and build a more livable community.

Our Regional System

- Coordinated Planning
 - 2000 Tacoma-Pierce County Solid Waste Management Plan
 - 2008 Supplement
- Coordinated Implementation
 - Interlocal Agreements
 - Model Programs



County-Provided Services

- Composting and disposal contracting
- Household hazardous waste
- K-12 education
- Public outreach
- Legacy landfill liability
- Recycling & yardwaste collection standards
- Tacoma-Pierce County Health Department funding
- Emergency / disaster debris removal



SOLID WASTE INTERLOCAL AGREEMENT

THIS AGREEMENT is entered into between Pierce County, a political subdivision of the State of Washington ("County"), and the City of Bonney Lake, a municipal corporation of the State of Washington ("City"). This Agreement has been authorized by the legislative body of each of the Parties as designated below:

Pierce County Ordinance No. 2000-475.
Pierce County Resolution No. R2001-4
City of Bonney Lake Resolution No. 872

WHEREAS, pursuant to Pierce County Ordinance No. 92-130 and City of Bonney Lake Resolution No. 671, the County and the City entered into an Interlocal Agreement for the purpose of implementing the 1992 Tacoma-Pierce County Solid Waste Management Plan, (the 1992 Plan); and

WHEREAS, the Pierce County Council has now revised the 1992 Tacoma-Pierce County Solid Waste

- Manage collection
- Direct materials to county system
 - Garbage for disposal;
 - Organics for composting
- Align programs
 - consistency / efficiency
- Guarantee hauler compliance
- Comply with planning / facility standards

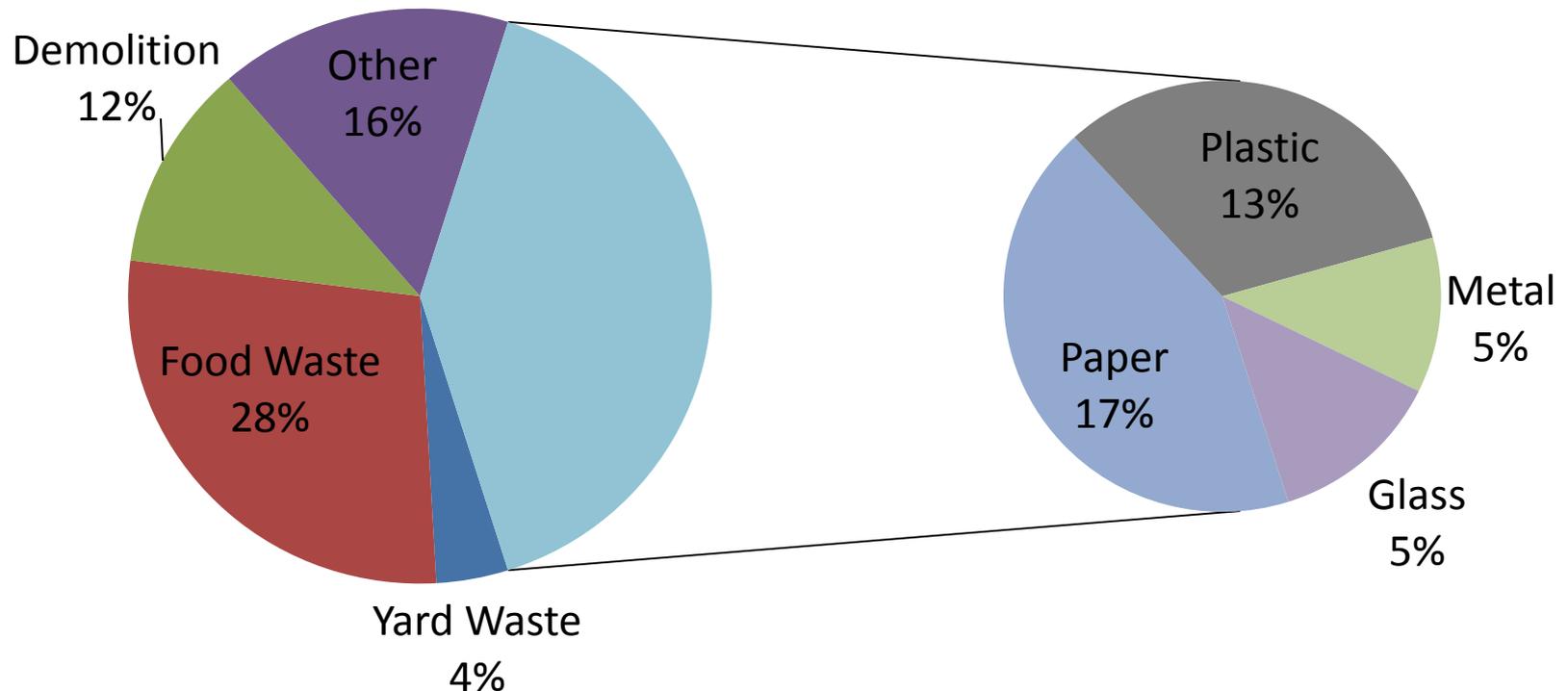
Three Collection Options



1. Municipal Crews (e.g Tacoma)
 2. Contract (current status)
 3. Defer to state regulation (e.g. Fife)
- City sets collection standards, frequency, rates structure and subsidies

Hot Topics – Glass and Plastics

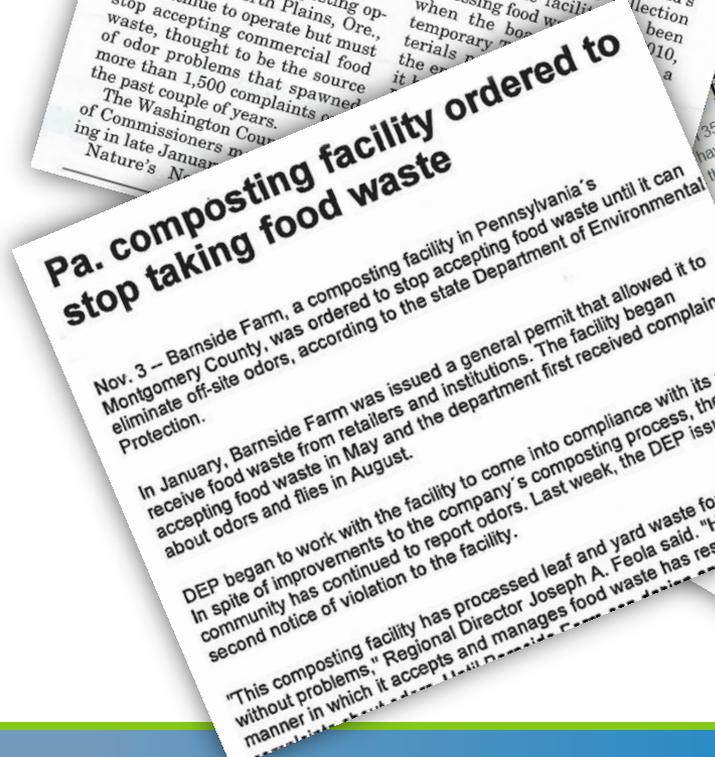
- Glass removed from curbside system in '05
- Film plastic – not joining curbside





Hot Topic – Food Waste

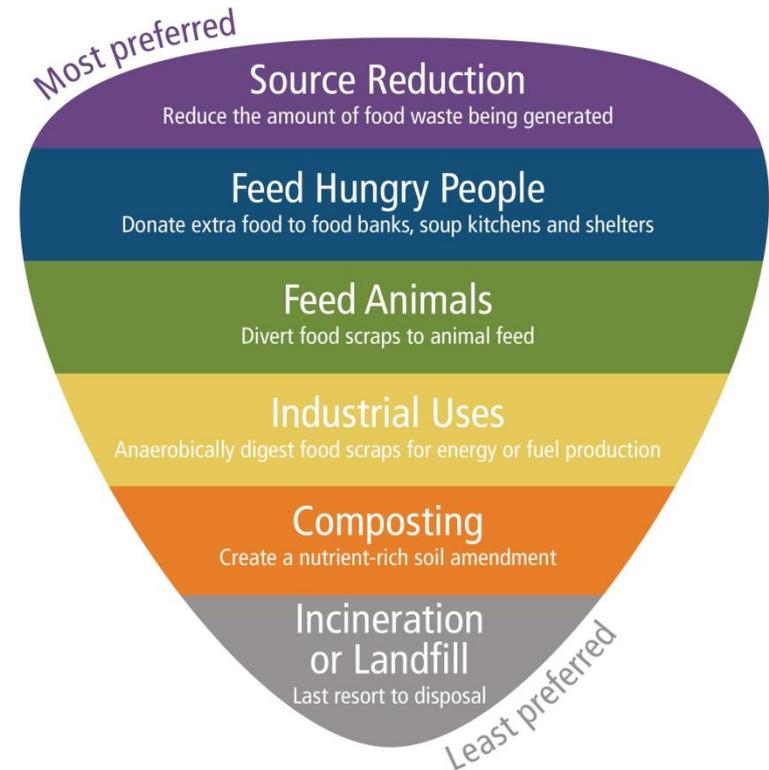
- Capacity
- Technological assurance
- Product must be usable/saleable
- No offsite odor impacts
- Cost of collection and handling



Hot Topic – Food Waste

- Residential food waste **reduction**
- Commercial pre-consumer collection fruits & vegetables
- Alternative programs to divert from disposal slow-to-decompose materials

EPA FOOD RECOVERY HIERARCHY



Sustainable Resources.
Sustainable Solutions.

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CITY COUNCIL WORKSHOP

July 16, 2013
5:30 P.M.

DRAFT MINUTES



“Where Dreams Can Soar”

The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

Website: www.ci.bonney-lake.wa.us

Location: Bonney Lake Justice & Municipal Center, 9002 Main Street East, Bonney Lake, Washington.

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the workshop to order at 5:30 p.m.

II. ROLL CALL:

Administrative Services Director/City Clerk Harwood Edvalson called the roll. Elected officials attending were Mayor Neil Johnson, Jr., Deputy Mayor Dan Swatman, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin, Councilmember Katrina Minton-Davis, Councilmember James Rackley, and Councilmember Tom Watson.

Staff members in attendance were City Administrator Don Morrison, Chief Financial Officer Al Juarez, Public Works Director Daniel Grigsby, Community Development Director John Vodopich, Chief of Police Dana Powers, City Attorney Kathleen Haggard, Administrative Services Director/City Clerk Harwood Edvalson, and Administrative Specialist II Renee Cameron.

City Attorney Haggard made a statement to Council regarding State Law that ethics and public service prohibits elected members of Council from sharing confidential information gained by virtue of their office, including information discussed at executive session. She cited statutory authority RCW 42.52.050. She advised that should any Councilmembers have questions to please direct them to her.

III. AGENDA ITEMS:

A. Council Open Discussion

Comcast Tax Increase: Councilmember Watson said he receives a call from a resident anytime her taxes may have gone up and she contacted him regarding the taxes on her Comcast bill. Mayor Johnson advised that the City has not increased taxes and any questions regarding increases utility customers see on their bills should be addressed directly to Comcast.

Mid-Budget Report: Councilmember Watson asked for a Mid-Year Budget update. Mayor Johnson said he is reviewing it right now and City Administrator Morrison will provide an update to Council at the next Council Meeting.

Municipal Budget and Financial Management Workshop: Councilmember Watson said he will be going to the AWC Municipal Budget and Financial Management Workshop to help him fully understand the budget in more detail.

Police Department Appreciation: Councilmember Watson thanked the Bonney Lake Police Department for the excellent job they did on the felony arrest they made on Sunday night.

Tunes at Tapps: Councilmember Watson noted that last week's concert in the park was well attended and staff did a great job. Councilmember Minton-Davis said David Wells

and the Police Department did an awesome job and it was nice to see the Farmers Market did so well.

Trucks Hauling Dirt: Councilmember Hamilton inquired about numerous dump trucks traveling throughout the City last weekend hauling large amounts of dirt and wanted to know the purpose. Police Chief Powers provided information regarding some truck hauling activities they were aware of.

Gnomes in the Park: Councilmember Minton-Davis said she and Councilmember Watson spoke at the Community Development Committee Meeting about making the “Gnomes in the Park” a seasonal event. Mayor Johnson said one of the keys is figuring out if the event would be a funded project, or if there should be a different pace for the program. Councilmember Minton-Davis said she would like a decision made on how to plan and proceed with this event. Councilmember Watson said he believes a plan needs to be made and he would like to see a small carved gnome in the parks to keep a reminder of the event throughout the year. Mayor Johnson said he thinks the Park Board should take the issue into consideration and make a recommendation to Council.

AWC Presentation by the Tacoma Arts Commission: Councilmember Minton-Davis said she attended a presentation by the Tacoma Arts Commission and they shared a number of projects they worked on when they were rejuvenating downtown Tacoma. She said they have done some amazing work, especially with their mural projects. She said it was stimulating not only for economic development but also for getting the local artists and the community involved and creating excitement throughout the different parks in the city. She realizes the City does not have an Arts Commission, but would like to see steps taken to start some art projects throughout the parks in the City. She proposed the Park Board consider some of the ideas of the Tacoma Arts Commission. Councilmember Watson agreed this was a fun idea and believes it would bring excitement to the different areas. Councilmember Minton-Davis said Tacoma used vacant space that had been available, and by having something visual in the unused space, they found they brought attention to the properties and the City was able to get those vacant spaces rented. Mayor Johnson said he thinks this is an idea that the Economic Development Focus Group can review and consider also.

B. Review of Council Minutes: June 4, 2013 Workshop, June 11, 2013 Meeting, and July 9, 2013 Meeting.

The minutes were forwarded to the July 23, 2013 Meeting for action with no corrections.

C. Discussion/Action: AB13-94 – D13-94 – Ordinance Authorizing Bond Refinancing.

City Administrator Morrison said this item has been discussed the past several months and a presentation was made to the Finance Committee. He said this ordinance would refinance the 800 MHz system loan and the Justice Center bond. He said there are certain triggers that need to occur to make it worthwhile with the net savings being between the 3-4% range. He said the City’s financial advisor has advised the City to pass the ordinance, monitor the bond market, and sell when the market is at the targeted rate. He stated that Chief Financial Officer Juarez was available for any questions Council may have.

Councilmember Rackley said he thinks the City may have already missed the window as the interest rates are now increasing. City Administrator Morrison said if the trigger rate is never reached then the ordinance would just expire. Councilmember Lewis said he likes the ordinance and he likes the idea of the triggers. Councilmembers discussed the percent of net savings trigger points and the \$300,000+ impact to the current budget if the bonds are not sold. Mayor Johnson said there is still \$1 million in the general fund for the YMCA which is not going to happen, so those funds are there to help balance the budget if necessary. Deputy Mayor Swatman said he would like to have the ordinance clarified as to who is authorized to approve. This item will be forwarded to the July 23, 2013 Council meeting.

D. Discussion: AB13-82 – Ordinance D13-82 – Ordinance Amending BLMC 13 Related to Water and Sewer Utility Charges, Billing, and Collection Updates.

Public Works Director Grigsby said this item was thoroughly discussed at the Community Development Committee. He said there are seven sections that needed to be clarified and discussed, which address different parts of the water and sewer utility billing systems which have been completed. He said the other issue discussed in the City Administrator's memorandum relates to how the City would grant relief to "snowbirds." He said a further issue is what the City should do with houses that have been burned down or the house is no longer there, yet the property owners still incur bills. City Administrator Morrison said the City's water availability charge is fairly low, however, the sewer utility charge is a bit more onerous. The City Council had several questions and concern regarding the proposed ordinance.

Mayor Johnson asked Council if they would like to send the entire ordinance back to the Community Development Committee (CDC) to clean up the issues and concerns that have been discussed, and provide the City Attorney sufficient time to make the corrections. Council agreed that it go back to the CDC. Councilmember Minton-Davis advised that the CDC will not be available to review it until their next meeting on August 20th.

E. Discussion: Potential Boundary Line Adjustment (BLA) and sale of former Reed home.

City Administrator Morrison summarized the memorandum contained in the agenda packet regarding the potential boundary line adjustment and sale of the former Reed home, located at 7109 Barkubein Road. Mayor Johnson said it is critical for the Council to make a decision on what the Council wants to do with the property. City Administrator Morrison said the previous plan for the Public Works Center on the Reed property did not include use of the house. Mayor Johnson asked if any of the Council would agree on spending money to rehabilitate the house. The City Council discussed the proposal and possible uses for the property if the parcel was short platted and the house sold separately. There was a Council majority consensus to sell the house as-is with the boundary/lot line adjustment.

F. Discussion: Retention of Old Senior Center Van as Backup.

Mayor Johnson said this issue is back before Council because there are people who are concerned that the Senior Center needs a back-up van. City Administrator Morrison said he spoke with the City's mechanic who looked at the van and said it would cost approximately \$7,194 to get it up and running. He summarized his memo in the agenda packet and said if the Council agreed to this proposal that there would need to be a formal

agreement with the Senior Board non-profit corporation to reimburse the City for the costs to get it back up and running.

Councilmembers discussed how the old senior van was being used currently and the possible options for retaining the van or selling it as originally planned. Mayor Johnson said staff with talk with the Bonney Lake-Lake Tapps Senior Citizens about their interest in purchasing the old van.

IV. EXECUTIVE SESSION: Pursuant to RCW 42.30.110(1)(i), the Council adjourned to an Executive Session with the City Attorney at 7:10 p.m. for 15 minutes to discuss potential litigation. The Executive Session was continued for two additional 5 minute increments. Council returned to Chambers at 7:35 p.m. No action was taken.

V. ADJOURNMENT:

At 7:36 p.m., Councilmember Rackley moved to adjourn the Council Workshop. Councilmember Watson seconded the motion.

Motion to adjourn approved 7 – 0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council for the July 16, 2013 City Council Workshop: None

Note: Unless otherwise indicated, all documents submitted at City Council meetings and workshops are on file with the City Clerk. For detailed information on agenda items, please view the corresponding Agenda Packets, which are posted on the city website and on file with the City Clerk.

CITY COUNCIL MEETING

July 23, 2013
7:00 P.M.

DRAFT MINUTES



“Where Dreams Can Soar”

The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

Website: www.ci.bonney-lake.wa.us

Location: Bonney Lake Justice & Municipal Center, 9002 Main Street East, Bonney Lake, Washington.

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the meeting to order at 7:00 p.m.

- A. Flag Salute: Mayor Johnson led the audience in the Pledge of Allegiance.
- B. Roll Call: Administrative Services Director/City Clerk Harwood Edvalson called the roll. In addition to Mayor Johnson, elected officials attending were Deputy Mayor Dan Swatman, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin, Councilmember Katrina Minton-Davis, Councilmember Jim Rackley, and Councilmember Tom Watson

Staff members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Chief Financial Officer Al Juarez, Police Chief Dana Powers, Facilities & Special Projects Manager Gary Leaf, Administrative Services Director/City Clerk Harwood Edvalson, City Attorney Kathleen Haggard, and Administrative Specialist II Renee Cameron.

C. Announcements, Appointments and Presentations:

1. Announcements: None.
2. Appointments:
 - a. **AB13-92** – A Motion Of The Bonney Lake City Council Ratifying The Appointment Of Shannon Thompson To Position #7 On The Bonney Lake Design Commission With A Term Expiring April 6, 2015.

Councilmember McKibbin moved to approve motion AB13-92. Councilmember Watson seconded the motion.

Mayor Johnson said Community Development Director Vodopich interviewed Shannon Thompson and she is very excited to join the Design Commission. Mayor Johnson welcomed Shannon and thanked her for her service.

Motion approved 7– 0.

3. Presentations: None

D. Agenda Modifications: Councilmember McKibbin requested that the agenda be changed to move Item B. from the Community Development Committee to the Finance Committee Issues, Item B. He advised this issue did not come out of the Community Development Committee and instead came out of the Finance Committee.

Councilmember Lewis moved to amend the agenda. Councilmember Watson seconded.

Motion to amend the agenda approved 7- 0.**II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:****A. Public Hearings:**

1. **AB13-84** – A Public Hearing To Consider Proposed Resolution 2311, Adopting The 2014-2019 Six-Year Transportation Improvement Plan (2014-2019).

Mayor Johnson opened the public hearing at 7:04 p.m.

Winona Jacobsen, 9100 189th Ave Ct E, Bonney Lake, WA, stated that Bonney Lake has a newly formed Fennel Creek Habitat Team which is an affiliate of the National Wildlife Federation. The Fennel Creek Habitat Team is dedicated to protecting wildlife and the Fennel Creek Habitat. She said she is in favor of the 2014-2019 Six-Year Transportation Improvement Plan which supports the building of the Fennel Creek Trail.

Shawnta Mulligan, 11329 177th Avenue E, Bonney Lake, WA, stated her concerns regarding Map 9 of the 2014-2019 Six-Year Transportation Improvement Plan which showed an extra 10' right of way included in the proposed plan. She respects the proposed plan, but is concerned about families whose property she feels will be affected by the Renwood Development. She said she believes the properties affected should have been posted with notice of the proposed land use.

John Maddox, 18426 89th Street E, Bonney Lake, WA, stated he is concerned about the easements and roads that the City believes it has for a right of way along 186th Avenue and 88th Street, which he does not believe exists. He does not believe the City has the right to eminent domain of property and that only the federal government has that right. He advised if the City wants any portion of his families' property he stated it has been appraised at \$900,000.

Jay Kelly McClimans, 19025 68th Street E, Bonney Lake, WA, stated he has been reviewing the agendas and issues before Council and advised that the Transportation Improvement Plan was on it. He was concerned when he reviewed the meeting packet that there is additional right of way included in an area that has been well established. He stated that he believes the Council has a precedent for exercising the right to condemn property and he doesn't feel it is appropriate for the City to do in a well-established area. He encouraged the Council to understand the difference between what the City "can" and "should" do.

Dan Decker, 20407 70th Street E, Bonney Lake, WA, stated he had a concern regarding the intersection of SR 410 and Sumner Buckley Highway (Veteran's Memorial Drive) for the right turn lane, even though he realizes that this is really a State Department of Transportation issue and not a City issue, however it affects City residents. He encourages the City to talk with the State to get that right turn lane in to help with that intersection.

Seeing no other speakers, Mayor Johnson closed the public hearing at 7:17 p.m.

2. **AB13-88** – A Public Hearing To Review Community Development And Housing Needs, Inform Citizens Of The Potential Availability Of Planning Grant Funds For The State Community Development Block Grant (CDBG) Program, And Receive Public Input On Proposed Activities, Particularly From Lower And Middle Income Persons.

Mayor Johnson opened the public hearing at 7:17 p.m.

Stewart Bowen, Bonney Lake Food Bank - Bread of Life, 12116 193rd Avenue E, Bonney Lake, said he is the Executive Director of the Bonney Lake Food Bank and they have two distribution centers. He said the City's attempt to obtain a grant for a new building for the Food Bank was close, however, unfortunately the City and/or the Food Bank was not the recipient of the grant. He said there is now an opportunity to acquire a grant to do some planning and get a strategic plan moving forward to try again for a grant for housing. He said last fiscal year the Food Bank served 1,711 homes which is a huge impact. He said effectively what they are doing is impacting the economics of the community by putting the money back in the budget that those families don't have to spend on essential items they provide to these families to help them, and to assist them to better themselves. He begged the Council to please continue to help the Food Bank, and make the City of Bonney Lake a better place to live.

Seeing no other speakers, Mayor Johnson closed the public hearing at 7:21 p.m.

B. Citizen Comments:

Sherry Creson, 12606 216th Avenue Ct E, Bonney Lake, spoke regarding the City's proposal to sell the Senior Center back-up van, as well as her and her husband's proposal to purchase the van from the City, and then donate it back to the City. She pleaded with the Council to assist the seniors and said it is important to them to help others who are in need. City Administrator Morrison said the last direction of Council was for the City to sell the surplus van to the Senior Advisory Board. He said a meeting is planned to meet with Senior Center Manager Sue Hilberg. Mayor Johnson said the City will meet with the Senior Center Advisory Board regarding the City's intentions whether to keep or surplus the old van. Mayor Johnson said if a change of the Council's intention is determined necessary, then this issue will be brought back to Council.

Linda Youngberg, spoke regarding the proposed Renwood Development and stated her concern regarding notices of the application for the properties that are affected along 88th and the potential 10' right of way. Mayor Johnson advised Ms. Youngberg that a meeting could be set up for her to ask questions regarding the Renwood Development project and the notices issued. City Administrator Morrison said proper notices were given to the affected property owners. Public Works Director Grigsby said the Six Year Transportation Improvement Plan which is required to be submitted to the State does not set priorities or encumber money, it is strictly based on what the City Engineer and Development Engineer are aware of what could happen regarding where future roads could be built.

Ms. Youngberg also said she would like to have the City do something about the intersection of Main Street and 182nd as she believes it is dangerous and she was recently

involved in an accident at that location. Councilmember Watson said this intersection has been reviewed by the Public Safety Committee.

Shawnta Mulligan, 11329 177th Avenue E, Bonney Lake, WA, spoke regarding the 2014-2019 Six-Year Transportation Improvement Plan and the Renwood Development. She stated she believes there is an intentional connection between the 2014-2019 Six Year Transportation Plan and the Renwood Development.

Ms. Mulligan also commented regarding Resolution 2312, Section 3, which relates to investments of City monies in the Local Government Investment Pool and stated that it appears there is no representative to hold accountable for the decisions made in this regard and she would like to see citizens involved in the decision making process. City Attorney Haggard said a quorum of the Council represents the citizens. Ms. Mulligan asked Council to look at revising the language in Section 3 of the proposed resolution and not to take action on Resolution 2312 tonight.

Marilyn Warren, 21514 145th Street E, Bonney Lake, requested that the Senior Center have use of the back-up van for transportation of its wheelchair senior citizens.

Amy Burnhard, 18208 56th Street Ct E, Lake Tapps, spoke on behalf of her mother Phyllis Griffith, and stated that her mom truly enjoys attending the Senior Center and it lifts her spirits to attend events at the Senior Center and that the old Senior Center van, with wheelchair access, is crucial to get her there.

Dan Decker, 20407 70th Street E, Bonney Lake, WA, spoke about Allan Yorke Park and the crosswalk along Tapps Highway. He said the fence blocks vision of smaller people by the stairway as they enter the crosswalk. He stated he observed a young child come out of the fenced area right into the crosswalk and he would like to see the speed limit reduced for that area.

Lee Davidson, 8803 180th Avenue E, Bonney Lake, spoke regarding the 2014-2019 Six Year Transportation Improvement Plan and the widening of the street should the Renwood Development go in. He would like to see the roads improved, but not at the risk of the children and would prefer four way stop signs to funnel the Renwood Development traffic.

- C. Correspondence: None.

III. COUNCIL COMMITTEE REPORTS

- A. Finance Committee: Deputy Mayor Swatman said the committee met at 5:30 p.m. earlier in the evening and discussed two items of business including a water developer extension agreement for a developer on Snag Island, and also a Lease Modification for T-Mobile at the Ponderosa Tank. They also reviewed some budgetary documents and their minutes.
- B. Community Development Committee / Economic Development Focus Group: Councilmember McKibbin said the Community Development Committee last met on June 18, 2013, and the CDC has one item on the agenda tonight.
- C. Public Safety Committee: Councilmember Hamilton said the Committee has not met since the last Council meeting.

D. Other Reports:

Councilmember Hamilton provided a report on the Pierce County Regional Council (PCRC). He said they met on July 18th in Tacoma and there was a presenter who gave a presentation on the 2015 U.S. Open that will occur in University Place. He said the U.S. Open is asking for many volunteers, however it is \$175 to volunteer. He said there was a public hearing regarding updating the 2013 Comprehensive Plan Amendments. He said there was a strict focus on not expanding any growth areas in the County. Another amendment was regarding the U1 for the City of Bonney Lake, which would simply transfer the existing County urban growth area and making it a City urban growth area. He said some members were concerned about Area 465. He said Senior Planner Jason Sullivan did a good job explaining that under the rules it can't be brought into the urban growth area. The group passed the amendment unanimously and will now go to the County Community Development Committee and then onto the full County Council if it passes out of Committee. He said the City should know by the end of October if they have authority to proceed.

Councilmember Lewis said he attended a meeting at the Library on July 22, 2013, for the Fennel Creek Habitat Team. He said the Fennel Creek Habitat Team will have a booth at Bonney Lake Days to educate all citizens about Fennel Creek and the trail, and the opportunities for future interests. He plans to attend future meetings to stay informed.

IV. **CONSENT AGENDA:**

- A. **Approval of Minutes:** June 4, 2013 Workshop, June 11, 2013 Meeting, and July 9, 2013 Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #66529-66597 (including wire transfers #20130703, and 20130702) in the amount of \$804,113.04. Accounts Payable checks/voucher #66598 for Accounts Receivable deposit refund in the amount of \$364.67. Accounts Payable checks/vouchers #66599-66605 for Utility account refunds in the amount of \$431.76. Accounts Payable checks/vouchers #66606 in the amount of \$116,106.83. Accounts Payable checks/vouchers #66607-66609 in the amount of \$2,535.00. VOIDS: Check #59242 replaced with check #66597; Check #59285 replaced with check #66548; Check #63532 replaced with check #66601; Check #66069 replaced with check #66568; Check #65702 replaced with check #66568.
- C. **Approval of Payroll:** Payroll for July 1 – 15th 2013 for checks #31215-31239 including Direct Deposits and Electronic Transfers is \$ 462,197.05.
- D. ~~**AB13-86 – Resolution 2312** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Deposit And Withdrawal Of Governmental Entity Monies In The Local Government Investment Pool (LGIP) In The Manner Prescribed By Law, Rule, And Applicable Policies And Procedures For The LGIP.~~
- E. **AB13-90 – Resolution 2314** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Professional Services Agreement For The Church Lake Road Overlay To Parametrix Engineering.
- F. **AB13-69** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Ratify Accounts Receivable Policy 200.030.

AB13-89 – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Accept As Complete The Allan Yorke & West Tapps Hwy Improvements Project With Hoffman Construction, Inc.

Councilmember Rackley moved to approve the Consent Agenda. Councilmember Watson seconded.

**Motion approved 5 – 2.
Councilmember McKibbin and
Councilmember Rackley voted no.**

Councilmember Rackley stated he had an issue with AB13-86, Resolution 2312 and wanted to have it removed from the Consent Agenda. City Attorney Haggard advised removal of the approval of the Consent Agenda could be done by a Councilmember who voted yes for approval.

Councilmember Watson moved to reconsider approval of the Consent Agenda, Councilmember Hamilton seconded.

**Motion to reconsider the Consent Agenda approved 5 – 2
Councilmember McKibbin and
Councilmember Rackley voted no.**

Councilmember Rackley would like to remove III.D., AB13-86 – Resolution 2312, for further review at the next Council Workshop to August 20, 2013. City Administrator Morrison said this resolution was revised slightly and they had requested that this item be removed from the Consent Agenda and placed on the Finance Committee.

Councilmember Watson moved to approve the Consent Agenda, as amended, to move AB13-86 to Item A under Finance Committee Issues. Councilmember Lewis seconded the motion.

**Consent Agenda Approved as Amended 6 – 1.
Councilmember McKibbin voted no.**

V. FINANCE COMMITTEE ISSUES:

- A. **AB13-86 – Resolution 2312** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Deposit And Withdrawal Of Governmental Entity Monies In The Local Government Investment Pool (LGIP) In The Manner Prescribed By Law, Rule, And Applicable Policies And Procedures For The LGIP. *Moved from Consent Agenda, Item D.*

Councilmember Watson moved to adopt Resolution 2312. Councilmember Lewis seconded the motion.

Deputy Mayor Swatman moved to replace Resolution 2312 with the revised Resolution 2313, revised July 23, 2013. Councilmember Hamilton seconded the motion.

Motion to replace revised Resolution 2312 approved 7 – 0.

Councilmember Watson said he would like to bring Resolution 2312 to the August 20, 2013 Council Workshop to have further discussion and clarification as to what Resolution 2312 authorizes.

Councilmember Watson moved to table Resolution 2312 to the August 20, 2013 Council

**Motion to table Resolution 2312 Approved 4 – 3.
Councilmembers McKibbin,
Councilmember Minton-Davis and
Deputy Mayor Swatman voted no.**

- B. **AB13-87 – Resolution 2313** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Easttown Sanitary Sewer Main (Phase 1 – Core Downstream System) To Pape And Sons Construction.

Councilmember Rackley moved to approve Resolution 2313. Councilmember Watson seconded.

**Motion to Adopt Resolution 2313 Approved 6 – 1.
Councilmember McKibbin voted no.**

VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES:

- A. **AB13-85 – Resolution 2311** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting A Six-Year Transportation Improvement Program (2014-2019).

Councilmember Rackley moved to approve Resolution 2311. Deputy Mayor Swatman seconded the motion.

Administrative Services Director Edvalson stated that Council rules state that normally a public hearing that has comments will be tabled and then discussed at the next Council Workshop. Councilmember Watson said he would like to see it tabled to the next Workshop.

Deputy Mayor Swatman moved to table Resolution 2311 to the August 20, 2013 Council Workshop. Councilmember Lewis seconded the motion.

**Motion to Table Approved 5 – 2.
Councilmember McKibbin and
Councilmember Rackley voted no.**

- ~~B. **AB13-87 – Resolution 2313** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Easttown Sanitary Sewer Main~~

~~(Phase 1—Core Downstream System) To Pape And Sons Construction.~~

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

VIII. FULL COUNCIL ISSUES:

- A. **AB13-94 – Ordinance D13-94** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Issuance And Sale Of Limited Tax General Obligation And Refunding Bonds Of The City In The Aggregate Principal Amount Of Not To Exceed \$9,800,000 To Refund Certain Outstanding Obligations Of The City And To Pay Costs Of Further Development Of The City’s Civic Campus; Delegating Authority To The City Administrator And Chief Financial Officer To Approve Final Terms Of The Bonds; Providing For The Disposition Of The Bond Proceeds; Appointing An Escrow Agent And Execution Of An Escrow Agreement To Accomplish The Refunding; And Providing For The Annual Levy Of Taxes To Pay The Principal Of And Interest On The Bonds.

Councilmember Rackley moved to approve Ordinance 1464. Councilmember Watson seconded the motion.

Deputy Mayor Swatman asked where in the ordinance the expiration notice is stated. Chief Financial Officer Juarez stated it is in Item 10, on Page 15. Deputy Mayor Swatman asked for an administrative correction to the date on Page 21, from July 9, 2013, to July 23, 2013. He then asked about the net present value 3.9%. Chief Financial Officer referred him to Page 4 of the ordinance, under the heading Savings Target.

**Ordinance 1464 approved 5 – 2.
Councilmember McKibbin and
Deputy Mayor Swatman voted no.**

IX. CLOSED SESSION:

Pursuant to RCW 42.30.110(1)(b), the Council adjourned to an Executive Session with City Attorney Kathleen Haggard to discuss property negotiations at 8:20 p.m. for 15 minutes. The Council returned to Chambers at 8:35 p.m. No action was taken.

X. ADJOURNMENT:

At 8:36 p.m., Councilmember Watson moved to adjourn the Council Meeting. Councilmember Lewis seconded the motion.

Motion to adjourn approved 7 – 0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council at the July 23, 2013 Meeting:

- City Administrator Don Morrison – *Amended Resolution 2312 (Revised July 23, 2013)*.

Note: Unless otherwise indicated, all documents submitted at City Council meetings and workshops are on file with the City Clerk. For detailed information on agenda items, please view the corresponding Agenda Packets, which are posted on the city website and on file with the City Clerk.

DRAFT

CITY COUNCIL MEETING

August 13, 2013
7:00 P.M.

DRAFT MINUTES



“Where Dreams Can Soar”

The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

Website: www.ci.bonney-lake.wa.us

Location: Bonney Lake Justice & Municipal Center, 9002 Main Street East, Bonney Lake, Washington.

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the meeting to order at 7:00 p.m.

A. Flag Salute: Mayor Johnson led the audience in the Pledge of Allegiance.

B. Roll Call: Administrative Services Director/City Clerk Harwood Edvalson called the roll. In addition to Mayor Johnson, elected officials attending were Deputy Mayor Dan Swatman, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin, Councilmember Tom Watson, Councilmember Katrina Minton-Davis, and Councilmember Jim Rackley.

Staff members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Community Development Director John Vodopich, Chief Financial Officer Al Juarez, Police Chief Dana Powers, Facilities & Special Project Manager Gary Leaf, Administrative Services Director/City Clerk Harwood Edvalson, City Attorney Kathleen Haggard, and Administrative Specialist II Renee Cameron.

C. Announcements, Appointments and Presentations:

1. Announcements:

Mayor Johnson made an announcement that Chief Financial Officer Al Juarez and Accountant Terrina Marchant have earned the Washington Finance Officers Association Professional Finance Officer Award. Chief Financial Officer Juarez has earned this award for the past 22 years, and Terrina Marchant has earned it the past 9 years. Mayor Johnson congratulated them and thanked Chief Financial Officer Juarez for his leadership in the Finance Department.

2. Appointments: None

3. Presentations:

Darren Proctor was presented with a plaque for his 9+ years of dedicated service and leadership to the Parks Board. Mr. Proctor thanked the Mayor and the Council and said it was a pleasure to work with the Mayor, Council and staff and he has had a lot of fun the past 9+ years and said it has been a pleasure serving on the Parks Board. He said he hopes to maybe come back and help in the future.

D. Agenda Modifications: None

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

A. Public Hearings: None

B. Citizen Comments:

Angela Dickson, 18002 111th Street E, Bonney Lake, spoke on behalf of her homeowners association, Woodbriar Village, regarding the lack of sidewalks for pedestrians along Angeline Road entering their development. She said she has over 87 signatures for a petition requesting sidewalks for the safety of their pedestrians along their development. She provided pictures of the area they are requesting sidewalks for and she advised they have had an inspector come out to the area who stated that a sidewalk is possible. Mayor Johnson said the area is on the City's 25 year plan, but this is something they could possibly move up on the plan. Mayor Johnson advised that Ms. Dickson has also spoken with the Police Chief Powers regarding the speed limits in the area. Councilmember Hamilton asked if this area is included in the upcoming overlay project. Public Works Director Grigsby said this section of road is scheduled in the upcoming overlay project and the shoulder adjacent to the overlay will also get a new road base on it. Councilmember Hamilton said he was curious about any costs savings to the City if it choose to do the sidewalks in that area instead of the overlay. Councilmember Rackley asked Ms. Dickson if the Woodbriar Village Homeowners' Association may be interested in contributing to the costs of installing sidewalks, as this may help to move it up on the City's plan.

C. Correspondence: None.

III. COUNCIL COMMITTEE REPORTS

A. Finance Committee: Deputy Mayor Swatman said the Committee met at 5:30 p.m. and discussed personnel updates and new business regarding proposed Resolution 2317 for the Lakeridge Water Main Upgrades with Parametrix as well as Resolution 2321 for award of the Angeline Road and Church Lake Road overlay projects. He said they also reviewed their minutes.

B. Community Development Committee / Economic Development Focus Group: Councilmember McKibbin said the Community Development Committee has not met since the last meeting. Councilmember Watson said the Economic Development Focus Group met this month and made good progress on the Vision Statement and have sent it on to the Planning Commission for their review and recommendation.

C. Public Safety Committee: Councilmember Hamilton said the Committee met on August 5th and most of the discussion was regarding the Six-Year Transportation Improvement Plan with questions about setting priorities on streets and road improvements. Director Grigsby said there is no prioritization for the projects in the Plan; it is just a requirement the City include anything that may be considered for loans or grants. Councilmember Hamilton commented that the Probation software CaseLoad is up and running and said having the new probation officer on staff is showing to be very beneficial for the City. Councilmember Hamilton also spoke regarding traffic problems with events that are occurring at Kelly Farms. A citizen requested that the City have a patrol officer at Angeline next year. Mayor Johnson said the City is advised of these types of events and the City makes efforts to assist. Councilmember Rackley said Department of

Transportation does write safety regulations into their codes for road construction, so it is not missing from our City Code, it's just incorporated into our Code by reference.

D. Other Reports:

Councilmember Watson said he attended the Communities for Families Coalition who help families come through difficult times. He said there are many projects that are helping families prepare for the up and coming school year such as Prairie Ridge on August 27th. Open Life is taking care of Liberty Ridge students and he found up to 61% of the students in Liberty Ridge are on the reduced lunch program. He said that Project Homeless Connect is looking for assistance as well for October 23rd at the Tacoma Dome. He said Monday, August 26th is the Sumner/Bonney Lake Family Center has their Back to School Night. He said also in Liberty Ridge that on Tuesdays from October 1st – November 19th, Incredible Years will be sponsoring an event serving a light family dinner, there will be child care provided, and classes to show families ways to enhance parenting skills and sustain their households.

Councilmember Watson said he and Councilmember Minton-Davis attended the Park Board meeting on August 12th and the Commission discussed feedback of the recent Metropolitan Park District Election comments they heard from voters. They also discussed the exposure regarding parks art projects, the Safe Routes Trail, and possible grant projects. He said the Park Board wanted to know why the reader board is not being utilized for up and coming events. Mayor Johnson said the reader board is owned by the utilities. However, when it is not being used by the Utilities Department, then the City should be able to use it.

Councilmember Lewis said he attended the Fennel Creek Habitat Team Meeting and said they will have a booth at Bonney Lake Days to let people in the community realize what is out there. He encouraged anyone with an interest in protecting the habitat to get involved.

IV. CONSENT AGENDA:

- A. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #66610-66654 (including wire transfers #7122013, 11559727, and 20130715) in the amount of \$354,595.74.
 Accounts Payable wire transfer #2013071701 in the amount of \$45,914.42.
 Accounts Payable checks/vouchers #66655-66658 in the amount of \$2,925.00.
 Accounts Payable checks/vouchers #66659-66680 (including wire transfer #20130718) in the amount of \$64,996.50.
 Accounts Payable checks/vouchers #66681-66717 for utility refunds in the amount of \$3,308.53.
 Accounts Payable checks/vouchers #66718-66723 in the amount of \$4,050.00.
 Accounts Payable checks/vouchers #66724-66751 (including wire transfer #20130723) in the amount of \$245,062.00.
 Accounts Payable check/voucher #66752 for Accounts Receivable deposit refunds in the amount of \$3,331.37.
 Accounts Payable checks/vouchers #66753-66767 for utility refunds in the amount of \$1,512.44.
 Accounts Payable checks/vouchers #66768-66772 in the amount of \$2,260.00.

VOIDS:

Check #59519 – amount written off by vendor.

Check #62500 – replaced with check #66687.

Check #63924 – replaced with check #66715.

Check #66609 – replaced with check #66721.

- B. **Approval of Payroll:** Payroll for July 16 – 31st 2013 for checks #31240-31269 including Direct Deposits and Electronic Transfers is \$ 664,702.63.
- C. **AB13-93 – Resolution 2315** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Water Developer Extension And Latecomer's Agreement With Gordon Schmidt For A Short Plat On Snag Island Drive East.
- D. **AB13-95 – Resolution 2316** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Modification To The Lease With T-Mobile For Ponderosa Water Tank Communication Equipment.
- ~~E. **AB13-101 – Resolution 2319** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing Submission Of A Housing And Urban Development Community Development Block Planning Grant Application To The Washington State Department Of Commerce For The Food And Clothing Banks.~~

Councilmember McKibbin requested that Item E., AB13-101 Resolution 2319 be moved to Full Council Issues, Item C.

**Councilmember Lewis moved to approve the Consent Agenda as amended.
Councilmember Rackley seconded the motion.**

Consent Agenda approved as amended 7 – 0.

- V. **FINANCE COMMITTEE ISSUES:** None
- VI. **COMMUNITY DEVELOPMENT COMMITTEE ISSUES:** None.
- VII. **PUBLIC SAFETY COMMITTEE ISSUES:** None.
- VIII. **FULL COUNCIL ISSUES:**

- A. **AB13-99 – Resolution 2318** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Mayor To Transfer Maintenance Worker/Building Inspector Bill Centen Back To The Community Development Department.

Councilmember Rackley moved to approve Resolution 2318. Councilmember Lewis seconded the motion.

City Administrator Morrison provided a summary of the issue as stated in the agenda bill and stated the latest projection through the end of the year in permit valuations which shows the needs for an additional inspector on a full time basis. Mayor Johnson said the departments have worked well in utilizing employees skills. Councilmember Watson asked if it would not be cost effective for the City to continue to use an outside service and wanted to make sure there is a strong demand for an additional inspector in future

year. Mayor Johnson said it doesn't make sense to waste the experience the City has already in current staff by utilizing an outside service.

Resolution 2318 approved 7 - 0.

- B. **AB13-102** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Authorize The Mayor To Apply For A Puget Sound Regional Council Non-Motorized Transportation Grant.

Councilmember Rackley moved to the Motion AB13-102. Councilmember Watson seconded the motion.

Mayor Johnson said these are projects the City is ready to start working on. He said one is for the Fennel Creek Trail, and the other one is regarding a walking path from Veteran's Memorial Drive down to Angeline, to make a safe route from Angeline up to the downtown area. He said the next step will be to get a trail from Angeline Road to 192nd, however, that one will be a bit more problematic because a bridge will be needed to cross the stream. Councilmember Lewis said adding a bridge will not be as problematic as the current safe-routes project because there are no wetlands to cross.

Motion approved 7 - 0.

- C. **AB13-101 – Resolution 2319** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing Submission Of A Housing And Urban Development Community Development Block Planning Grant Application To The Washington State Department Of Commerce For The Food And Clothing Banks.

Councilmember Watson moved to approve Resolution 2319. Councilmember Lewis seconded the motion.

Mayor Johnson said this is the planning grant for the Food Bank.

**Resolution 2319 approved 6 – 1.
Councilmember McKibbin voted no.**

- IX. EXECUTIVE SESSION:** Pursuant to RCW 42.30.110(1)(i), the Council entered an executive session with the City Attorney at 7:37 p.m. to discuss potential litigation and pending litigation for 20 minutes. At 7:57 the Executive Session was extended for an additional five minutes, and at 8:03 an additional 5 minute extension was requested. Council returned to chambers at 8:08 p.m. No action was taken.

X. ADJOURNMENT:

At 8:09 p.m., Councilmember Lewis moved to adjourn the Council Meeting. Councilmember Watson seconded the motion.

Motion to adjourn approved 7 – 0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council at the August 13, 2013 Meeting:

- Angela Dickson - Woodbriar Village HOA Petition for Sidewalks to the City of Bonney Lake – Woodbriar Village Homeowner’s Association.

Note: Unless otherwise indicated, all documents submitted at City Council meetings and workshops are on file with the City Clerk. For detailed information on agenda items, please view the corresponding Agenda Packets, which are posted on the city website and on file with the City Clerk.

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**Schedule A
TOTAL REVENUES & EXPENDITURES**
GENERAL FUND (Note A)
2013 - 2019 ANALYSIS

	Actual		Un-Audited		Adopted		Adopted		Actual @		Updated		Updated		Projected Budget				2013 - 2019	
	2011	2012	2012	2013	2013	2014	2013	2013	June 30	2013	2013	2014	2015	2016	2017	2018	2019	Projected	Totals	
GENERAL GOVERNMENT																				
General Revenues																				
Property Taxes (311)	2,523,498	2,589,335	2,637,042	2,663,412	1,380,680	2,637,042	2,637,042	2,663,412	2,690,046	2,716,947	2,744,116	2,771,557	2,799,273	19,022,393						
Sales Tax (312 + 313)	3,389,436	3,376,664	3,514,182	4,114,890	1,190,845	3,619,607	3,800,588	4,320,635	4,536,666	4,763,500	5,001,675	5,251,758	31,294,428							
Utility Tax (314, 316, -316 20)	2,665,636	2,543,386	2,477,699	2,552,030	916,780	2,477,699	2,552,030	2,603,071	2,655,132	2,734,786	2,816,830	2,929,503	18,769,050							
Excise Taxes (317,348, 35)	69,286	12,012	88,590	88,590	541	88,590	88,590	90,362	90,362	92,169	94,012	95,893	648,385							
Other Taxes (316 20, 319)(317 -317 348, 35)	91,531	168,984	170,431	175,544	38,075	170,431	175,544	180,810	180,810	186,235	191,822	201,413	1,317,738							
Licenses & Permits (320)	430,146	753,004	694,149	745,762	369,415	735,798	790,963	837,864	873,050	913,271	1,050,262	1,207,801	6,319,029							
Intergovernmental (330) (Reduced Labor Tax)	622,119	809,243	689,972	757,882	541	689,972	757,882	773,040	788,500	812,155	836,520	861,616	5,519,685							
Charges for Goods & Service (341 - 348)	381,676	665,747	585,294	666,769	348,601	632,118	676,366	700,107	742,114	794,062	857,587	926,194	5,328,547							
Fines & Forfeits (350)	620,400	559,979	725,976	755,016	5,472	725,976	755,016	762,566	784,706	864,400	911,552	951,662	5,497,656							
Investment Interest (361)	79,926	33,474	82,628	83,454	61,971	82,628	83,454	84,706	86,400	88,992	91,662	95,328	571,649							
Other Revenues (362, -362 50, 366, 367, 369)	148,251	167,899	291,965	166,341	238,837	291,965	166,341	168,836	171,369	173,939	176,548	179,196	1,328,195							
Other Rev. Fac Remains (EP&R) (362 50) (Note E)	178,267	82,500	92,000	92,000	45,981	92,000	92,000	92,000	92,000	92,000	92,000	92,000	368,000							
Administrative Transfers In (349, 390) (Note H)	1,146,220	1,170,773	1,409,067	1,423,158	603,251	1,409,067	1,423,158	1,437,390	1,451,763	1,466,281	1,480,944	1,495,753	10,164,356							
Total Budgeted Revenue	12,366,393	12,932,982	13,458,995	14,284,848	5,666,110	14,173,224	14,409,954	15,757,987	16,212,657	16,852,517	17,568,407	18,111,944	111,944,345							
Additional Revenues Not Included Above																				
Remwood Agreement (Note G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Refund - Leasehold Excise Tax Audit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Facility Rental: Public Works Center (Note L)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Old C. H. Site Land Sale - 192nd & Smnr. Bockly Hwy.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Addtl Sales Tax - New Lg Retail Estab. (Note K)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Addtl Sales Tax - WWTP Upgrade, Const. Sales Tx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Additional Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Revenues	12,366,393	12,932,982	13,458,995	14,284,848	5,666,110	14,173,224	14,409,954	15,757,987	16,212,657	16,852,517	17,568,407	18,111,944	111,944,345							
Expenditures - O & M (From Schedule B)																				
Sub-Total Results of Operations	-3,130,733	-1,788	-166,262	298,270	-601,289	514,967	140,566	2,164,760	502,739	589,327	621,866	1,064,671	5,598,895							
Debt Service																				
Dedicated Revenues (1997 Bonds)	358,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1997 Bonds - paid off in 2011 (Note C)	358,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2008 Civic Center Bonds (\$661,443 annual) (Note I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2008 800 MH Z Loan (\$231,000 annual) (Note J)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Debt Service - Net	-3,130,733	-1,788	-166,262	298,270	-601,289	514,967	140,566	2,164,760	502,739	589,327	621,866	1,064,671	5,598,895							
Annual Net Available	9,235,660	14,724,770	13,625,257	13,986,578	6,267,400	13,658,257	14,269,389	14,804,828	15,255,249	15,623,340	16,230,651	16,503,737	106,345,450							
Fund Balance From Prior Year	4,742,993	1,612,260	1,610,472	1,444,210	1,610,472	1,610,472	2,125,439	2,266,004	4,430,765	4,933,503	5,522,830	6,144,696	1,610,472							
Year End Fund Balance	1,612,260	1,610,472	1,444,210	1,742,480	1,009,182	2,125,439	2,266,004	4,430,765	4,933,503	5,522,830	6,144,696	7,209,367	7,209,367							
Fund Balance as a % of current year expenditures	15.56%	15.88%	29.93%	32.34%	35.35%	37.86%	43.68%													

Projection Assumptions:
 Property Tax: 2013 Preliminary Certification received from Pierce County in late September. 2014 through 2019 = +1% of prior year.
 Sales Tax: Calculated historical average of annual % of increase from 2004 through 2012 = 4.34%. Project: Year 2015 - 2019 = +5% each year. This logic = average increase for 2004 -- 2019 = 4.59%
 Utility Tax: Year 2015 = +2%, 2016 = +2%, 2017 = +3%, 2018 = +3%, 2019 = +4%
 Excise Tax: Year 2015 = +2%, 2016 = +2%, 2017 = +2%, 2018 = +2%, 2019 = +3%
 Other Tax: Year 2015 = +3%, 2016 = +3%, 2017 = +3%, 2018 = +5%, 2019 = +5%
 Licenses & Permits: Year 2015 = +5%, 2016 = +7%, 2017 = +9%, 2018 = +15%, 2019 = +15%
 Intergovernmental: Year 2015 = +2%, 2016 = +2%, 2017 = +3%, 2018 = +3%, 2019 = +3%
 Charges for goods & services: Year 2015 = +5%, 2016 = +6%, 2017 = +7%, 2018 = +8%, 2019 = +8%
 Fines & Forfeits: Year 2015 = +1%, 2016 = +2%, 2017 = +3%, 2018 = +3.4%, 2019 = +4%
 Investment Interest: Year 2015 = +1.5%, 2016 = +2%, 2017 = +3%, 2018 = +3%, 2019 = +4%
 Other Revenues: (includes lease to EP&R) Year 2015 = +1, 2016 = +2%, 2017 = +3%, 2018 = +3%, 2019 = +3%
 Other Revenues: (separate line item for Justice Center and/or Annex leased space): 2015 through 2019 = no additional estimates for leased space

Notes:
 A. Includes only General Fund Capital and Contingency funds not included in this analysis
 B. 2012 reflects unaudited actuals. Once the audit is completed the audited numbers will be inserted
 C. 1997 GO Bonds for the Public Safety Building were paid off in 2011.
 D. Fire Station Lease, catch up amount of \$260,604 in 2009 included in "other revenue". In years hence the annual lease of \$96K is also included in "other revenue" line item.
 E. The facility rental lease for East Pierce Fire & Rescue is segregated into a separate line item, #382 50. Annual budget is \$92K rounded
 G. Remwood Agreement, Resolution 2303 highlight page. 2013-Planning/Building Fees-\$304,428+Const. Sales Tax=\$115,378 (\$419,806). 2014=\$251,614. 2015 hence=Prior yr + 1%
 H. Administrative Transfers In: Includes charges to other funds, etc. for administrative, professional, technical time, insurances, etc.
 I. 2011 Civic Center Debt Service Bond Payment paid 50% General Fund (\$330,675) and 50% Gen Govt. CIP (\$330,675); amounts included in sch B. In 2012 total amount (\$661,443) in gen fund budget schedule B.
 J. 2011 & 2012, 800 MHZ debt service payment budgeted in the Ding Fund (\$231,000)
 K. Additional sales tax revenue from new large retail establishments: 2016=\$300,000. Years hence =+3% each year
 L. Public Works Center Rental Charges: 2013=\$44,192 (Water=\$22,091, Sewer=\$17,182, Storm=\$4,909). 2014 and years hence=\$66,340 (Water=\$33,170, Sewer=\$25,799, Storm=\$7,371)
 C:\Users\slj\Documents\Misc\Worksheets\Budget\Worksheets\Financial Model\2013 Jan - Dec\Fin Model 2013 6-30 Rev2.xls

Schedule B
General Fund Expenditures
2013 - 2019 ANALYSIS

Dept	2011	2012	2013		2013	2013	2014		Projected Budget							2013-2019 Projected Totals
			Actual	Un-Audited Actual			Adopted Budget	Adopted Budget	Actual @ June 30	Updated Protection	Updated Protection	2015	2016	2017	2018	
11 Legislative	74,659	76,406	109,497	78,316	24,389	94,497	94,497	96,839	99,281	101,763	104,307	106,915	698,119			
12 Judicial	540,580	556,363	699,982	712,500	257,034	669,982	690,081	730,313	748,570	767,285	786,467	806,128	5,198,826			
13 Executive	330,199	580,897	642,846	735,024	247,109	642,846	662,131	753,400	772,235	791,540	811,329	831,612	5,265,093			
14 Financial Services	902,106	979,147	1,094,025	1,126,227	518,730	1,089,025	1,101,096	1,154,383	1,183,242	1,212,823	1,243,144	1,274,222	8,237,935			
15 Legal	317,379	402,957	395,120	396,223	146,047	370,120	381,224	406,129	416,282	426,689	437,356	448,290	2,886,089			
16 Information Technology	463,516	459,687	520,453	477,291	289,157	520,453	477,291	489,223	501,454	513,990	526,640	540,011	3,589,262			
18 Administrative Services	469,275	479,537	508,970	538,333	250,411	503,970	519,089	551,791	565,586	579,726	594,219	609,074	3,923,456			
21 Law Enforcement	5,025,715	5,305,134	5,728,224	5,966,822	2,656,258	5,701,224	5,872,261	6,115,993	6,268,892	6,425,615	6,586,255	6,750,911	43,721,151			
32 Engineering and Public Works Administration	75,998	71,420	75,621	75,621	33,892	72,621	74,800	77,512	79,449	81,436	83,471	85,558	554,847			
42 Road & Streets Maint.	985,357	1,024,850	1,032,806	1,055,355	481,829	1,012,806	1,043,190	1,081,739	1,108,782	1,136,502	1,164,914	1,194,037	7,741,971			
50 Senior Center	325,898	324,112	329,806	320,322	158,119	324,708	334,449	328,330	336,538	344,952	353,576	362,415	2,384,968			
57 Community Forestry	404,127	157,064	39,345	39,998	51,420	39,345	39,998	40,998	42,023	43,073	44,150	45,254	294,842			
58 Comm Develop - Bldg.	1,233,752	1,192,710	1,207,292	1,253,118	576,121	1,229,792	1,266,886	1,284,446	1,316,557	1,349,471	1,383,208	1,417,788	9,247,948			
60 Facilities	567,534	520,785	516,549	477,327	221,352	506,549	521,745	489,260	501,492	514,029	526,880	540,052	3,600,007			
76 Parks and Recreation	308,221	303,290	307,752	305,085	136,371	302,752	311,835	312,712	320,530	328,543	336,757	345,176	2,258,304			
90 Debt Service - Motorola (annual prin + int = \$230,000)	3,472,811	520,410	417,067	429,016	219,161	417,067	429,016	439,741	450,735	462,003	473,553	485,392	3,157,508			
90 Debt Service - Justice Center (annual prin + int = \$661,000)			0	0	0	0	0	0	0	0	0	0	0			
90 Non-Departmental (budgeted net staffing changes)			0	0	0	0	0	0	0	0	0	0	0			
Subtotal - Budgeted Expenditures	15,497,126	12,934,770	13,625,257	13,986,578	6,267,400	13,477,757	13,819,389	14,352,828	14,711,649	15,079,440	15,456,426	15,842,837	102,740,325			
Less specific contingency items:																
F Motorola, 800 MHz Debt Service						180,500	0	0	0	0	0	0	0			
G Justice & Municipal Center Debt Service						180,500	450,000	452,000	543,600	543,900	543,900	543,900	3,605,125			
TOTAL EXPENDITURES	15,497,126	12,934,770	13,625,257	13,986,578	6,267,400	13,658,257	14,269,389	14,804,828	15,255,249	15,623,340	16,230,651	16,503,737	106,345,450			
Difference in Adopted Budget and Updated Projections						33,000	282,811						106,345,450			

Estimated Ending Fund Balances are not shown here as they are considered reserves; not programmed expenditures.

Notes:

- A. 2012 reflects unaudited actuals. Audited figures will be inserted at conclusion of audit.
- B. Figures derived from the 2013 - 2014 adopted budget document.
- C. 2015 -- 2019 Expenditure estimates: 90% of budgets are related to Salaries & Benefits; estimates increased +2.5% each year. Actual annual step increases = +3%.
- D. The program "Non Departmental" includes items such as insurance payments, AWC Dues, etc.
- D. 2011: Transfers out of Gen Fund Balance to:
 - 702 - Equip - \$400,000 Neighborhood sidewalks = \$300K. RU2 Radar Units = \$100K
 - 720 - Equip - \$1,000,000 Community Rec Center/YMCA
 - 720 - Equip - \$500,000 Downtown civic center land acquisition and related work
 - 750 - Equip - \$750,000 Tenant improvements at J.C. to convert more space for City use
 - 750 - Equip - \$2,650,000 Economic Development Initiatives for downtown, midtown, eastown
 - 750 - Equip - \$2,650,000 Catch-up unfunded general fund portion of depreciation
- E. Department #60 in 2011 = 31.2% increase over prior year. Includes expenditures for the RCM grant and additional maintenance at the J&MC
- F. Motorola 800 MHz Debt Service Payment (total=\$230,000 annually). 2013 first half payment (approx. \$115K) paid out of fund 320 (GGCIP).
- G. Justice & Municipal Center Debt Service Payment (original total debt payment=\$661,000 annually). 2013 first half payment (approx. \$330K) paid out of fund 320 GGCIP. Assume both debt instruments (Motorola and J&MC) refinanced in qtr. 3, 2013. New combined debt service payment in 2013 will be approx. \$180,492.
- H. 2013 Revised budget calculated by Don
- I. * If we were to move forward with the debt refinancing - should both first half debt service payments be transferred back to the general fund, where they should formally reside? Motorola=\$115 + J&MC=\$330 = Combined total of \$445K; to transfer. The above expenditures in 2013 would then reflect \$14,103,257 (above -\$13,658,257 + \$445,000). If this transfer were done, the general fund in 2013 would still net \$69,967 to the good.

Schedule B
General Fund Expenditures
2013 - 2019 ANALYSIS

Dept	Actual	Un-Audited Actual	Adopted Budget		Actual @ June 30	Updated Projection		Projected Budget					2013-2019 Totals
			2013	2014		2013	2014	2015	2016	2017	2018	2019	
11 Legislative	74,659	76,406	109,497	78,316	24,389	94,497	94,497	96,859	99,281	101,763	104,307	106,915	698,119
12 Judicial	540,580	556,363	699,982	712,500	257,034	669,982	690,081	730,313	748,570	767,285	786,467	806,128	5,198,826
13 Executive	330,199	560,897	642,846	735,024	247,109	642,846	662,131	753,400	772,235	791,540	811,329	831,612	5,265,093
14 Financial Services	902,106	979,147	1,094,025	1,126,227	518,730	1,089,025	1,101,096	1,154,383	1,183,242	1,212,823	1,243,144	1,274,222	8,237,935
15 Legal	317,379	402,957	395,120	386,223	146,047	370,120	381,224	406,129	416,282	426,689	437,356	448,290	2,886,089
16 Information Technology	463,516	459,687	520,453	477,291	289,157	520,453	477,291	489,223	501,454	513,980	526,840	540,011	3,569,262
18 Administrative Services	469,275	479,537	508,970	536,333	250,411	503,970	519,089	551,791	566,586	579,726	594,219	609,074	3,923,456
21 Law Enforcement	5,025,715	5,305,134	5,728,224	5,966,822	2,656,258	5,701,224	5,872,261	6,115,993	6,268,892	6,425,615	6,586,255	6,750,911	43,721,151
32 Engineering and Public Works Administration	75,988	71,420	75,621	75,621	33,882	72,621	74,800	77,512	79,449	81,436	83,471	85,558	554,847
42 Road & Streets Maint.	985,357	1,024,850	1,032,806	1,055,355	481,829	1,012,806	1,043,190	1,081,739	1,108,782	1,136,502	1,164,914	1,194,037	7,741,971
50 Senior Center	325,888	324,112	329,708	320,322	158,119	324,708	334,449	328,330	336,538	344,952	353,576	362,415	2,384,968
57 Community Forestry	404,127	157,064	39,345	38,998	51,420	39,345	39,998	40,998	42,023	43,073	44,150	45,254	294,842
58 Comm Develop - Bldg.	1,233,752	1,192,710	1,207,292	1,253,118	576,121	1,229,792	1,266,686	1,284,446	1,316,557	1,349,471	1,383,208	1,417,788	9,247,948
60 Facilities	567,534	520,785	516,549	477,327	221,352	506,549	521,745	489,260	501,492	514,029	526,880	540,052	3,600,007
76 Parks and Recreation	308,221	303,290	307,752	305,085	136,371	302,752	311,835	312,712	320,530	328,543	336,757	345,176	2,258,304
90 Non-Departmental	3,472,811	520,410	417,067	429,016	219,161	417,067	429,016	439,741	450,735	462,003	473,553	485,392	3,157,508
90 Debt Service - Motorola (annual prin + int = \$230,000)			0	0	0	0	0	0	0	0	0	0	0
90 Debt Service - Justice Center (annual prin + int = \$661,000)			0	0	0	0	0	0	0	0	0	0	0
90 Non-Departmental (budgeted net staffing changes)			0	0	0	0	0	0	0	0	0	0	0
Subtotal - Budgeted Expenditures	15,497,126	12,934,770	13,625,257	13,986,578	6,267,400	13,477,757	13,819,389	14,352,828	14,711,649	15,079,440	15,456,426	15,842,837	102,740,325
Less specific contingency items:													
F Motorola - 800 MHz Debt Service - original contract						115,000	231,000	231,000	231,000	231,000	231,000	231,000	1,501,000
G Justice & Municipal Center Debt Service - original contract						331,000	661,443	661,443	661,443	661,443	661,443	661,443	4,299,658
TOTAL EXPENDITURES	15,497,126	12,934,770	13,625,257	13,986,578	6,267,400	13,923,757	14,711,832	15,245,271	15,604,092	15,971,883	16,348,869	16,735,280	108,540,983
Difference in Adopted Budget and Updated Projections						298,500	725,254						108,540,983

Estimated Ending Fund Balances are not shown here as they are considered reserves; not programmed expenditures.

Notes:

- A. 2012 reflects unaudited actuals. Audited figures will be inserted at conclusion of audit.
- B. Figures derived from the 2013 - 2014 adopted budget document.
- C. 2015 - 2019 Expenditure estimates: 90% of budgets are related to Salaries & Benefits; estimates increased +2.5% each year. Actual annual step increases = +3%.
- D. The program "Non Departmental" includes items such as insurance payments; AWC Dues, etc.
- E. 2011: Transfers out of Gen Fund Balance To: Fund # 301 \$400,000 Neighborhood sidewalks = \$300K; RU2 Radar Units = \$100K
302 \$1,000,000 Community Rec Center/YMCA
320 \$500,000 Downtown civic center land acquisition and related work
501 \$750,000 Tenant improvements at J.C. to convert more space for City use
502 \$2,650,000 Economic Development Initiatives for downtown, midtown, eastown
Catch-up unfunded general fund portion of depreciation
- F. Department #60 in 2011 = 31.2 % increase over prior year. Includes expenditures for the RCM grant and additional maintenance at the J&MC
- G. Motorola 800 MHz Debt Service Payment (total=\$230,000 annually). First half of 2013 paid from fund 320 (GGCIP).
- H. Justice & Municipal Center Debt Service Payment (original total=\$661,000 annually). First half of 2013 paid from fund 320 (GGCIP).
- I. 2013 Debt service question - how long can fund 320 continue to make the debt service payments that should be an expenditure of the G.F.
- L. 2013 Revised budget calculated by Don

City of Bonney Lake, Washington
City Council Agenda Bill (AB)

Department/Staff Contact: PW / John Woodcock	Meeting/Workshop Date: 23 July 2013	Agenda Bill Number: AB13-85
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2311	Councilmember Sponsor: Randy McKibben

Agenda Subject: Adoption of the 2014-2019 Six Year Transportation Improvement Program

Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting A Six-Year Transportation Improvement Program (2014-2019).

Administrative Recommendation:

Background Summary: On the July 9, 2013 Council Meeting the Council approved to conduct a Public Hearing for the 6- Year Transportation Program. RCW 35.77.010 requires an annual public hearing for any updates to the local 6 Year Transportation Improvement Program (TIP) in order to be eligible for most grant funding. The City Council will conduct a Public Hearing on July 23, 2013.
Attachments: 6 - Year Transportation Improvement Program (2014 - 2019), Maps, Resolution 2311

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
N/A			
Budget Explanation:			

COMMITTEE, BOARD & COMMISSION REVIEW			
Council Committee Review:	Community Development Date: 18 June 2013	<i>Approvals:</i> Chair/Councilmember Randy McKibben Councilmember James Rackley Councilmember Katrina Minton-Davis	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
	Forward to:	Consent Agenda:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Commission/Board Review:			
Hearing Examiner Review:			

COUNCIL ACTION	
Workshop Date(s):	Public Hearing Date(s): July 23, 2013
Meeting Date(s):	Tabled to Date:

APPROVALS		
Director: <i>Dan Grigsby, P.E.</i>	Mayor: <i>Neil Johnson Jr.</i>	Date Reviewed by City Attorney: (if applicable):

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RESOLUTION NO. 2311

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ADOPTING
A SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM
(2014-2019).**

WHEREAS, City officials are directed by RCW 35.77.010 to adopt a 6-Year Street Transportation Program; and

WHEREAS, such a plan was prepared and submitted to the Mayor and City Council; and

WHEREAS, a public hearing was held on July 23, 2013 with subsequent Council discussion and direction.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Bonney Lake, Pierce County, that the Six-Year Transportation Improvement Program for the years 2014-2019 be approved as a guide for the improvement of the streets of the City of Bonney Lake.

PASSED and adopted by the City Council this 23rd day of July 2013.

Neil Johnson Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

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CITY OF BONNEY LAKE

Public Works Department

Six Year Transportation Improvement Program (2014-2019)

List project categories

Category A – Intersection Improvements (\$3,490,000)

Traffic signalization and channelization improvements at intersections. To be funded by city TIF/REET/Gas Tax/COR funds, WSDOT, federal or state grant funding, and/or developer mitigation.

Category B - Roadway Major Improvements (\$22,046,300)

Major roadway improvements, for Collector and Minor Arterial Classified roadways including right of way acquisition when required. To be funded by city TIF/REET/Gas Tax/COR funds, state or federal grant/loan funding, developer mitigation, and/or WSDOT participation. Projects often combine improvements for environmental compliance, storm drainage, domestic water and sanitary sewer system extensions, roadway widening, bridge, curb, gutter, sidewalks, traffic signalization, lane channelization, street lighting, landscaping, street trees, etc. Also included will be a community involvement element.

The project phases are as follows:

- Pre-Design/Planning by city or city consultant
- Environmental Permitting by city or city consultant
- Right-of-Way acquisition by the city.
- Design that produces construction plans and specifications by city consultants
- Advertise and Award construction project by the city
- Construction by contractor
- Construction Management
- Project Completion, Closeout, and Acceptance

Category C - Road Reconstruction, Overlay, Chip Seal, Sidewalk (\$3,821,000)

Roadway maintenance and/or reconstruction of existing pavement with minor drainage, shoulder improvements, signing and channelization, and new sidewalks. Project funded by city, state/federal grant funds, and potential developer mitigation.

Category D - Transportation Studies (\$150,000)

Transportation or traffic studies including computer traffic modeling and Comprehensive Plan Sub Area Planning to be funded by city and performed by consultants.

Category E - Trail Projects (\$3,300,000)

Non-motorized transportation facilities including walking trails, bicycle routes, and sidewalk facilities to the enhance pedestrian and bicycle safety and mobility.

Six Year Transportation Improvement Program

Category "A" – Intersection Improvements

No.	Project description	Funding Source	Estimated Cost
A - 1	SR 410 at Veterans Memorial Drive (Ph 2) (signal upgrade and additional turn lanes with project B-3)	Dev/TIF	\$ 750,000
A - 2	SR 410 at 225 th Avenue E (new signal and additional turn lanes)	Developer	\$ 750,000
A - 3	199 th Ave at 109 th Street E (new signal and additional turn lanes; Entrance to BLHS and Mountain View Middle School)	Developer	\$ 250,000
A - 4	Veterans Memorial Drive at Angeline Rd E (new signal and additional turn lanes)	Dev/TIF	\$ 520,000
A - 5	SR 410 at 214 th Ave E (signal upgrade and additional left turn lane on SR 410, 214 th Ave. E widening)	Dev/TIF/WSDOT	\$ 750,000
A - 6	Church Lake Rd at West Tapps HWY E (new signal and additional turn lanes)	Dev/TIF	\$ 580,000
A - 7	SR 410 at 192 nd Ave E. Phase 1-A (new signal arm and additional turn lanes)	TIF/Dev/Grant	\$ 410,000
Category "A" Total			<u>\$ 3,490,000</u>

Six Year Transportation Improvement Program

Category "B" Roadway Major Improvements

No.	Project description	Funding Source	Estimated Cost
B – 1	SR 410 & Veterans Memorial Drive (Phase 2 - additional turn lanes on SR 410 and widen to 5 lanes on VMD with project A-1)	Dev/TIF/Grant	\$4,150,000
B – 2	Myers Road from SR 410 to 81 st Street (install 1,000 ft of soldier pile retaining wall to address erosion)	City	\$2,000,000
B – 3	214 th from SR 410 to 96 th St E (widen to 5 lanes; In front of Home Depot and Rite Aide with project A-5)	Dev/TIF/City	\$1,350,000
B – 4	214 th from SR 410 to Southern City Limits (widen to 5 lanes with project A-5)	Dev/TIF/City	\$2,500,000
B – 5	186 th Ave. / 88 th St. / 188 th Ave. Improvements (ROW, sidewalks, stormwater, road widening to city stds)	Dev/City	\$1,000,000
B – 6	216 th Avenue – North Side - Eastown	City	\$617,100
B – 7	216 th Avenue – South Side - Eastown	City	\$198,000
B – 8	219 th Avenue – South Side - Eastown	City	\$1,221,000
B – 9	221 st Avenue – North Side – Eastown	City	\$403,300
B – 10	221 st Avenue – South Side - Eastown	City	\$1,148,400
B – 11	225 th Avenue – North Side – Eastown	City	\$990,000
B – 12	225 th Avenue – South Side - Eastown	City	\$231,000
B – 13	225 th Ave. Ct. – South Side - Eastown	City	\$1,102,500
B – 14	226 th Avenue – North Side – Eastown	City	\$1,496,900
B – 15	226 th Avenue – South Side - Eastown	City	\$330,000
B – 16	229 th Avenue – North Side – Eastown	City	\$1,436,700
B – 17	Entwhistle Road – South Side - Eastown	City	\$1,871,400
Category “B” Total			<u>\$22,046,300</u>

Six Year Transportation Improvement Program

Category "C" Roadway reconstruction, asphalt overlay, or chip seal

Year	Project description	Funding Source	Estimated Cost
2014			
	Street Reconstruction Program	City	\$106,000
	Overlay Program	City	\$45,000
	Church Lake Road	City/Grant	\$467,000
	Chip Seal Program (Seven Miles)	City	\$212,000
	Sidewalk Improvements	City	\$106,000
2015			
	Street Reconstruction Program	City	\$109,000
	Overlay Program	City	\$109,000
	Chip Seal Program (Seven Miles)	City	\$218,000
	Sidewalk Improvements	City	\$109,000
2016			
	Street Reconstruction Program	City	\$112,000
	Overlay Program	City	\$112,000
	Chip Seal Program (Seven Miles)	City	\$225,000
	Sidewalk Improvements	City	\$112,000
2017			
	Street Reconstruction Program	City	\$115,000
	Overlay Program	City	\$115,000
	Chip Seal Program (Seven Miles)	City	\$232,000
	Sidewalk Improvements	City	\$115,000
2018			
	Street Reconstruction Program	City	\$118,000
	Overlay Program	City	\$118,000
	Chip Seal Program (Seven Miles)	City	\$239,000
	Sidewalk Improvements	City	\$118,000
2019			
	Street Reconstruction Program	City	\$121,000
	Overlay Program	City	\$121,000
	Chip Seal Program (Seven Miles)	City	\$246,000
	Sidewalk Improvements	City	\$121,000
Category "C" Total			<u>\$ 3,821,000</u>

Six Year Transportation Improvement Program

Category "D" Transportation Studies

Year	Project description	Funding Source	Estimated Cost
2018	Update City Transportation Plan (update City wide demographics, traffic counts, and Traffic Model)	City	\$150,000
Category "D" Total			<u>\$150,000</u>

Category "E" Multimodal Projects

Project description	Funding Source	Estimated Cost
SR410-Angeline Rd to 192 nd Ave E (sidewalk missing link)	City/Grant	\$900,000
Fennel Creek Trail Project (Willowbrook to Cimmar property \$1.6M) (Trailhead to Cimmar property - \$300k) (Right of Way to acquire - \$500k)	City/Grant	\$2,400,000
Category "E" Total		<u>\$3,300,000</u>

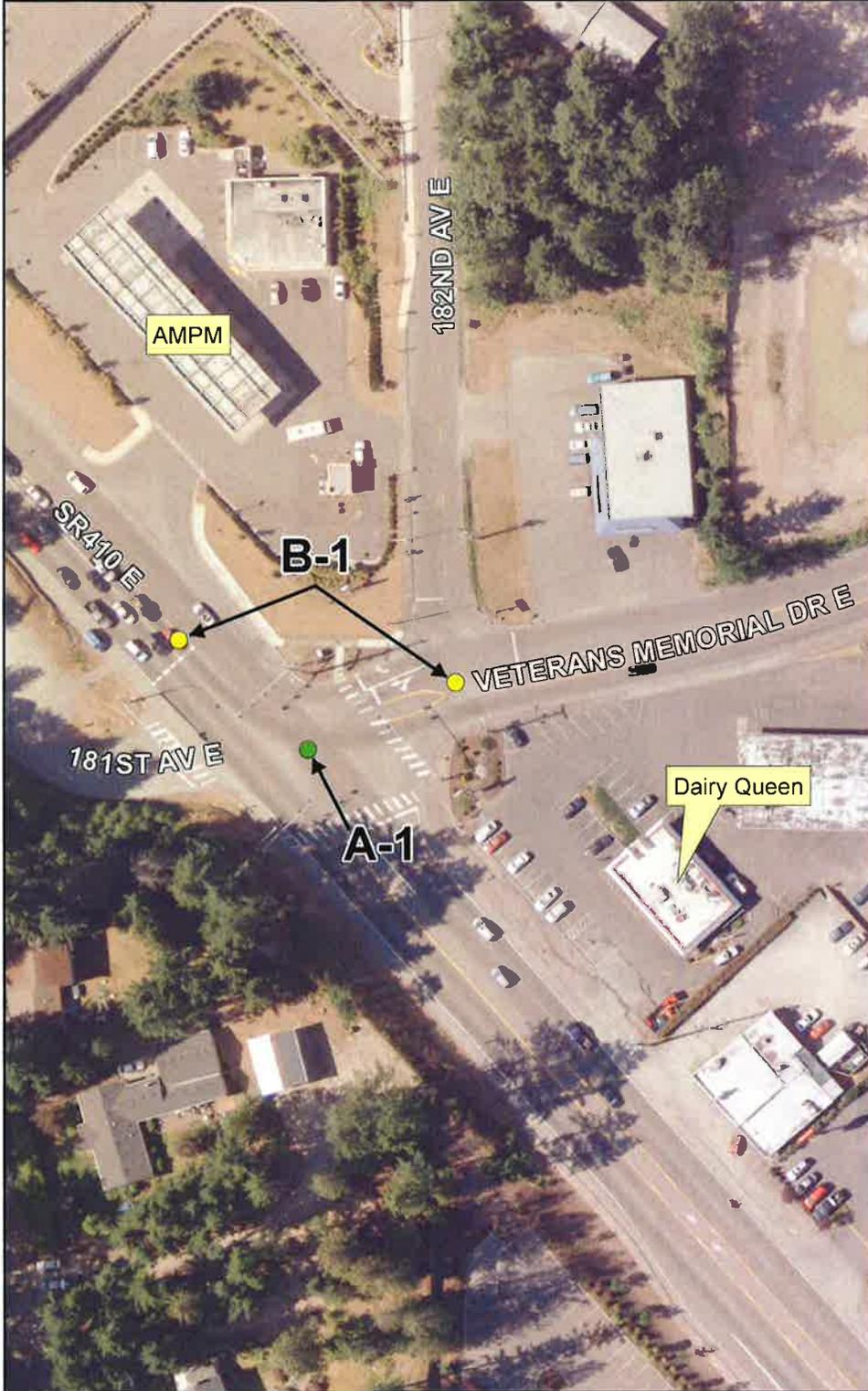
TOTAL PROGRAM COST	<u>\$32,807,300</u>
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Six Year Transportation Improvement Program
SR410 E at Veterans Memorial Dr E (Ph 2)



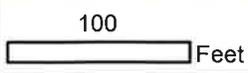
City of Bonney Lake

Map 1



- SR410 E at Veterans Memorial Dr E (Phase 2)
 Dev/TIF \$ 750,000
 (signal upgrade and additional turn lanes with project B-1)

- SR410 E and Veterans Memorial Dr E
 Dev/TIF/Grant \$4,150,000
 (Phase 2 - additional turn lanes on SR 410 and widen to 5 lanes on VMD with project A-1)



June 19, 2012

Six Year Transportation Improvement Program
SR410 E at 225th AVCT E



City of Bonney Lake

Map 2

- SR410 E at 225th AVCT E
Developer \$750,000
(new signal and additional turn lanes)

--- Bonney Lake City Limits



300
Feet



June 19, 2012

Six Year Transportation Improvement Program
199th Ave E at 109th St E



City of Bonney Lake

Map 3

- 199th Ave E at 109th St E
 Developer \$250,000
 (new signal and additional
 turn lanes; Entrance to
 BLHS and Mountain View
 Middle School)

--- Bonney Lake City Limits



Bonney Lake High School

Mountain View Middle School

A-3

500 Feet



June 19, 2012

Six Year Transportation Improvement Program
Veterans Memorial Dr E at Angeline Rd E

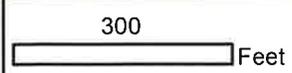


City of Bonney Lake

Map 4

- Veterans Memorial Dr E at Angeline Rd E
Dev/TIF \$520,000
(new signal and additional turn lanes)

 Bonney Lake City Limits



June 19, 2012

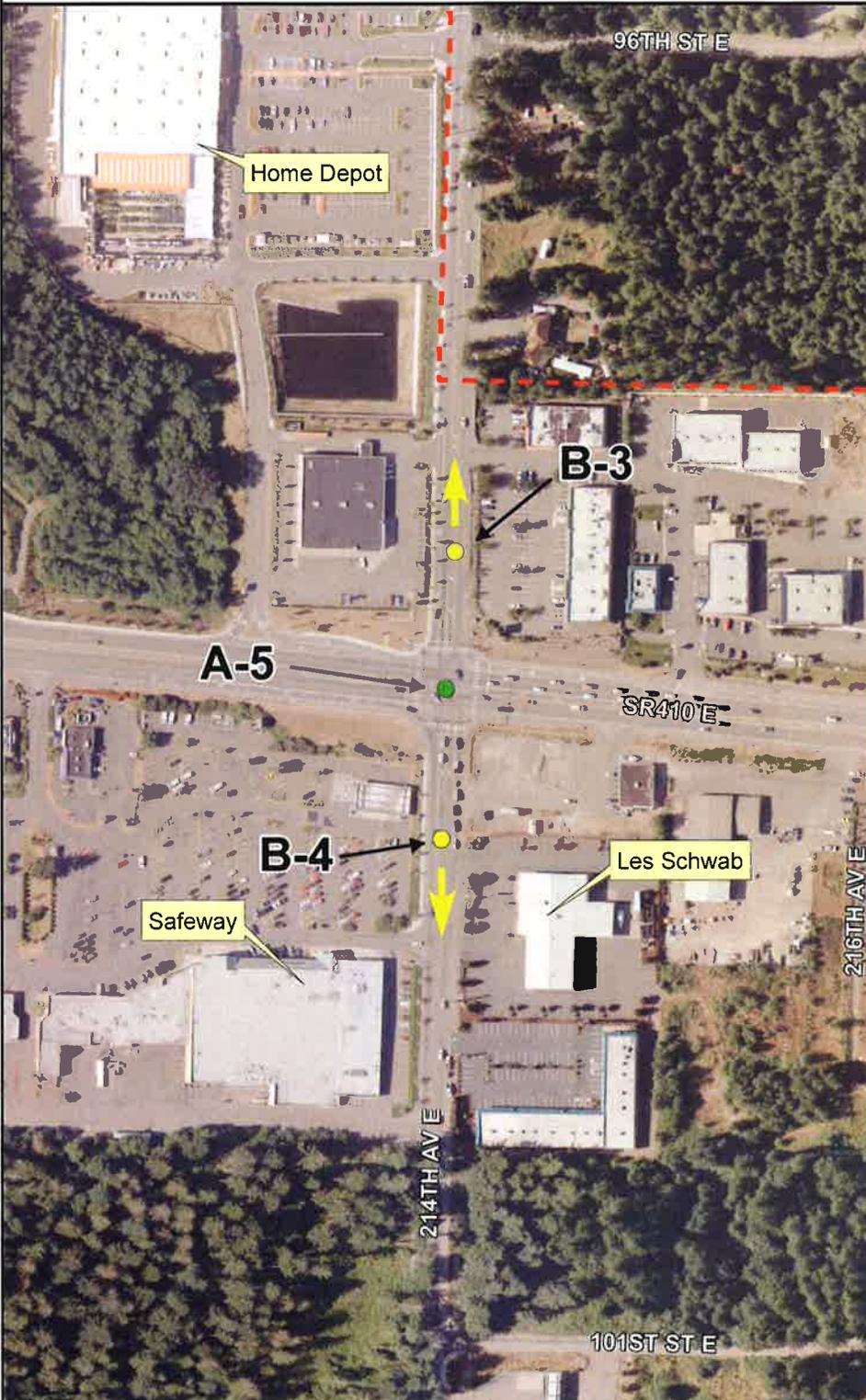
Six Year Transportation Improvement Program

SR410 E at 214th Ave E



City of Bonney Lake

Map 5



- SR410 E at 214th Ave E
Dev/TIF/WSDOT \$750,000
(signal upgrade and additional left turn lane on SR 410 E, 214th Ave E widening)
- 214th Ave E from SR410 E to 96th St E
Dev/TIF/City \$1,350,000
(widen to 5 lanes; In front of Home Depot and Rite Aide with project A-5)
- 214th Ave E from SR410 E to Southern City Limits
Dev/TIF/City \$2,500,000
(widen to 5 lanes with project A-5)

Bonney Lake City Limits

300 Feet

June 19, 2012

Six Year Transportation Improvement Program
Church Lake Rd E at West Tapps HWY E



City of Bonney Lake

Map 6

- Church Lake Rd E at West Tapps HWY E
 Dev/TIF \$580,000
 (new signal and additional turn lanes)



300 Feet



July 19, 2013

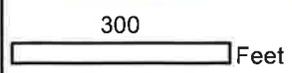
Six Year Transportation Improvement Program
SR410 E at 192nd Ave E Phase 1-A



City of Bonney Lake

Map 7

- SR410 E at 192nd Ave E Phase 1-A
TIF/Dev/Grant \$410,000
(new signal arm and additional turn lanes)



June 19, 2012

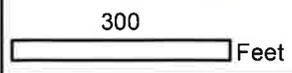
Six Year Transportation Improvement Program
Myers Rd E from SR410 E to 81st St E



City of Bonney Lake

Map 8

Myers Rd E from SR410 E to 81st St E
 City \$2,000,000
 (install 1,000 ft of soldier pile retaining wall to address erosion)



June 19, 2012

Map 9

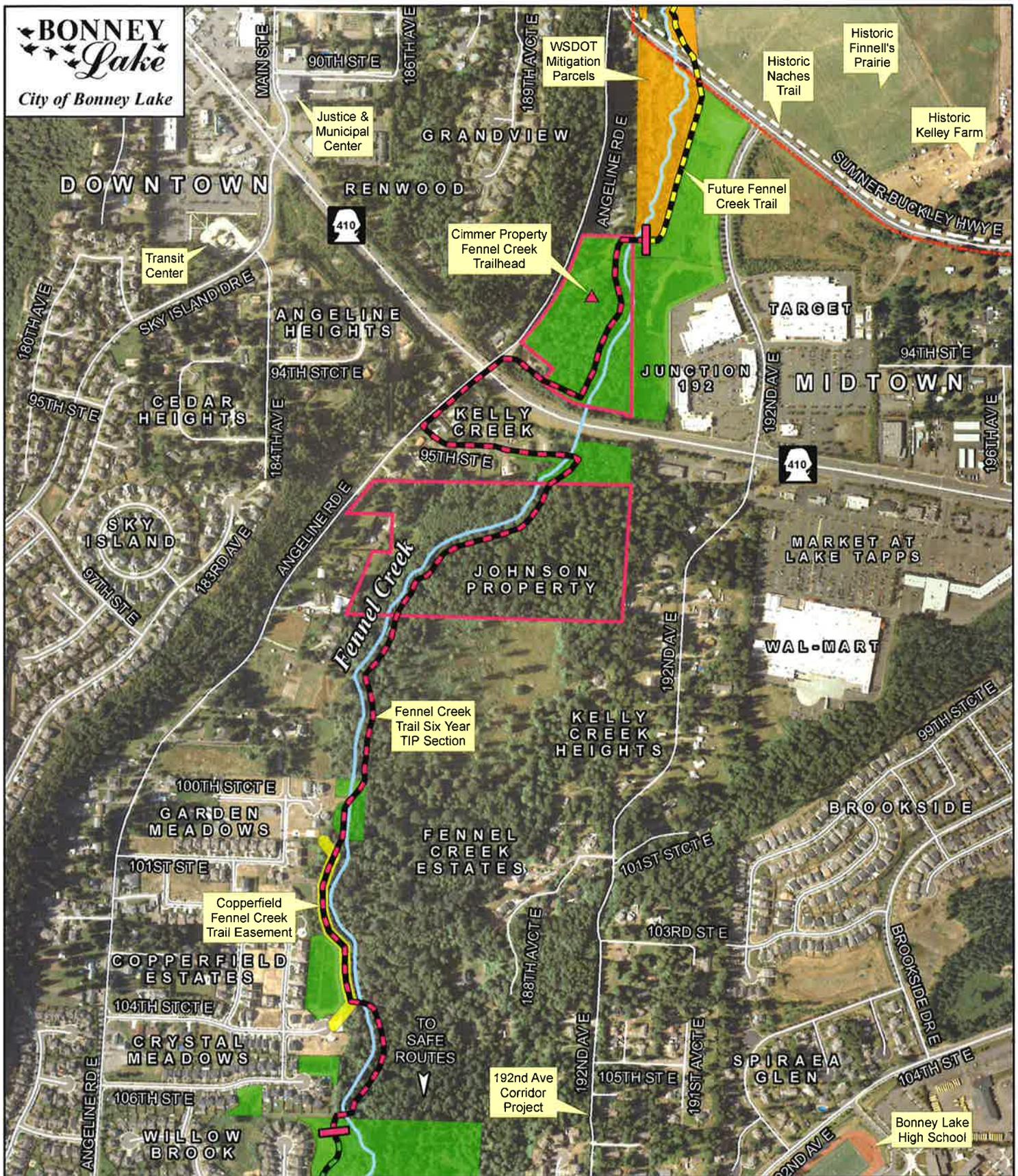
- Right of Way Expansion Boundary
- Current Right of Way Width
- Purposed Right Of Way Width
- Tax Parcels

Six Year Transportation Improvement Program

186th Ave E - 88th St E - 188th Ave E Right of Way Expansion



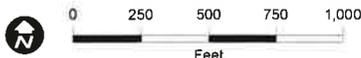
June 5, 2013



Fennel Creek Trail

Six Year Transportation Improvement Program

Crystal Meadows to the Cimmer Property



- Legend**
- Fennel Creek
 - Fennel Creek Trail TIP Section
 - Existing Fennel Creek Trail
 - Future Fennel Creek Trail
 - City-Owned Property
 - Fennel Creek Trail Easements
 - WSDOT Property
 - Historic Naches Trail
 - Bonney Lake City Limits
 - Fennel Creek Trailhead
 - Project Start/End

City of Bonney Lake, Washington
City Council Agenda Bill (AB)

Department/Staff Contact: Finance / Al Juarez	Meeting/Workshop Date: August 20, 2013	Agenda Bill Number: AB13-86
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2312	Councilmember Sponsor:

Agenda Subject: A resolution authorizing the city to utilize the Local Government Investment Pool (LGIP) for deposits and withdrawals (investments). The attached Resolution and Transaction Authorization forms are renewal documents required by the LGIP to update the City’s account, which has been established and active for numerous years.

Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing the Deposit And Withdrawal Of Governmental Entity Monies In The Local Government Investment Pool (LGIP) Pursuant To RCW 43.250.

Administrative Recommendation: Approve

Background Summary: The attached Resolution and Transaction Authorization forms are renewal documents required by the LGIP and are intended to update the City’s account, which has been established and active for at least the past two decades.
 In an endeavor to assist local officials in their fiduciary responsibility to prudently manage the funds under their care, the Legislature, in 1986, created a trust fund to be known as the public funds investment account.

Commonly referred to as the Local Government Investment Pool (LGIP) this trust fund is a voluntary investment vehicle operated by the WA State Treasurer and has had over 530 local governments participate in the pool since it was started. The LGIP provides safe, liquid, and competitive investment options for local governments pursuant to RCW 43.250. The LGIP lets local governments use the State Treasurer’s resources to safely invest their funds while enjoying the economies of scale available from a \$7 – 11 billion pooled fund investment portfolio.

The LGIP was originally created for smaller entities but today LGIP participants include: All 39 WA counties; 234 cities and towns; 160 special taxing districts; 30 community colleges and universities; and, 7 State Agencies.

LGIP’s investment objectives are, in priority order: (1) safety of principal; (2) maintaining adequate liquidity to meet cash flows; and, (3) providing a competitive interest rate relative to other comparable investment alternatives. The LGIP offers 100% liquidity to its participants.

The LGIP Portfolio is managed in a manner generally consistent with SEC regulated Rule 2a-7 funds. Detailed investment guidelines are illustrated in the LGIP Investment Policy, which can be reviewed at the WA State Treasurers website www.wa.gov/lqip/index.shtml. The WA State Treasurers Office is available via toll free number 1-800-331-3284 for questions.

Attachments: Yes

BUDGET INFORMATION

Budget Amount	Current Balance	Required Expenditure	Budget Balance
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Budget Explanation: N/A

COMMITTEE, BOARD & COMMISSION REVIEW

Council Committee Review:	Finance Committee	<i>Approvals:</i>		Yes	No
	Date: 7/9/2013	Chair/Councilmember	Dan Swatman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Councilmember	Randy McKibbin	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Councilmember	Mark Hamilton	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Forward to: 7/23/13 Council Meeting. **Consent**

Removed from 7/23 consent agenda and forwarded to the 8/20 Workshop for discussion. **Agenda:** Yes No

Commission/Board Review:

Hearing Examiner Review:

COUNCIL ACTION

Workshop Date(s):

Public Hearing Date(s):

Meeting Date(s):

Tabled to Date:

APPROVALS

Director:
Al Juarez

Mayor:

**Date Reviewed
by City Attorney:**
(if applicable):

RESOLUTION NO. 2312

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE DEPOSIT AND WITHDRAWAL OF GOVERNMENTAL ENTITY MONIES IN THE LOCAL GOVERNMENT INVESTMENT POOL (LGIP) IN THE MANNER PRESCRIBED BY LAW, RULE, AND APPLICABLE POLICIES AND PROCEDURES FOR THE LGIP.

WHEREAS, Pursuant To Chapter 294, Laws of 1986, the legislature created a trust fund to be known as the public funds investment account (commonly referred to as the Local Government Investment Pool) for the deposit of money by an authorized governmental entity for the purpose of investment by the State Treasurer; and,

WHEREAS, From time to time it may be advantageous to the authorized governmental entity, City of Bonney Lake, the “governmental entity,” to deposit funds available for investment in the LGIP; and

WHEREAS, Any deposits made on behalf of the governmental entity shall be first duly authorized by the City Council, the “governing body” of the governmental entity, in this resolution or a subsequent resolution, and a certified copy of said resolution shall be filed with the State Treasurer’s Office; and

WHEREAS, The governing body attests by the signature of its members that it is duly authorized and empowered to enter into this agreement, do direct the deposit of governmental entity monies, and to delegate certain authority to make adjustments to the incorporated transactional forms, to the individuals designated herein.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON THAT:

Section 1. The governing body does hereby authorize the deposit and withdrawal of governmental entity monies in the LGIP in the manner prescribed by law, rule, and applicable policies and procedures for the LGIP.

Section 2. The governing body has approved the Local Government Investment Pool Transaction Authorization Form and incorporates said form in to the resolution by reference and does hereby attest to its accuracy.

Section 3. The governmental entity designates Don Morrison, City Administrator, and Al Juarez, Chief Financial Officer, as the “authorized individuals” to authorize all amendments, changes, or alterations to the Form or any other documentation including designating other individuals to make deposits and withdrawals on behalf of the governmental entity.

Section 4. This delegation ends upon termination of the authorized individuals' relationship with the governmental entity or further action by the governing body terminating the delegation. It is the responsibility of the governing body to notify the State Treasurer's Office immediately when any action has been taken to end this delegation.

Section 5. That the form as incorporated into this resolution or hereafter amended by delegated authority or and documentation signed or otherwise approved by the authorized individuals shall remain in effect should the authorized individual's delegate authority be terminated or otherwise end. No amendments, changes or alterations shall be made to the Form or any other documentation until the entity passes a new resolution naming a new authorized individual(s).

Section 6. The governing body acknowledges that neither the State of Washington nor the State Treasurer guarantees any investment made by the governmental entity in the LGIP. Therefore, the governing body agrees to hold the State of Washington, the State Treasurer, and the LGIP harmless from any investment losses incurred as a result of investment with the LGIP.

PASSED by the City Council this _____ day of _____, 2013.

Neil Johnson Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

OFFICE OF THE WASHINGTON STATE TREASURER
LOCAL GOVERNMENT INVESTMENT POOL and/Or REVENUE DISTRIBUTION
TREASURY MANAGEMENT SYSTEM (TM\$)
WEB CLIENT LOGON AUTHORIZATION FORM

Name of Entity:
City of Bonney Lake

Note: each Full access LGIP person must also be listed on the Transaction Authorization Form. Please fill out this form completely, including any existing information, as this form will replace the previous form.

TM\$ LGIP / Revenue Dist. Web access requested for the following

1. Add Delete Update No Change

LGIP: Full Access View only Rev Dist: View only only

2. Add Delete Update No Change

LGIP: Full Access View only Rev Dist: View

Name: Don Morrison	Name: Al Juarez
Title: City Administrator	Title: Chief Financial Officer
E-mail address: morrisond@ci.bonney-lake.wa.us	E-mail address: juareza@ci.bonney-lake.wa.us
Phone: 253/447-4307	Phone: 253/447-4314
OST Appr Date: UserID:	OST Appr Date: UserID:

3. Add Delete Update No Change

LGIP: Full Access View only Rev Dist: View only

4. Add Delete Update No Change

LGIP: Full Access View only Rev Dist: View

Name: Annette Maib	Name: Mona Musgrave
Title: Financial Operations Supervisor	Title: Accounting Specialist III
E-mail address: maiba@ci.bonney-lake.wa.us	E-mail address: musgravem@ci.bonney-lake.wa.us
Phone: 253/447-4321	Phone: 253/447-3105
OST Appr Date: UserID:	OST Appr Date: UserID:

By signature below, I certify I am authorized to represent the institution/agency for the purposes of this transaction.

	City Administrator	
<i>(Authorized Signature)</i>	<i>(Title)</i>	<i>(Date)</i>
Don Morrison	morrisond@ci.bonney-lake.wa.us	253/447-4307
<i>(Print Authorized Name)</i>	<i>(E-mail address)</i>	<i>(Phone no.)</i>

Any changes to these instructions must be submitted in writing to the Office of the State Treasurer. Please mail this form to the address listed below:

OFFICE OF THE STATE TREASURER
 LOCAL GOVERNMENT INVESTMENT POOL
 LEGISLATIVE BUILDING
 P. O. BOX 40200

Date Received: _____ / _____ / _____
Fund Number: _____
OK'd by: _____ Agenda Packet p. 63 of 122 <i>(For OST use only)</i> 02/22/13

**LOCAL GOVERNMENT INVESTMENT POOL
TRANSACTION AUTHORIZATION FORM**

Please fill out this form completely, including any existing information, as this form will replace the previous form.

Name of Entity: City of Bonney Lake	Mailing Address:
Fax Number: 253/447-3181	9002 Main Street East
E-mail Contact: juarez@ci.bonney-lake.wa.us	P.O. Box 7380 Bonney Lake, WA 98391-0944

Do you wish to have your monthly LGIP statements faxed to the number listed above?

Please note – if you choose to receive statements via fax, you will not receive another copy via U.S. mail.

YES, please fax statements **No**, please send statements via U.S. mail

Bank account where funds will be wired when a withdrawal is requested.

(Note: Funds **will not** be transferred to any account other than that listed).

Bank Name: Bank of America
Branch Location: Bonney Lake Branch
Bank Routing Number: 123308825
Account Number: 1050 0000 0950
Account Name: General Account

Persons authorized to make deposits and withdrawals for the entity listed above.

Name	Title	Signature	Telephone Number
Don Morrison	City Administrator		253/447-4307
Al Juarez	Chief Financial Officer		253/447-4314
Annette Maib	Financial Operations Supervisor		253/447-4321

By signature below, I certify I am authorized to represent the institution/agency for the purpose of this transaction.

	City Administrator	
<i>(Authorized Signature)</i>	<i>(Title)</i>	<i>(Date)</i>
Don Morrison	morrisond@ci.bonney-lake.wa.us	253/447-4307
<i>(Print Authorized Signature)</i>	<i>(E-mail Address)</i>	<i>(Telephone number)</i>

Any changes to these instructions must be submitted in writing to the Office of the State Treasurer. Please mail this form to the address listed below:

OFFICE OF THE STATE TREASURER
LOCAL GOVERNMENT INVESTMENT POOL
PO BOX 40200
OLYMPIA, WA 98504-0200
FAX: (360) 902-9044

Date Received: ___ / ___ / ___
Fund Number: _____
(for LGIP use only)

State of Washington)
County of _____) ss.
Signed or attested before me by _____.
Dated this ___ day of _____, 20__.

Signature of Notary

Typed or printed name of Notary

Notary Public in and for the State of Wash.

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**City of Bonney Lake, Washington
City Council Agenda Bill (AB)**

Department/Staff Contact: Public Works / GRIGSBY	Meeting/Workshop Date: 20 August 2013	Agenda Bill Number: AB13-105
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2322	Councilmember Sponsor: Dan Swatman

Agenda Subject: Eastown Southern Sewer Utility Latecomer Agreement (ULA)

Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Authorize A Sewer Development Financing Contract And Utility Latecomer Agreement With Kahne Properties, Llc.

Administrative Recommendation: Recommend Approval

Background Summary: Kahne Properties, LLC (KAHNE) has three properties on the South side of SR410 that require connection to the City sewer system to allow development to occur. KAHNE has requested establishment of a ULA in order to obtain reimbursement from other property owners that will benefit from his extension of this sewer line to his properties. A total of ten parcels, including two of the KAHNE parcels, would pay Latecomer Fees as a result of this ULA. Negotiations with KAHNE and discussion with City Finance Committee council members has resulted in this resolution that provides a 75/25 cost sharing agreement to fund this ULA, with KAHNE contributing 75% of the design/construction/easement acquisition costs. The City would administer these three actions. Based on Preliminary Cost Estimates, KAHNE would contribute \$271,671 and the City \$90,557 of the ULA eligible costs. KAHNE would pay 100% of the costs for the section of this sewer line that crosses one of his parcels. This project will provide the final "missing link" in the Eastown sewer service area.

Attachments: Resolution 2322, City-KAHNE Agreement

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
N/A			
Budget Explanation:			

COMMITTEE, BOARD & COMMISSION REVIEW											
Council Committee Review:	Finance Committee Date: 9 July 2013	<i>Approvals:</i> Chair/Councilmember Dan Swatman Councilmember Randy McKibbin Councilmember Mark Hamilton	<table border="0"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> <tr> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> </table>	Yes	No	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Yes	No										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input type="checkbox"/>	<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
Forward to: City Council Workshop		Consent Agenda:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								
Commission/Board Review:											
Hearing Examiner Review:											

COUNCIL ACTION	
Workshop Date(s): 20 August 2013	Public Hearing Date(s): TBD
Meeting Date(s): TBD	Tabled to Date:

APPROVALS		
Director: Dan Grigsby, PW Director	Mayor:	Date Reviewed by City Attorney: (if applicable):

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RESOLUTION NO. 2322

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING ESTABLISHMENT OF A SEWER DEVELOPMENT CONTRACT and UTILITY LATECOMER AGREEMENT.

WHEREAS, Kahne Properties, LLC (KAHNE) has three properties on the South side of SR410 in the Eastown area of the City that require connection to the City sewer system to allow development of those parcels to occur; and,

WHEREAS, KAHNE has requested establishment of a ULA in order to obtain proportional reimbursement from other property owners that will benefit from his extension of this sewer line; and,

WHEREAS, the City and KAHNE now desire to enter into a Sewer Development Financing Contract and Utility Latecomer Agreement for the purpose of building an extension of the City sewer system into Eastown; and,

WHEREAS, the terms of this agreement are as set forth in the attached Sewer Development Financing Contract and Utility Latecomer Agreement;

NOW THEREFORE, BE IT RESOLVED; that the City Council of the City of Bonney Lake, Washington, does hereby authorize the Mayor to sign this SEWER DEVELOPMENT FINANCING CONTRACT AND UTILITY LATECOMER AGREEMENT.

PASSED by the City Council this ____ day of _____, 2013.

Neil Johnson Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

When recorded please return to:
Don Morrison
City of Bonney Lake
PO Box 7380
Bonney Lake, WA 98391

DOCUMENT TITLE:
Sewer Development Financing Contract and Latecomer Agreement

REFERENCE NUMBERS OF DOCUMENTS RELEASED:
N/A

GRANTOR/GRANTEE:
Kahne Properties LLC/City of Bonney Lake

ABBREVIATED LEGAL DESCRIPTION:

TAX PARCEL/RECORDING NUMBER:

**SEWER DEVELOPMENT
FINANCING CONTRACT AND
UTILITY LATECOMER AGREEMENT**

Whereas, Kahne owns three parcels of commercially-zoned property at 21916 SR 410 E (Parcel ID 0519022054, Parcel 0519026035, and Parcel 0519026036), located in the western portion of the City neighborhood known as Easttown; and

Whereas, Kahne desires to develop one parcel with multi-family housing and the other two for commercial use, which will require public utility services including water and sewer; and

Whereas, the City is currently contracting for construction of the public sewer system extension on the North side of SR 410 in Easttown, which currently lacks public sewer service; and

Whereas, the absence of public sewer service in commercially-zoned Easttown has impeded development of the business community that has been envisioned for years; and

Whereas, installation of sewer service to the two Kahne parcels will require Kahne to extend the public sewer main across five other properties to reach his own, and will eliminate another “missing link” in the public sewer system on the South side of SR410 in Easttown; and

Whereas, Kahne's neighbors have refused to sell easements across their properties to accommodate the sewer main, even though they would be compensated for the sale and installation of the main would benefit their properties by providing utilities without impairing the developable area of their parcels; and

WHEREAS, installing sewer service in Eastown will augment the city's utility rate base, implement the comprehensive plan of the city by extending utility infrastructure and stimulating commercial development in Eastown, ~~and~~ benefit the sewer utility's efficiency and economy of scale, and further the public health and welfare by providing sewer service to areas that presently must rely upon less desirable on-site sewer systems for both existing development as well as any future development; and

WHEREAS, the City has determined that the extension of the City's public sewer system within, under and through the properties identified in Exhibit A is for a public use and is reasonably necessary for the betterment of its public sewer system; and

WHEREAS, Chapter 35.91.020 RCW gives cities the authority to contract with private property owners for construction of utility infrastructure, to assess benefitted properties for pro rata share of construction costs, and to collect reimbursements from property owners who connect to the system within twenty (20) years; and

WHEREAS, the RCW and Bonney Lake Municipal Code ("BLMC") Chapter 13.16 authorize the City to partner with interested parties in financing development of utilities, and to receive latecomer reimbursements for City expenditures on same;

NOW THEREFORE, the City and Kahne, in recognition of the individual and public benefit to be served by installing a sanitary sewer system in the area of Bonney Lake known as Eastown, hereby execute this Sewer Development Financing Contract and Latecomer Agreement ("Agreement") on the following terms and conditions:

1. Construction Project. The City shall be responsible for extension of a 12" PVC gravity sewer main from the Mazatlan property to the Northern property line of Kahne parcel 0519022054 crossing parcel numbers 0519022007, 0519026035, 0519022059, 0519022060, 0519022061, and 0519022062 from the sewer system's current termination at the Mazatlan property to the Kahne property, as shown on **Exhibit A** (hereinafter referred to the Kahne Sewer Development Project, or "**Project**"). The City shall have sole discretion and authority to manage the Project and direct the work, including the granting of change orders or alteration of designs where appropriate. The City shall be owner and operator of this extension of its public sewer system.
2. Public works laws. The City shall manage the Project as a public works project, abiding by all applicable requirements of Title 39 RCW, including competitive bidding, bonding, retainage, and the payment of prevailing wages.
3. Easement acquisition. Easements for ingress/egress and utilities currently allow installation of a public sewer main across all properties except for Pierce County Parcel

Number 0519022007, owned by Shepard/Morris. The City shall acquire ~~public~~private easement(s) necessary for extension of the sewer main across the Shepard/Morris property by negotiation if possible and eminent domain if necessary. The City shall arrange for and direct any court filings and litigation that may be required to acquire the easement(s), and shall have sole authority to settle or resolve any court action.

4. Kahne's contribution. The City's obligation to construct the Project shall be contingent upon Kahne's upfront payment to the City of seventy-five percent (75%) of the total estimated Project costs within thirty (30) days of both parties' execution of this Agreement. Kahne's payment shall be made in cash to the City's Finance Director. Failure to make the payment within thirty (30) days shall render this Agreement void and of no further effect, and shall nullify the City's obligation to construct the Project. Kahne's contribution, payable within thirty (30) days of execution of this Agreement, shall be three hundred forty-six thousand forty-one dollars (\$346,041.00), the amount calculated as 75% of the Engineer's Estimate for construction and design (for parcels other than Kahne parcel 0519026035), complete cost of sewer line crossing Kahne parcel 0519026035, combined with 75% of the estimated easement acquisition costs (hereinafter "the Estimate"), pursuant to BLMC § 13.60.030E. Should actual costs be less than the Estimate, Kahne's contribution amount shall be reduced a proportional amount. A refund of any reduced amount shall be provided to Kahne at project close-out. Should the actual costs exceed the Estimate, the City shall cover cost overruns.
5. Assessments recorded. Upon Final Completion of the Project, the City shall record latecomer assessments ("Latecomer Fees") against all benefiting properties in the assessment reimbursement area (other than Kahne parcel 0519026035). The total costs for the Project, including all costs eligible for reimbursement under this agreement, shall be as itemized in **Exhibit B**, including the proportionate share of the total project costs paid by the City and Kahne respectively. The assessment reimbursement area, showing the benefiting properties to be served by this new sewer line, is depicted on the map attached as **Exhibit C** to this Agreement. **Exhibit D** to this agreement summarizes the initial amount of the Latecomer Fee for each benefiting property based on the Estimate that will be adjusted with actual costs at project close-out; however, effective 1 January each year, these fees shall be adjusted by the Engineering News Record Construction Cost Index (CCI) for the Seattle Area. The latecomer assessments shall require the property owners to contribute their pro-rata share of the Project costs, payable at the time the property owner is issued a building permit on his or her property or at other such time as allowed by the BLMC. The City shall not allow any owner of a parcel within the assessment reimbursement area to connect to the city sewer system or otherwise utilize the system improvements as described herein without such owner or owners having first paid to the City the latecomer assessment due for that parcel or parcels.
6. Connection costs. Each property owner in the assessment area shall be required to pay all costs and fees applicable for connecting their properties to the sewer system, including the costs of designing and constructing the connection, the Latecomer Fee, system development charges, and any other fees established by the BLMC in effect at the time of connection. ~~provided that, such charges shall not apply to the Kahne Parcels.~~

7. Assessment calculation. The pro-rata shares included in the latecomer assessments shall be calculated according to the square footage of the property seeking connection to the system, as follows:

Latecomer Fee = Parcel Square Footage X Total Project Cost per square foot

- Parcel Square Footage = Pierce County Assessor parcel square footage
 - Total Project Cost includes design, easement acquisition, and construction costs (currently estimated at \$362,227).
 - Total Project Cost per square foot = Total Project Cost / Total Square Footage of parcels in the assessment reimbursement area
 - Square footage conversion to acres will be used for the Assessment Rolls
8. Form of assessment. Latecomer assessments recorded against the properties shall substantially take the form of **Exhibit E** to this Agreement, provided, however, that the City has sole discretion to alter the form of assessments as necessary.
9. Allocation of latecomer reimbursements. The City shall be entitled to all reimbursement received from Latecomer Fees less the amount owed to Kahne. At time of receipt of each Latecomer Fee, the City shall remit to Kahne 75% of each assessment, as determined in paragraph 3 above and as assessed to each parcel on a pro-rata basis per **Exhibit F**. (Provided, that if actual costs exceed the Estimate, the reimbursements shall be adjusted accordingly.) The City shall issue to Kahne the amount due within sixty (60) days after receipt of each Latecomer Fee payment. Payment shall be made to Kahne at the address set forth hereinafter, or at such other address as Kahne shall notify the City. If such payments are returned to the City unclaimed, and if through reasonable efforts the City is unable to locate Kahne, or if Kahne dissolves or otherwise becomes defunct within the 20 year reimbursement period, the City shall retain all sums then received in a separate fund for two years, and shall release the funds when contacted by any individual or entity with standing to claim the funds. After expiration of the two year period, Kahne's right to the collected latecomer fee shall expire and the City shall be deemed owner of the funds. Kahne shall keep the City continually updated with information regarding the current contact information. If Kahne fails in this duty and the City is not able through reasonable efforts to determine the rightful recipient of latecomer assessments, the City may collect any reimbursement and deposit those funds into an appropriate capital fund of the City. The City will record a certificate of payment and release of assessment for the entire reimbursement area when all the property owners have paid their assessments or upon expiration of the twenty-year reimbursement period.
10. Assignment. Kahne may at any time assign its right to receive latecomer reimbursements to the individual or entity of its choosing, provided that it immediately notifies the City in writing of such assignment, and complies with the notification requirements of Section 9 above. Under no circumstances will the City be responsible for deciding or settling any disputes with regard to the proper recipient of latecomer reimbursements, or have any liability for transfer of funds to a recipient. In the event of a dispute, the City may

transfer the funds into an escrow account designated by the parties to the dispute. The City may also, at its option, commence an interpleader action joining any party claiming rights under this Agreement, or other parties which the City believes to be necessary or proper parties, and the City shall be discharged from further liability upon paying the person or persons whom any court having jurisdiction of such interpleader action shall determine, and in such action the City shall be entitled to withhold its reasonable attorney's fees and costs from such payment.

11. Joint defense. The City and Kahne jointly agree to defend, or pay the cost of such defense, and indemnify the City against any lawsuits attacking the validity of this Agreement. Costs shall be apportioned based on the pro rata contribution of each party to the Project. Notwithstanding the foregoing, at any time after it becomes apparent that litigation may ensue, either party may inform the other in writing that it intends terminate this Agreement, at which time its obligation to defend or pay the cost of defense shall cease. Kahne's termination of this Agreement shall not relieve any of the benefitted properties~~its property owner members~~ of the obligation to pay any latecomer assessments due. Excepted from the joint defense obligation are eminent domain proceedings necessary to acquire sewer easements across the Shepard/Morris parcel, which shall be the sole responsibility of the City.
12. Administrative fee. The City shall charge, in addition to its usual and ordinary charges made against persons applying for service from said facility, and in addition to the amount agreed to be collected by the City in this Agreement, a sum equal to five percent (5%) of the Latecomer Fee to be collected from the owner or owners of said properties connecting to or using said facility, which sum shall be used by the City to defray the cost of contract administration, labor, bookkeeping, and accounting, pursuant to the terms of this Agreement.~~; provided that, such additional charges shall not apply to the Kahne parcels identified in Exhibit D.~~
13. Costs. The Parties shall bear their own costs and expenses including, without limitation, attorneys' fees and costs related to this Agreement, the latecomer assessments, and the agreements contemplated herein.
14. Preliminary assessment notices. The City shall send a map of the Assessment Reimbursement Area (**Exhibit C**), a preliminary calculation of the assessments due (**Exhibit D**), and a description of the property owners' rights and options, by certified mail to the property owners of record within the assessment reimbursement area pursuant to BLMC 13.16.050(J)(2). Appeals of the assessment shall be made in accordance with this Code section.
15. City's right to terminate. The City shall have the right, in its sole and absolute discretion, to terminate this Agreement based upon testimony received during City Council appeal hearings held in accordance with Section 14 above. Upon termination of the Agreement, Kahne's contribution shall be refunded.

16. Term of Agreement. This Agreement shall be effective for a period of twenty (20) years following the issuance of the Certificate of Final Completion to the construction contractor, or until every benefited property owner in the assessment reimbursement area has paid the latecomer assessment, whichever is sooner.
17. Timing. The parties agree to use their best efforts to move forward with the Project in anticipation of construction beginning in the first half of 2014.
18. Governing law and venue. Disputes arising under this Agreement shall be brought in Pierce County Superior Court and adjudicated under the laws of the State of Washington.
19. Modification or Amendment. No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all of the parties hereto.
20. Agreement runs with the land. The terms of this Agreement shall run with the land and bind subsequent owners of the properties affected.
21. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter and any and all prior agreements, understandings or representations with respect to its subject matter are hereby canceled in their entirety and are of no further force or effect.
22. Attorneys' Fees. Should either party bring suit to enforce this Agreement, the prevailing party in such lawsuit shall be entitled to an award of its reasonable attorneys' fees and costs incurred in connection with such lawsuit.
23. Headings. The captions and paragraph headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the interpretation or construction of any term or provision hereof.
24. Exhibits. All exhibits attached hereto are incorporated by reference.
25. Counterparts. This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories shall be deemed to be one original document.
26. Agreement date. For purposes of calculation of all time periods described in this Agreement, all phrases such as "the date of this Agreement" or "the date of execution of this Agreement" or any other like phrase referring to the date of the Agreement, shall mean and refer to the date the Bonney Lake City Council approves this Agreement.
27. Recording. This Agreement shall be recorded with the Pierce County Auditor within thirty (30) days of execution by the City. The City shall pay the costs of recording.

IN WITNESS THEREOF, this Agreement has been approved by the City Council of the City of Bonney Lake as of the _____ day of _____, 2013.

CITY OF BONNEY LAKE

By: Neil Johnson, Jr., Mayor



SUMMARY OF EXHIBITS

Exhibit A

Map indicating the preliminary location of the construction work.

Exhibit B

The total costs for the Project, including all costs eligible for reimbursement under this agreement, including the proportionate share of the total project costs paid by the City and Kahne respectively.

Exhibit C

Map showing location of benefiting parcels/Assessment Reimbursement Area.

Exhibit D

Summary of the initial amount of the Latecomer Fee for each benefitting property, to be paid by each latecomer.

Exhibit E

(Latecomer assessment standard form.)

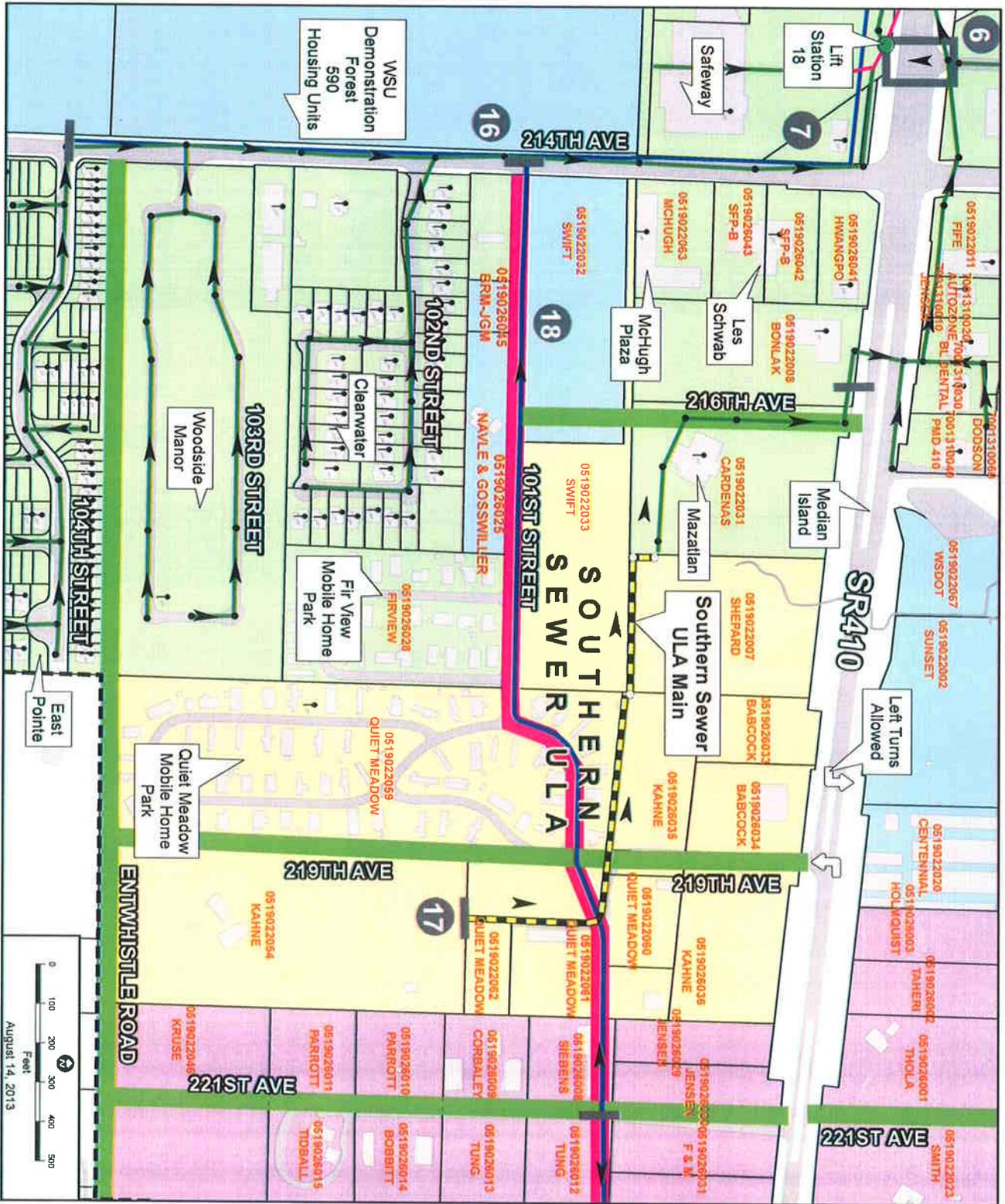
NOTICE OF ADDITIONAL SEWER CONNECTION CHARGES

Exhibit F

Pro-rata share of received Latecomer Fees to be distributed to Kahne.

EASTOWN SOUTHERN UTILITY LATECOMERS AGREEMENT (ULA) PROPERTIES

Overlaid on Eastown Future Sewer Projects and Roads Base Map



EXISTING SEWER SERVICE

- Existing Bonney Lake Sewer Customer
- Lift Station
- Sewer Force Main
- Sewer Gravity Main
- Tax Parcel

Bonney Lake Sewer Service Currently Provided to Existing Lift Station 18

Eastown Southern Sewer ULA (Utility Latecomers Agreement)

- No Bonney Lake Sewer Service Currently Available, Future Existing Lift Station 18 Service
- Eastown Northern Sewer ULA (Utility Latecomers Agreement)
- No Bonney Lake Sewer Service Currently Available, Future Lift Station 26 Service
- No Bonney Lake Sewer Service Currently Available, Future Rebuild/Expanded Lift Station 18 Service
- No Development Planned; Existing Septic System will be used in the Future

FUTURE SEWER PROJECTS

- Southern Sewer ULA Main
- Future Sewer Project Number

SR410 Highway Crossing

- Project Start/Stop

Manhole

- Flow Direction
- Gravity Main
- Force Main

FUTURE ROADS BASE MAP

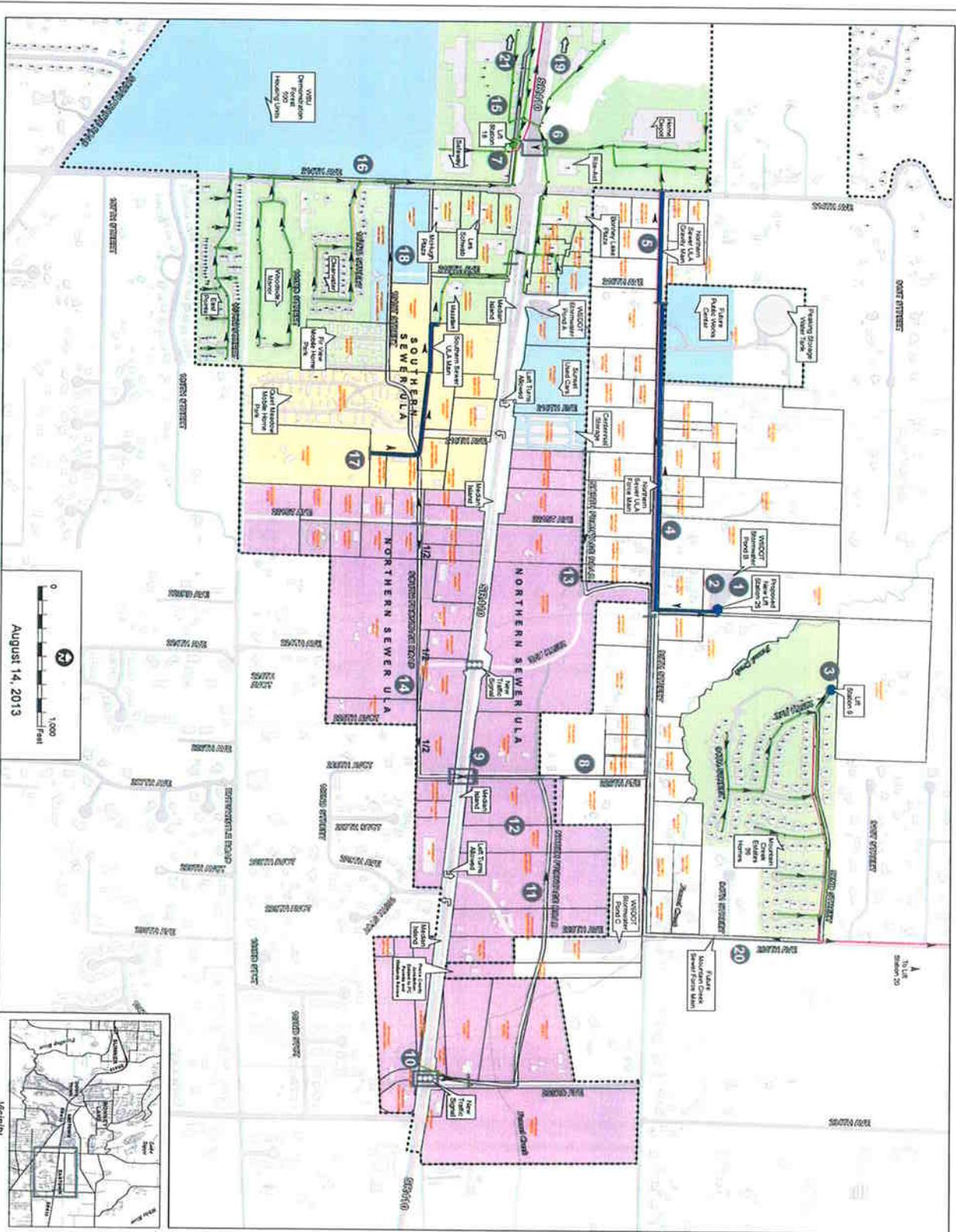
- Future Public Road
- Future Private Road
- Paved Road
- Building

Borney Lake City Limits

EASTOWN - SOUTHERN SEWER ULA - ULA & Latecomer Fee Cost Basis									
SEWER ULA OPTIONS									
OPTION 1 : Entire Future Southern Sewer Backbone									
Total ULA Project Cost								\$436,598	
Kahne Parcel Design & Construction								-\$74,371	
NET ULA COST =								\$362,227	
Developer/City Cost Share of NET ULA COST:									
Kahne Parcel Cost (No Cost Sharing)								75/25%	
KAHNE Cost Sharing Contribution to ULA								\$74,371	
City Cost Sharing Contribution to ULA								\$271,671	
								\$90,557	
								\$436,598	
Kahne Total Contribution to ULA =								\$346,041	

EASTOWN PROPERTIES CURRENTLY WITHOUT BONNEY LAKE SEWER SERVICE

Overlaid on Eastown Future Sewer Projects and Roads Base Map



EXISTING SEWER SERVICE

- 1 Existing Bonney Lake Sewer Customer
- Manhole
- Lift Station

- Sewer Force Main
- Sewer Gravity Main
- Eastown Tax Parcels

Bonney Lake Sewer Service Currently Provided to Existing Lift Station 18

Eastown Northern Sewer ULA
(Utility Latecomers Agreement)
No Bonney Lake Sewer Service Currently Available.
Future Lift Station 26 Service

Eastown Southern Sewer ULA
(Utility Latecomers Agreement)
No Bonney Lake Sewer Service Currently Available.
Future Existing Lift Station 18 Service

No Bonney Lake Sewer Service Currently Available.
Future Rebuild/Expanded Lift Station 18 Service
No Development Planned.
Existing Septic System will be used in the future

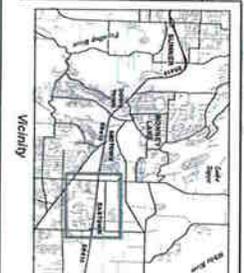
FUTURE SEWER PROJECTS

- Eastown Sewer ULA Main
- Lift Station
- ⑫ Future Sewer Project Number

- SR410 Highway Crossing
- Project Start/Stop
- Manhole
- ▶ Flow Direction
- Gravity Main
- Force Main

FUTURE ROADS BASE MAP

- Future Public Roads
- Future Private Roads
- ▭ Tax Parcels
- ▭ Building
- ▭ Paved Road
- ▭ Bonney Lake City Limits
- ▭ Fernal Creek & Tributaries



EASTOWN SOUTHERN SEWER UTILITY LATECOMER AGREEMENT (ULA)

Latecomer Fee - Preliminary Assessment Roll

Number of Properties	Map ID	TAX PARCEL	Parcel Size Acres	Preliminary Latecomer Fee \$	Preliminary Latecomer Fee Paid (+ 5%)	Parcel Owner
Benefitting Service Area Parcels						
Updated 9 August 2013						
1	34	0519022007	4.73	\$41,495	\$43,570	SHEPARD JAMES H & OLIVA I TTEE ET AL
2	35	0519022033	4.02	\$35,267	\$37,030	SWIFT WARREN G & PATRICIA E
3	37	0519026033	1.58	\$13,861	\$14,554	BABCOCK AARON L & ARDIS E
4	38	0519026034	1.35	\$11,843	\$12,435	BABCOCK AARON L & ARDIS E
5	39	0519026036	2.89	\$25,353	\$26,620	KAHNE & KAHNE PROPERTIES LLC
6	41	0519022060	1.15	\$10,089	\$10,593	CHAN BILL & SANDY
7	42	0519022059	14.06	\$123,345	\$129,512	CHAN BILL L & SANDY
8	43	0519022061	1.86	\$16,317	\$17,133	CHAN BILL & SANDY
9	44	0519022062	0.65	\$5,702	\$5,987	CHAN BILL & SANDY
10	45	0519022054	9.00	\$78,955	\$82,903	KAHNE & KAHNE PROPERTIES LLC
			41.29	\$362,227	\$380,338	
ULA COST =				\$362,227		
				\$8,773		Preliminary Assessment Rate = \$/Acre
				\$0.201		Preliminary Assessment Rate = \$/square foot

43,560 s.f.

NOTE:

1. Preliminary costs are based on estimates and will be adjusted with actual costs. When all actual costs are determined, the Initial Latecomer Fee amount will be set. Costs depend on scope of work and actual design/construction costs...To Be Determined (TBD) !
2. Initial Latecomer Fee Assessment amount will be updated each January with a CCI adjustment = Current Latecomer Fee
3. Latecomer Fee Paid = Current Latecomer Fee + 5% City Administrative Fee (BLMC 13.16.050 F)

Exhibit E
Latecomer Assessment standard form.

NOTICE OF ADDITIONAL SEWER CONNECTION CHARGES

WHEREAS, the owner of the property located at [address], Bonney Lake, Washington, having the Tax Parcel Number _____, is subject to the terms of a Sewer Development Financing Contract and Utility Latecomer Agreement (“Agreement”) executed between the City of Bonney Lake and the Kahne Properties, LLC ; and,

WHEREAS, pursuant to Chapter 35.91 RCW and Chapter 13.16 of the Bonney Lake Municipal Code, and the Agreement, a “latecomer” assessment shall be due, equivalent to the pro rata share of Project costs, in the following amount:

[insert \$\$]

Said sum shall be payable at the time of building permitting, connection to the public sewer system, or at other such time as the City may determine. Said sum shall be due in addition to other fees and charges due pursuant to the Bonney Lake Municipal Code.

Signed this ____ day of _____, 20??

Don Morrison, Bonney Lake City Administrator

**EASTOWN SOUTHERN SEWER UTILITY LATECOMER AGREEMENT (ULA)
Latecomer Fee - Preliminary ULA Reimbursement Roll Paid to KAHNE**

Number of Properties	Map ID	TAX PARCEL	Parcel Size Acres	Preliminary Latecomer Fee \$	Preliminary Latecomer Fee Paid to City (\$ + 5%)	Parcel Owner	Latecomer Fee Paid to Kahne \$
Assessment Reimbursement Area Parcels							
						Updated 12 August 2013	
1	34	0519022007	4.73	\$41,495	\$43,570	SHEPARD JAMES H & OLIVA I TTEE ET AL	\$31,121
2	35	0519022033	4.02	\$35,267	\$37,030	SWIFT WARREN G & PATRICIA E	\$26,450
3	37	0519026033	1.58	\$13,861	\$14,554	BABCOCK AARON L & ARDIS E	\$10,396
4	38	0519026034	1.35	\$11,843	\$12,435	BABCOCK AARON L & ARDIS E	\$8,882
5	39	0519026036	2.89	\$25,353	\$26,620	KAHNE & KAHNE PROPERTIES LLC	\$19,014
6	41	0519022060	1.15	\$10,089	\$10,593	CHAN BILL & SANDY	\$7,567
7	42	0519022059	14.06	\$123,345	\$129,512	CHAN BILL L & SANDY	\$92,508
8	43	0519022061	1.86	\$16,317	\$17,133	CHAN BILL & SANDY	\$12,238
9	44	0519022062	0.65	\$5,702	\$5,987	CHAN BILL & SANDY	\$4,277
10	45	0519022054	9.00	\$78,955	\$82,903	KAHNE & KAHNE PROPERTIES LLC	\$59,216
			41.29	\$362,227	\$380,338		\$271,670
				\$271,670	75% of Net ULA Cost and Amount Contributed by KAHNE to ULA		
				\$362,227	ULA COST =		
				\$8,773		Preliminary Assessment Rate = \$/Acre	
				\$0.201		Preliminary Assessment Rate = \$/square foot	

43.560 s.f.

NOTE:

1. Preliminary costs are based on estimates and will be adjusted with actual costs. When all actual costs are determined, the Initial Latecomer Fee amount will be set. Costs depend on scope of work and actual design/construction costs...To Be Determined (TBD) !
2. Initial Latecomer Fee Assessment amount will be updated each January with a CCI adjustment = Current Latecomer Fee
3. Latecomer Fee Paid = Current Latecomer Fee + 5% City Administrative Fee (BLMC 13.16.050 F)

**City of Bonney Lake, Washington
City Council Agenda Bill (AB)**

Department/Staff Contact: Public Works / GRIGSBY	Meeting/Workshop Date: 20 August 2013	Agenda Bill Number: AB13-82
Agenda Item Type: Ordinance	Ordinance/Resolution Number: D13-82	Councilmember Sponsor: Randy McKibbin

Agenda Subject: WATER AND SEWER UTILITY CHARGES, BILLING, AND COLLECTIONS

Full Title/Motion: An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Relating To Water And Sewer Utility Charges, Billing, And Collections.

Administrative Recommendation: Recommend Approval

Background Summary: Current utility rates are not increased; however, the charge to install new water meters is increased to reflect current costs for the City to purchase and install these meters. All other rate changes made in this ordinance are solely to update the amount shown in BLMC to equal the current rates charged that have been effective since January 1, 2013. Current rates and BLMC rates differ as a result of annual CPI-CCI adjustments made since 2010, when this section of BLMC was last updated.

The cost of new water meters has increased due to the City requirement to install fire sprinkler systems in single family homes and to install radio read water meters. Water meters installed in City parks and other facilities are exempted from paying SDC charges. The method for calculating adjustments for water leaks is clarified. After the 2012-2015 sewer fixed rate increases end, in order to make O&M revenue match expenditures, the annual indexed adjustments to sewer rates will resume in 2016. BLMC Title 13 is modified to address how the City will charge Recreational Vehicle and Mobile Home parks using City water and sewer services. A provision is added to BLMC that allows water and sewer charges to stop when buildings become unuseable due to fire, demolition, or other similar reasons.

Attachments: Ordinance D13-82, Calculation of Water Meter Set Charges, History of CPI-CCI Adjustments

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
N/A			
Budget Explanation:			

COMMITTEE, BOARD & COMMISSION REVIEW			
Council Committee Review:	Community Development	<i>Approvals:</i>	Yes No
	Date: 18 June 2013	Chair/Councilmember Randy McKibbin	<input checked="" type="checkbox"/> <input type="checkbox"/>
		Councilmember James Rackley	<input checked="" type="checkbox"/> <input type="checkbox"/>
		Councilmember Katrina Minton-Davis	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Forward to: Workshop	Consent Agenda:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Commission/Board Review:			
Hearing Examiner Review:			

COUNCIL ACTION	
Workshop Date(s): 16JUL2013, 20AUG2013	Public Hearing Date(s):
Meeting Date(s): TBD	Tabled to Date:

APPROVALS		
Director: <i>Dan Grigsby, PW Director</i>	Mayor:	Date Reviewed by City Attorney: (if applicable):

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ORDINANCE NO. D13-82

AN ORDINANCE OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AMENDING TITLE 13 OF THE BONNEY LAKE MUNICIPAL CODE AND THE CORRESPONDING PORTIONS OF ORDINANCE NOS. 1151, 1429, 1430, AND 1440, RELATING TO UTILITY CHARGES, BILLING, AND COLLECTIONS.

WHEREAS, the current economic downturn has led to challenges with utility billing, with an increasing number of customers not paying their accounts and undergoing foreclosures and bankruptcy proceedings; and

WHEREAS, the City Council must authorize by ordinance the institution of certain methods to collect delinquent utility payments to the full extent authorized by state law; and

WHEREAS, the City Council recognizes the importance of having clear and consistent utility billing procedures that give the City a variety of tools for collecting utility payments; and

WHEREAS, the City Council wishes to make clarifying changes to Code provisions regarding water and sewer charges, as well as to update rates.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Subsection 13.04.070(C)(1), of the Bonney Lake Municipal Code is hereby amended to read as follows:

C. Water Service Connection Charges. ~~Effective September 1, 2010, all~~ All connections to the water system of the city and the charges to be paid by the property owner toward the construction thereof shall be as provided in this subsection:

1. Installation Charge. Effective October 1, 2013, the following installation charges will be paid by the property owner as part of their connection charge at the time application is made for water service.

Meter Size	Meter Set Only	Meter Set and Service Line
5/8"	\$192265	\$12922,908
3/4"	\$228310	\$13282,858
1" with fire sprinkler system	\$228370	\$13283,108

1" without fire sprinkler system	\$283370	\$13833,108
1-1/2" or larger	Actual time and materials plus indirect costs. If installation involves work underneath the roadway surface, the fee shall be according to the actual time and materials plus 20 percent for indirect costs.	

Section 2. Subsection 13.04.070(C)(2), Water Service Charge for Equitable Share of System, of the Bonney Lake Municipal Code is hereby amended to update charges, effective January 1, 2013 and add the following new subsection (h):

2. Charge for Equitable Share of System. Effective January 1, 2013, each new connection to the water system shall pay as part of their connection charges their equitable share of the cost of the system according to the following schedule:

a. Residential System Development Charge (SDC).

i. Single-Family.

Meter Size	City and County SDC Charge
5/8" or 3/4"	\$56895,920
1" with fire sprinkler system	\$56895,920
1" without fire sprinkler system	\$1269013,205
1-1/2" or larger	To be determined on each individual case, based on the projected amount of usage and peaking expected from the customer. These charges shall reflect residential equivalence (RE) values used for individual residential customers.

ii. Two-Living-Unit Residential Homes. Each duplex and townhouse-style building unit will have a separate water meter and service for each living unit.

iii. Accessory Dwelling Units (ADU). If no additional meter is required, no SDC will be charged. If a second meter is required, an SDC of ~~\$4,382,559~~ (77 percent of the single-family rate) will be charged when that new meter is five-eighths inch or three-quarters inch. An SDC of ~~\$9,772~~ 10,168 (77 percent of the single-family rate) will be charged if the new, second meter is a one-inch meter. If the existing meter is replaced with a larger meter, the difference in the current SDC rates for the two meter sizes will be charged.

iv. Multifamily, Mobile Home Parks, and Recreational Vehicle Parks.

(A) Each living unit/space/stall shall be charged ~~\$43824,559~~ (77 percent of the SDC charged to single-family units).

(B) SDC charges for meters one and one-half inches or larger shall be determined on each individual case, based on the projected amount of usage and peaking expected from the customer. These charges shall reflect residential equivalence (RE) values used for individual residential customers.

(C) There shall be only one water meter installed for each building housing multiple residential units.

b. Non-Residential System Development Charge (SDC).

Meter Size	City and County SDC Charge
5/8"	\$7,234 <u>7,527</u>
3/4"	\$9,569 <u>9,957</u>
1"	\$14,231 <u>14,808</u>
1-1/2" or larger	To be determined on each individual case, based on the projected amount of usage and peaking expected from the customer. These charges shall reflect residential equivalence (RE) values used for individual residential customers.

c. Irrigation Only System Development Charge (SDC).

Meter Size	City and County SDC Charge
------------	----------------------------

5/8"	\$4, 663 4,852
3/4"	\$6, 997 7,281
1"	\$11, 668 12,141
1-1/2" or larger	To be determined on each individual case, based on the projected amount of usage and peaking expected from the customer. These charges shall reflect residential equivalence (RE) values used for individual residential customers.

d. The charges set out in this subsection (C)(2) shall not be applicable to an accessory dwelling unit (ADU) permitted pursuant to BLMC [18.22.090](#), so long as a second or larger water meter is not required by applicable codes or requested by the owner. Should the property upon which an accessory dwelling unit is located be sold, platted or otherwise segregated from the property upon which the primary residence is located, and, because of the exemption provided for in this subsection, the owner of the accessory dwelling unit did not previously pay a full, separate connection charge including equitable share charge for the accessory dwelling unit, then the following shall apply:

i. If no additional connection charge was paid for the accessory dwelling unit, the owner of the segregated accessory dwelling unit shall be required to pay a connection charge, including single-family equitable share charge, in the amounts provided for in this section at the time of segregation. A new water meter will be provided.

ii. If a reduced connection charge was paid for a second or larger meter and/or connection for the accessory dwelling unit, the owner of the segregated accessory dwelling unit shall be required to pay the difference between that reduced charge and the amount of the connection charge, including single-family equitable share charge, provided for in this section at the time of segregation. A new water meter will be provided if necessary.

e. Annual Adjustment. ~~Beginning January 1, 2009, and for every year thereafter, t~~The installation and connection charges listed in this section shall be updated annually at a rate adjusted in accordance with the Engineering News Record (ENR) Construction Cost Index (CCI) for the Seattle area, using a November through November annual measure to establish revised fee schedules effective January 1st of each year.

f. These charges are to apply in all cases where distance from the water main to the meter location does not exceed 60 feet. In such cases where the distance is over 60 feet there shall be an additional fee, based on cost of labor and materials.

g. Property Owner's Responsibility. Property owners are responsible for all leaks or damage due to leaks from privately installed and owned water lines. The property owner shall install and maintain at his own expense all water service from the water meter to the place of use.

(h) Exemption for City water connections in existing facilities. New water connections installed by the City in existing city rights-of-way, parks, and other existing city facilities, shall be exempt from paying charges under this Subsection (C)(2).

Section 3. Section 13.04.080 of the Bonney Lake Municipal Code, Water Bills – Payment and collection, is hereby amended to read as follows:

13.04.080 Water bills – Payment and collection.

A. Inasmuch as the city provides year-round facilities for supplying water and collecting wastewater and factors a continuous rate base into its rate calculations, all users will be billed on a continuing basis for the water and sewer availability. Availability charges shall continue during periods of non-use, including periods during which the water service has been terminated due to delinquency or when a structure is unoccupied. ~~Billings will terminate upon disconnection from the system. Service will not be resumed until payment of the restoration fee as per BLMC 13.04.091(D)(1).~~

B. Billing will be done on a monthly basis for the water availability portion of the charge. Meters will be read bimonthly and water consumption billed thereafter.

C. Charges for utility services shall be due and payable on or before the tenth day following the date of billing. Amounts unpaid shall become delinquent 30 ~~60~~ days after the billing date. A monthly penalty of two percent of the outstanding balance shall be charged to all accounts which have been delinquent for 30 ~~60~~ days or more.

D. ~~The Bonney Lake water department~~ City is authorized to discontinue the water service 30 days after the date of delinquency. The person responsible for payment of charges shall be notified by mail on or after 15 working days from the date of delinquency of a selected shutoff date. In order to have a disconnected service turned on all charges plus the turn-on fee of \$100.00 ~~\$25.00~~ must be paid.

E. The owner of the premises to which the water service is attached shall be responsible for the payment of all connections, shutoffs, turnon, service charges and liens. Utility billings for any property occupied by someone other than the owner shall be billed to the tenant ~~owner~~ owner ~~copy to the owner~~ tenant only upon the written request of the owner; provided, however, even

upon such written request being made, the owner shall remain responsible for the payment of all charges under this chapter.

F. The city is authorized to establish payment plans for delinquent water customers meeting standard city guidelines for financial hardship. Such guidelines may be adopted and revised from time to time by the finance director. Where such plans take the form of a written agreement, such agreements shall either be approved by the council or be in a standard form agreement previously approved by the council for future use.

Section 4. Subsection 13.04.100(G) of the Bonney Lake Municipal Code is hereby amended to read as follows:

13.04.100(G) Leakage - Rate Reduction.

G. Leakage – Rate Reduction.

~~1. In the event that there is a leak in the water service line on the property owner's side of the water meter;~~

~~2. That after the service line is repaired by the owner and upon written request by the property owner, the city water department will make an adjustment in the water bill;~~

1. In the event that there is a leak in the water service line only (on the property owner's side of the water meter between the water meter and the building), after the service line is repaired by the owner and upon written request by the property owner, the city Finance Department will make an adjustment in the water bill.

~~2. The adjustment shall be two-thirds of that portion of the customer's water bill determined by calculating the median consumption for the past five years for the same period the leak occurred.~~ The adjustment shall be limited to the period of ~~90~~ 120 days of consumptive use prior to the repair of the leak ~~and inspection thereof.~~

3. The city reserves the right to request documentation of the service line repair as a condition of granting a leak adjustment.

~~4. Only one leakage adjustment will be allowed in any two-year period. Additional leaks will require on-site inspection and verification of repairs.~~

Section 4. 13.04.091 Utility miscellaneous charges.

A. Turn-On Charge.

1. Whenever utility service has been discontinued by the city for past due or a violation of any other provision of this chapter, the service will not be renewed until all charges plus the turn-on fee have been paid, provided a payment plan has not been established.

2. When it is desired to have the water turned on after it has been turned off for any reason other than past due, a charge of \$50.00 for such turn-on during the normal working hours of 8:00 a.m. to 4:00 p.m., Monday through Friday, and for the city's actual cost for all other hours. There is no charge for turn-off of customer water service.

3. This section shall not apply to disconnected service for violation of water shortage emergency as per BLMC [13.04.060](#).

B. Meter Testing Charge.

1. Where there is a question of the accuracy of a water meter and the customer requests a check of the meter, the following shall apply:

a. The customer shall pay to the City a deposit of \$50.00 to cover the cost of the meter testing. If the meter reads correctly, the customer shall keep the deposit.

b. If the meter does not function properly, the city will refund the \$50.00 deposit, repair or replace the meter at no expense to the customer and adjust the water consumption charge accordingly and sewer volumetric charge if applicable.

C. Transfer Charge.

1. For any change of property ownership, there is a charge of \$35.00; for a duplicate bill sent to an alternative address, there shall be a \$45.00 setup charge per request. However, the property owner shall be responsible for payment of the utility bill in accordance with this chapter. Any other read outside the billing cycle will have a \$45.00 charge. Requests for estimated finals will be in writing and a charge of \$5.00 per request will be applied to the current owner's utility account.

D. Disconnection from system - Restoration Reconnection Charge.

1. Billings will only terminate upon disconnection from the system as defined in BLMC [13.04.080\(A\)](#). Disconnection from the water system shall occur only in the discretion of the finance director in extraordinary circumstances, such as demolition of a structure with no plans to construct a replacement structure within two years of disconnection. Disconnection shall require complete removal of the water meter by authorized City staff. Water billings shall cease during periods of disconnection.

2. A reconnection charge shall be paid to restore water service to any customer who has been disconnected from the system and wishes to reconnect. The reconnection charge will be calculated by taking the difference between the current charges for equitable share of the system for water and sewer, and the charges for equitable share of the system for water and sewer paid by the customer, if any, at the time of original connection, provided that if the original connection was prior to 2002, the reconnection fee shall be a flat charge of \$1,000. The customer shall also be responsible for paying any charges for establishing a connection to the system. by 10 percent of the new connection fee for the first year with each consecutive year adding an additional 10 percent up to 10 years after which a new connection fee will be required.

E. Fire Flow and Water Availability Certificate Completion Charge.

1. The following fee schedule applies to complete fire flow and water availability forms for submission to Pierce County or other entities or jurisdictions:

No testing required, all info available at City Hall	\$50.00
Testing required, info not available at City Hall	\$150.00
Fire flow analysis, if required	\$400.00

F. If a lock has been removed from a meter that has been locked off for any reason, a \$100.00 fee will be charged in addition to any utility charges due and payable. If the meter or meter setter is damaged by this action, the property owner will be charged for the labor and materials to repair the service.

G. A returned check charge shall be imposed upon any account who, in full or partial payment of a city utility bill, tenders a check which is returned to the city for any reason.

H. Miscellaneous Charges.

1. Change of ownership	\$35.00
2. Returned check charge	\$35.00
3. Payment plan setup charge	\$15.00
4. Read outside standard cycle	\$45.00
5. Estimate final (per request)	\$5.00

Section 5. Section 13.04.110, Water System General Regulations, of the Bonney Lake Municipal Code is hereby amended to read as follows:

13.04.110 General regulations.

A. All ordinances and water regulations shall be effective in the city and the water service area.

B. All water connections shall be metered.

C. Where more than one water connection supplies ~~a premises~~ a single property, the consumption of water measured by each meter shall be computed and billed separately.

D. Unless otherwise stated in Article I, II, III or V of this chapter, each and every occupancy or use shall be served by a separate connection and shall be billed separately.

E. No new application for water connection will be honored until a septic tank permit or a sewer connection permit has been procured from the Pierce County health department or the city.

F. New water connections will be charged the minimum water availability charge beginning on the date of installation. All connections will be billed continuously for the availability charge during periods of non-use, including periods during which the water service has been terminated due to delinquency or when a structure is unoccupied.

G. All water connections and all charges connected therewith are the responsibility of the owner of the property served.

H. Every water customer connection within the city limits shall establish and keep current an account for garbage service ~~be provided with garbage service~~ as per Chapter 8.04 BLMC and its amendments. Garbage, Sewer, stormwater, and water charges will be billed together. Any delinquency in ~~garbage or stormwater~~ or sewer bills shall be deemed a delinquency as to water service.

I. All water taken or appropriated for use within the city shall be taken or appropriated from the municipal water supply of the city, pursuant to appropriate connections thereto in conformity with the ordinances of the city.

J. All buildings or structures within the city, designed, intended or actually used for human occupancy shall contain such plumbing as may be required by the appropriate provisions of the building code of the city, and shall be connected to the aforesaid municipal water utility of the city.

K. No building permit shall be issued unless and until a connection charge is paid to the aforesaid municipal water utility of the city in cases where it is ~~appropriate~~ required under BLMC 13.04.030 and 13.04.070. If the building permit expires through suspension or abandonment under BLMC 15.04.081, the connection charge shall be refunded at the request of the applicant; provided, that if the applicant re-applies for a new permit pursuant to BLMC 15.04.081, the connection charge shall be re-calculated at current

rates and the amount of the connection charge already paid and not refunded may be credited toward the new connection charge.

L. At such time as a property owner connects to city water service, through either development, new construction or when a property owner with a well chooses to connect to public water, the well must either be abandoned or deeded to the city.

M. Any property used or occupied in violation of the provisions of Articles I, II, III and V of this chapter shall be brought into conformity with the provisions hereof within 90 days of the effective date of the ordinance codified in this chapter.

Section 5. Section 13.12.082 of the Bonney Lake Municipal Code is hereby amended to read as follows:

13.12.082 Sewer charges.

A. Each single-family resident not requiring or using a city-owned grinder pump shall pay the following monthly fees for sewer services, effective on July 1st of each year as follows:

Charge	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015
Sewer availability charge	\$40.16	\$44.17	\$48.60	\$53.45
Volumetric charge per 100 cubic feet (CCF) of monthly water consumption	\$2.50	\$2.75	\$3.02	\$3.32

The volumetric charge shall be capped at 10 CCF per month. Sewer availability charges shall be billed monthly. Volumetric charges for single-family residences shall be billed bimonthly.

B. Each single-family resident using a city-owned grinder pump shall pay the following monthly fees for sewer services:

Charge	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015
Sewer availability charge	\$48.18	\$53.00	\$58.30	\$64.13
Volumetric charge per 100 cubic feet (CCF) of monthly water consumption	\$2.50	\$2.75	\$3.02	\$3.32

The volumetric charge shall be capped at 10 CCF per month. Sewer availability charges shall be billed monthly. Volumetric charges for single-family residences shall be billed bimonthly.

C. Discount for Senior Citizens and Disabled Persons. Owners of single-family residences who have qualified for real estate property tax exemption through the Pierce County assessor-treasurer's office on the basis of age and/or disability, and who present proof thereof to the appropriate authority of the city, shall qualify and be entitled to a reduced sewer rate as may

from time to time be set by the city council and as established as a 20 percent reduction from the sewer availability charge.

D. Sewer Service Charges for Customers Other than Single-Family Residential. ~~The volumetric charge shall be capped at eight CCF per month for multifamily residents. There shall be no cap for other customers covered by this subsection. Sewer charges for customers other than single-family residential shall be billed monthly.~~

1. Multi-family and duplex customers on a single water meter shall pay the single-family sewer availability charge (no grinder pump) for each unit. The volumetric charge shall be capped at eight CCF per unit per month for multi-family customers.
2. Mobile home park customers shall be charged at single-family rate. Where multiple mobile home units use one water meter, each unit shall pay the single-family sewer availability charge (no grinder pump). The volumetric charge shall be capped at ten CCF per unit per month.
3. Non-residential customers, including commercial, retail, office, Recreational Vehicle parks, industrial, and churches, shall pay one single-family sewer availability charge (no grinder pump) per installed water meter. There shall be no volumetric cap for non-residential customers.
4. Sewer charges for customers other than single-family residential shall be billed monthly.

E. In the event of a water leak, upon following procedures as set forth in BLMC [13.04.100\(G\)](#), the adjustment to the volumetric portion of the sewer charge shall be two-thirds of that portion of the customer's consumption bill.

Section 6. Section 13.12.085 of the Bonney Lake Municipal Code is hereby restored to adjust rates annually after the 2012-2015 sewer rate increases in the previous section catch up to actual costs:

13.12.085 Annual rate adjustment.

Effective January 1st of ~~each year, beginning on January 1, 2009~~ 2016 the sanitary sewer rates listed in BLMC 13.12.082 shall be adjusted by the annual change in the most recent Seattle-Bremerton-Tacoma Consumer Price Index (Urban Consumers) published by the U.S. Department of Labor.

Section 7. Section 13.20.010 of the Bonney Lake Municipal Code is hereby amended to read as follows:

13.20.010 Utility bills – Payment and collection.

A. Inasmuch as the city provides year-round facilities for supplying water and collecting wastewater and stormwater, all users will be billed on a continuing basis for the water and sewer availability. ~~Service will not be resumed until payment of the restoration fee as per BLMC 13.04.091(D)(1).~~ Billings shall continue during periods of non-use, including periods when the water has been disconnected due to delinquency or when a structure is

unoccupied. Pursuant to the enabling authority contained in Chapter 35.92 RCW, property owners shall be responsible for all utility charges.

B. The city shall mail all utility bills to the property owner. The property owner shall be responsible for payment of the utility bill in accordance with this chapter. The owner of the premises to which the utility service is attached shall be responsible for the payment of all penalties, connections, shut-offs, turn-on, service charges and liens. Utility billings for any property occupied by someone other than the owner may be billed to the tenant, copy to the owner, upon the owner's request. However, the owner shall retain ultimate responsibility for the bills. ~~shall be billed to the owner.~~ Failure to receive mail will not be recognized as a valid excuse for failure to pay bills when due.

C. Changes in ownership of property and changes in mailing address must be filed with the finance department on forms provided by the city for that purpose.

D. Availability charges will be assessed on a monthly basis. Meters will be read at least bimonthly and water consumption billed thereafter. Charges for utility services shall be due and payable on the fifteenth of the month. A monthly penalty of two percent of the past due balance but not less than \$10.00 shall be charged to all delinquent accounts.

E. The city is authorized to discontinue the water service 30 days after the utility billing date if the bill is past due. The property owner will be notified by mail on the following statement regarding any past due amount. In order to have a discontinued service reinstated during the normal working hours of 8:00 a.m. to 4:00 p.m., Monday through Friday, all charges plus the turn-on fee of \$100.00 must be paid. Reinstatement outside the normal working hours 8:00 a.m. to 4:00 p.m., Monday through Friday require a payment of all charges plus a turn-on fee of \$150.00.

F. If a bill becomes past due, no officer, agent, or employee of the city may ~~authorize or permit any further city service or~~ process any application for a permit or license from the city, when such application has been requested by the person in whose name an account stands past due or when the delinquent utility bill is against the property or business to which the application for permit or license pertains. This requirement shall remain in effect until the past due account is paid in full.

G. The city is authorized to establish payment plans for past due utility customers meeting standard city guidelines for financial hardship. Such guidelines may be adopted and revised from time to time by the finance director. Payment plans are subject to a setup charge. Failure to abide by the terms of the payment plan arrangement shall be cause for shut-off and discontinuance of utility services until the total utility charges that are due are paid in full.

H. The finance director or designee is hereby authorized and directed to promulgate administrative policies and procedures for the implementation of this chapter.

Section 8. If any one or more section, subsection, or sentence of this ordinance is held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance and the same shall remain in full force effect.

Section 9. This ordinance shall take effect thirty (30) days after its passage, approval, and publication as required by law.

PASSED by the City Council and approved by the Mayor this _____ day of _____, 2013.

Neil Johnson, Mayor

ATTEST:

Harwood T. Edvalson, CMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

Passed:
Valid:
Published:
Effective Date:

Agenda Bill AB13-82, Ordinance D13-82, Water and Sewer Utility Charges, Billing, and Collections

Ordinance D13-82, Section 2: Update to Equitable Share of System Charges (Water SDC Rates)

Rate changes made in Section 2 of this ordinance are solely to update the rates shown in BLMC to equal the current rates charged that have been effective since January 1, 2013. The difference between these two rates is the result of annual CPI-CCI adjustments made since 2010.

Utility rates shown in BLMC are not updated annually. Rather, an annual rate schedule for all Impact Fee, Monthly O&M Charges, and System Development Charges (SDC) is updated instead each January. The rates shown in BLMC are updated when an ordinance is needed to make other changes to the same Chapter in BLMC, such as in Section 1 of this ordinance. The CPI (Consumer Price Index) is used to adjust monthly O&M rates and CCI (Construction Cost Index) is used for impact fee and SDC annual adjustments. Using this annual rate adjustment process ensures that the purchasing power of revenue received is not diminished by steadily increasing costs for labor, material, and equipment.

However, this annual rate adjustment does not account for new personnel added, new equipment added, new facilities added, cost increases from labor negotiations, large employee benefit cost increases, and unfunded state and federal mandates added. As a result, the annual CCI-CPI adjustments are always less than actual cost increases for the services the City provides to maintain City facilities, utilities, streets, and parks. To address this revenue shortfall, every 5-6 years (normally when the corresponding Comprehensive Plan element is updated) the SDC, Impact Fee, and O&M rates are reviewed thoroughly by 3rd party consultants to determine current actual costs. These consultants provide recommendations to the City Council on how rates could be reset in order to provide good stewardship of City infrastructure.

Additionally, other adjustments to Impact Fee and SDC rates have been made as a means to encourage development in the City with the thought that this will increase Sales Tax and Property Tax revenue as well as other City revenue sources used to maintain utilities, streets, parks, and City buildings.

Below is an excerpt from the rate schedule for the Water SDC charges. On the next page is a summary of the CCI-CPI indexes that have been used to calculate the annual rate adjustments.

BLMC 13.04.070 C 2 a i Water System Development Charge (residential, single-family)

Meter Size (inches)	2009 City and County Charge	2010 City & County Charge	2010 Revised City & County Charge	2011 City & County Charge	2012 City and County Charge	2012 City & County Charge 26NOV12	2013 City & County Charge 1JAN13
5/8 - 3/4	\$7,879	\$7,745	\$7,745	\$7,807	\$8,127	\$5,689	\$5,920
1" with Fire Sprinkler System			\$7,745	\$7,807	\$8,127	\$5,689	\$5,920
1" without Fire Sprinkler System	\$17,573	\$17,276	\$17,276	\$17,414	\$18,129	\$12,690	\$13,205
1 1/4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1 1/2	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1-1/2" or larger	To be determined on each individual case, based on the projected amount of usage and peaking expected from the customer.						

Notes:	
1	Ordinance 1356 - Effective 12 July 2010 - Modified SDC rates to incorporate water sprinkler requirements.
2	Ordinance 1429 - Effective 1 July 2012 - Reduced Water Monthly/O&M Rates in BLMC 13.04.100 to offset sewer rate increases.
3	Ordinance 1440 - Effective 26 November 2012 - Reduced Water SDC Rates by 30%

AB13-82, Ordinance D13-82, Section 1, Water Meter Set Charge

Meter Set Only with Radio Read Meter

Meter Size	Labor	Meter Cost	Equipment Cost	Total Actual Cost	Current Charge 1JAN2013	BLMC Charge 1SEP2010
5/8	\$45	\$200	\$20	\$265	\$210	\$192
3/4	\$45	\$245	\$20	\$310	\$249	\$228
1-inch	\$45	\$305	\$20	\$370	\$309	\$283

1-1/2" and larger water meters : Actual time and materials plus indirect costs.

Above cost is based on 1 hour of Maintenance Worker II Labor and a Service Truck use.

Meter Set & Service Line Tap with Radio Read Meter

Meter Size	Labor	Meter and Material Cost	Equipment Cost	Total Actual Cost	Current Charge 1JAN2013	BLMC Charge 1SEP2010
5/8	\$1,020	\$1,200	\$688	\$2,908	\$1,411	\$1,292
3/4	\$1,020	\$1,245	\$688	\$2,953	\$1,450	\$1,328
1 inch	\$1,020	\$1,400	\$688	\$3,108	\$1,510	\$1,383

1-1/2" and Larger Water Meters: Actual time and materials plus indirect costs.

Material costs include: tap, saddle, 1" service line 100', nipples, 90's, corps, setter, meter, box, lid, gravel and asphalt.

Labor costs include: 26 hours total, with 7 crew members

Equipment costs include: Service truck, dump truck, (2) 1/2 ton trucks, backhoe, vactor, compressor, jackhammer and concrete saw.

Note: This charge is for services provided over ten years ago. It is limited to specific parcels only, when they are developed. This charge is rarely assessed.

Summary: The Meter Set charge paid by builders who are installing new water services does not cover the actual costs the City incurs to purchase and install new water meters. This ordinance corrects that problem.

City of Bonney Lake, Washington
City Council Agenda Bill (AB)

Department/Staff Contact: Executive / Don Morrison	Meeting/Workshop Date: 20 August 2013	Agenda Bill Number: AB13-106
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2323	Councilmember Sponsor:

Agenda Subject: Lease of former City Hall Annex to Landover Corporation, a Washington Corporation DBA Coldwell Banker Bain Coldwell Banker Bain

Full Title/Motion: A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Approving A Lease With Landover Corporation / Coldwell Banker Bain For The Former City Hall Annex.

Administrative Recommendation: Approve

Background Summary: After the City Council determined to relocate the City Hall Annex employees to the Justice & Municipal Center and old City Hall (now Public Works Center), the Council authorized the Administration to cancel the City lease of the former modular building that was tied to the Annex, and prepare the structure for lease. The Administration has negotiated a long term lease with Landover Corporation, a Washington Corporation DBA Coldwell Banker Bain (CBB) to lease the former City Hall Annex building. The initial term of the lease is for 5 years at a lease rate of \$120,540.00 (\$12sf X 2009 useable square feet X 5 years). CBB is granted an option to renew the lease for another 5 years, and 2 additional five years terms with mutual approval. CBB is a stable firm with the intent to lease the premises for several years. The building will be principally used to house the CBB IT Department, which serves all Coldwell Banker Bain offices in Washington. The IT Manager for CBB lives in Lake Debra Jane Estates, and the majority of the 7 IT employees reside in the Bonney Lake area, so this is an attractive location for them. The lease grants reasonable term rates in exchange for a long term commitment and a minimal tenant improvement allowance.

Attachments: Resolution; Lease

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
Budget Explanation:			

COMMITTEE, BOARD & COMMISSION REVIEW			
Council Committee Review:	<i>Approvals:</i>		Yes No
Date:	Chair/Councilmember NAME	<input type="checkbox"/>	<input type="checkbox"/>
	Councilmember NAME	<input type="checkbox"/>	<input type="checkbox"/>
	Councilmember NAME	<input type="checkbox"/>	<input type="checkbox"/>
Forward to:	Consent Agenda: <input type="checkbox"/> Yes <input type="checkbox"/> No		
Commission/Board Review:			
Hearing Examiner Review:			

COUNCIL ACTION	
Workshop Date(s): August 13, 2013	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

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RESOLUTION NO. 2323

A RESOLUTION OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT TO LEASE THE FORMER CITY HALL ANNEX TO LANDOVER CORPORATION DBA COLDWELL BANKER BAIN.

WHEREAS, the City Council determined to relocate the City Hall Annex employees to the Justice & Municipal Center and old City Hall (now Public Works Center); and

WHEREAS, the Council authorized the Administration to cancel the City lease of the former modular building that was tied to the Annex, and to prepare the remaining structure for lease; and

WHEREAS, the Administration has negotiated a long term agreement with Landover Corporation, a Washington Corporation DBA Coldwell Banker Bain (CBB) to lease the former City Hall Annex building;

NOW THEREFORE, the City Council of the City of Bonney Lake, Washington hereby resolves as follows:

The Mayor is hereby authorized to sign the Lease Agreement with Landover Corporation DBA Coldwell Banker Bain, attached hereto as Exhibit "A".

PASSED BY THE CITY COUNCIL this 27th day of August, 2013.

Neil Johnson, Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered as of this _____ day of _____, 2013 by and between the City of Bonney Lake ("Lessor"), and Landover Corporation, a Washington Corporation DBA Coldwell Banker Bain ("Lessee").

FOR AND IN CONSIDERATION of the rents herein reserved and in further consideration of the mutual promises, terms and conditions hereof, the parties hereby agree as follows:

1.0 PREMISES

Lessor leases to Lessee the building located at 8720 Main Street E, Bonney Lake, Washington (the "Premises"), said building consisting of approximately 2009 usable square feet; said Premises being currently surplus to the Lessor's needs. A legal description of the property is attached as Exhibit A. A sketch of the Premises is attached as Exhibit B.

2.0 BUSINESS PURPOSES

The Premises are to be used for the purpose of office space for the Lessee, and for no other business or purpose without the written consent of Lessor.

3.0 TERM

The term of this Lease shall be five years, commencing on November 1, 2013 (the "Commencement Date"), and terminating at midnight on October 31, 2018. Payment of Rent according to paragraph 4.1 of this Lease shall commence on January 1, 2014.

Lessee shall have the unilateral option to renew for one (1) five (5) year period following the initial lease term at ninety five percent (95%) of the then market rate, based on similar quality office buildings in the sub-market, subject to arbitration if the parties cannot agree on the market rate; however, rent shall not increase by more than the CPI increases for the five (5) year period. Lessee shall provide written notice to the Lessor of its intent to renew six months prior to the renewal date.

Thereafter, Lessee and Lessor shall have the mutual option to renew for an additional two (2) successive five (5) year periods following the initial lease term and first renewal (after 10 years). The rent for the third and/or fourth renewal period shall be subject to negotiations. Lessee shall provide written notice to the Lessor of its desire to renew six months prior to the renewal date.

4.0 RENT

4.1 Lessee agrees to pay Lessor as rental for the Premises twelve dollars (\$12.00) per usable square foot per year on or before January 1 of each year to Lessor at

Lessor's office, or at such other place as Lessor may hereafter designate. Rent shall be based on a gross lease basis. All space calculations are subject to final space planning and there will be no load factor when calculating rentable square footage.

5.0 UTILITIES AND SERVICES

- 5.1 During the term of this Lease, Lessor shall furnish to the Premises and pay for water, sewer, and stormwater service.
- 5.2 Lessee shall open and maintain accounts for electricity, gas, telecommunications, and solid waste service in its own name. Lessee shall pay all utility charges in a timely manner and keep all accounts in good standing. Lessee shall properly dispose and arrange for the weekly collection of all solid waste and recycling generated from the Premises.
- 5.2 Lessor does not warrant that utilities or services will be free from interruption by reason of accident, repairs, alterations, Acts of God, improvements or action by third parties beyond its control. No utility interruption shall be deemed an eviction or disturbance of Lessee, or render Lessor liable to Lessee for damages or rent abatement, or relieve Lessee from the full and complete performance of Lessee's obligations under this Lease, provided however that, if such interruption is for a period in excess of five (5) days and is due to the negligence on the part of Lessor, Lessee shall be entitled to a proportionate rent abatement for such period in excess of five (5) days.

6.0 CARE AND REPAIR OF PREMISES

- 6.1 Lessor shall maintain the exterior, grounds and landscaping, structural, major mechanical, and utility systems of the buildings including, but not limited to, roofs, central heating supply and ventilation systems, electrical distribution systems (panels and associated wiring and raceway between the panel and the main switch gear), water, plumbing and sewer systems from the street to the building, in good and proper repair, and in accordance with all applicable statutes, and directions or regulations of the proper public authorities. Lessor shall maintain and repair interior plumbing, except that Lessee shall keep all lavatories, sinks, and toilets in good order and repair.
- 6.2 Lessee shall furnish custodial services to the Leased Premises on the Lessee's regular schedule and according to the Lessee's custodial standards, including exterior and interior window washing, restroom cleaning and supply restocking, light bulb replacement, and general cleaning of surfaces and floors.
- 6.3 Lessee shall maintain any window AC units that are retained, and shall maintain any HVAC systems installed by the Lessee.

- 6.4 During the term of this Lease and any extension thereof, Lessee shall exercise reasonable care to avoid damaging the Premises. Lessee will quit the Premises in a condition at least as good as when received, normal wear and tear excepted. In the event Lessee fails to repair any damage caused by its employees or agents, Lessor shall give Lessee notice to do such acts as are reasonably required to so maintain the Premises and/or repair damage. In the event Lessee fails to commence such work within ten (10) business days of notice and to diligently prosecute it to completion, then Lessor shall have the right, at its option and in addition to all other remedies, to do such acts and expend such funds to maintain the Premises and to invoice Lessee for costs incurred. Lessor shall have no liability to Lessee for any damage, inconvenience or interference with the use of the Premises by Lessee as a result of performing any such work.
- 6.5 No representation as to the condition or the repair of the Premises or any attachments thereto have been expressed by the Lessor, Lessee having made its own inspection and having accepted the Premises in their present condition.

7.0 WAIVER OF SUBROGATION

Lessor and Lessee do each herewith and hereby release and relieve the other from responsibility for, and waive their entire claim of recovery for, any loss or damage to the real or personal property of either located anywhere in the Premises, arising out of or incident to the occurrence of any of the perils which are covered by any insurance policy obtained by Lessee or Lessor. Each party shall obtain any special endorsements, if required by its insurer, to evidence compliance with the aforementioned waiver.

8.0 LIABILITY AND FIRE INSURANCE

- 8.1 As a condition of this Lease, the Lessee will obtain liability insurance from an insurance company authorized to do business in the State of Washington which insurance shall not be for less than a combined single limit of public liability of \$1,000,000 per occurrence, including bodily injury, premise liability, operations liability and automobile liability. Lessor shall be named as an additional insured on such policy. Before obtaining occupancy, Lessee shall provide to Lessor a certificate of liability insurance in conformity with the above. The insurance contract shall also provide that notice of cancellation of such coverage shall be delivered to the school Lessor thirty (30) days in advance of cancellation. Lessor shall have the right to cancel the Lease simultaneously with the cancellation of the aforesaid insurance.
- 8.2 Lessor will maintain fire insurance on the building but not on the contents owned by Lessee. Insurance of the contents owned or used by Lessee shall be the sole responsibility of Lessee. In the event Lessee's use of the Premises changes in a manner inconsistent with Section 2.0 above and if such change causes an increase in the fire insurance rates, Lessee, upon demand by Lessor, shall forthwith reimburse Lessor to the extent of said increase. Lessee shall obtain fire legal

liability insurance in a minimum of \$500,000 and name the Lessor as an additional insured.

9.0 ALTERATIONS OR IMPROVEMENTS

9.1 Prior to November 1, 2013, Lessor shall:

1. Complete the installation of a new metal roof for which a purchase order has been issued;
2. Replace both toilets with new ADA compliant toilets;
3. Repaint the interior walls;
4. Clean all existing carpets;
5. Complete asphalt paving and striping as a result of the removal of the former attached modular unit;
6. Replace/repair exterior landscaping as a result of removal of the former attached modular unit.

9.2 Lessee shall receive from Lessor an allowance of \$1.25 per square foot of usable square footage against the Lessee's costs for making other improvements to the Premises needed by Lessee to make it suitable for Lessee's uses. Lessor's contribution to the allowance shall be paid to Lessee upon Lessee providing to Lessor paid invoices, provided all lien releases are received from Lessee's contractor. Lessee improvements may include, but not necessarily be limited to: rubber matting for the storage room, electronic door locks, replacement of some flooring as needed, HVAC improvements and other fixtures, furniture or improvements deemed necessary by Lessee.

9.3 Lessee shall be responsible for installation of all tenant improvement work including planning and design, construction contracting and build-out, and permit issuance by Lessee's contractor. Lessor reserves the right to approve the Lessee's contractor(s), but shall not unreasonably withhold approval.

9.3 Lessee shall not make further alterations, additions, renovations or improvements in or to the Premises without first obtaining the written consent of Lessor. All alterations, additions, renovations and improvements which shall be made shall be at the sole cost and expense of Lessee. At the termination of the Lease, the Lessee shall remove the improvements and restore the premises to its original condition at the Lessee's sole expense, unless the parties mutually agree that the Lessor should retain the improvements as part of the real property.

9.2 Lessee further agrees to indemnify and hold Lessor and the Premises free and harmless from, and against, any and all damages, injuries, losses, liens, cost or expenses (including attorneys' fees) incurred, claimed or arising out of said work performed in accordance with this Section. Lessor reserves the right to review and approve Lessee's plans, specifications and contractor and, further, Lessor reserves the right to impose such reasonable restrictions or conditions upon its consent to the above work including the requirement that Lessee appropriately bond the same. Lessor may require lien waivers from all interested contractors or suppliers

before consenting to such alterations. Lessee shall require that all contractors have appropriate insurance and name Lessor as an additional insured. Lessor further reserves the right to make any alterations, additions, or improvements to the Premises which, in Lessor's reasonable discretion, are necessary or appropriate for the Premises, provided that absent emergency Lessor must provide Lessee with seven (7) calendar days' notice prior to commencing such work, and such work does not unreasonably disrupt the operations of Lessee's business.

10.0 DAMAGE OR DESTRUCTION

In the event that any of the buildings on the Premises are substantially or wholly destroyed or damaged by fire, earthquake, or other casualty, it shall be optional with Lessor to repair or rebuild the same, and in the meantime the rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises. Unless Lessor within sixty (60) days after the happening of any such damage or casualty shall notify Lessee of its election to restore said Premises or Building, this Lease shall thereupon terminate. If Lessor or Lessee does not terminate this Lease, it shall remain in full force and effect. Lessor shall not be required to repair or restore any damage or injury nor replace any equipment, inventory, fixtures or other personal property of Lessee or others located on the Premises. Any proceeds payable to Lessor from insurance policies carried by Lessor and covering the Premises or the Building shall be the sole and exclusive property of Lessor.

11.0 ACCIDENTS AND INDEMNIFICATION

12.1 Lessee shall defend, indemnify and hold harmless the Lessor from and against any and all suits, actions, damages, claims, liability, and expense in connection with loss of life, bodily or personal injury, or property damage arising from or out of any occurrence in, upon, at or from the Premises, or the occupancy or use by Lessee of the Premises or any part thereof, or occasioned wholly or in part by any act or omission of the Lessee, its agents, contractors, employees, servants, invitees, licensees, or concessionaires. The foregoing indemnity shall apply only to the extent that any matter with respect to which indemnity is sought is not caused by the negligence or willful misconduct of the Lessor or its employees or agents.

12.2 Lessor shall not be responsible or liable at any time for any loss or damage to Lessee's personal property or to Lessee's business, including any loss or damage to either the person or property of Lessee that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting, or adjoining space. Lessee shall store its property in and shall use and enjoy the Premises and all other portions of the Building and improvements at its own risk, and hereby releases Lessor, to the full extent permitted by law, from all claims of every kind resulting in loss of life, personal or bodily injury, or property damage, except as otherwise set forth in this Lease.

12.0 COMPLIANCE WITH LAWS

Lessor and Lessee shall comply fully with all federal and state statutes and city ordinances now or hereafter in force in respect to the Premises and Lessee's activities therein. Lessee warrants and represents to Lessor that Lessee shall use the Premises only for lawful purposes.

13.0 ACCESS

Lessor shall have the right to inspect the Premises at all reasonable times and enter the same for purposes of cleaning, repairing, altering, improving the Premises. Any access directly related to Lessor's maintenance obligations, or any emergent situations requiring immediate access, Lessor shall provide a minimum twenty-four (24) hours notice prior to any inspection of the premises. Lessor's access to the Premises under this section shall not unreasonably disturb Lessee. Lessee shall provide Lessor with keys and security codes needed to access the building. Lessor shall have the right to show the Premises to prospective Lessees and to maintain "For Rent" signs in a conspicuous place on or about the Premises three months prior to the expiration of the term of this Lease.

14.0 SIGNS OR ADVERTISING

Lessee may place exterior signage on the building façade/canopy subject to the Lessor's and City approval. Such signage shall be in compliance with the Bonney Lake Municipal Code and otherwise subject to Lessee's sole satisfaction on size, location, fabrication and design. All signage must be maintained so that it is readable and in a good state of repair. Lessee will remove signage specific to Lessee's name or business at the termination of the tenancy herein created and repair any damage or injury to the Premises or the Building caused thereby.

15.0 WASTE AND UNLAWFUL USE

Lessor and Lessee will not commit or suffer any waste upon the Premises, nor shall Lessor or Lessee disturb the quiet enjoyment of any other occupants of the Building by making or suffering any nuisance, undue or unseemly noise, or otherwise, and will not do or permit to be done in or about the Premises anything which is illegal or unlawful, or which will be dangerous to life or limb, or which will increase any insurance rate upon the Premises or the Building.

16.0 SUCCESSORS

All the covenants, agreements, terms and conditions contained in this Lease shall apply to and be binding upon Lessor and Lessee and their respective heirs, executors, administrators, successors, marital communities and assigns. Any assignment or subletting of the Premises or any interest in this Lease shall not relieve Lessee of primary responsibility for the performance of the terms and payment of the sums to be performed or paid by Lessee hereunder, unless otherwise agreed by Lessor.

17.0 TAXES

Lessee shall pay before delinquency any and all taxes, assessments, license fees and public charges levied, assessed or imposed and which shall become payable during the term of this Lease upon Lessee's fixtures, furniture and personal property installed or located in the Premises.

Lessor shall be responsible for remitting the leasehold excise tax out of the Rent collected.

18.0 COSTS AND ATTORNEYS' FEES

If, by reason of any default or breach hereunder by Lessor or by Lessee, it becomes necessary to institute suit, the substantially prevailing party in such suit shall be entitled to recover, as part of any judgment, such amount as the court shall determine reasonable as attorneys' fees for the prevailing party in such suit, together with taxable costs.

19.0 NONWAIVER OF BREACH

The failure of Lessor to insist upon strict performance of any of the covenants and agreements of this Lease or to exercise any option herein conferred in any one or more instances shall not be construed to be a waiver or relinquishment of any such or of any other covenant or agreement, but the same shall be and remain in full force and effect.

20.0 REMOVAL OF PROPERTY

In the event of any entry in, or taking possession of, the Premises upon the termination of this Lease, Lessor shall have the right, but not the obligation, to remove from the Premises all personal property located therein, and may store the same in any place selected by Lessor, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more. The proceeds of such sale shall be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Lessee to Lessor under any of the terms hereof, with the balance, if any, to be paid to Lessee.

21.0 ASSIGNMENT

- 21.1 Lessee shall not transfer, assign, mortgage, or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Lessee, or sublet the Premises, or any part thereof, without the prior written consent of Lessor in each instance. Such prohibition against assigning or subletting shall include any assignment or subletting by operation of law. Any transfer of this Lease from the Lessee by merger, consolidation, or transfer of assets shall constitute an assignment for purposes of this Lease.
- 21.2 Any assignment or subletting without Lessor's consent shall be void, and shall constitute a default hereunder which, at the option of Lessor, shall result in the termination of this Lease or exercise of Lessor's other remedies hereunder. Consent to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting, and the terms of such consent shall be binding upon any person holding by, under, or through Lessee.
- 21.3 If this Lease is assigned or if the Premises or any portion thereof are sublet or occupied by any person other than Lessee, Lessor may collect rent and other charges from such assignee or other party and apply the amount collected to the rent and other charges reserved hereunder, but such collection shall not constitute consent or waiver of the necessity of consent to such assignment, subleasing, or other transfer, nor shall such collection constitute the recognition of such assignee, sublessee, or other party as Lessee hereunder or a release of Lessee from the further performance of all of the covenants and obligations of Lessee herein contained.

22.0 NOTICES

All notices, statements, demands, requests, consents, approvals, authorization, offers, agreements, appointments, or designations under this Lease by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if sent by certified mail, return receipt requested, postage prepaid, and addressed as follows:

To Lessee, addressed to Lessee at the Premises, and also to Coldwell Banker Bain, 12721 Bel-Red Road, Ste #1, Bellevue, WA 95005.

To Lessor, addressed to Lessor at the City of Bonney Lake Justice and Municipal Center, 9002 Main St E, Bonney Lake, WA, 98391, or to such other place as Lessor may from time to time designate by notice to Lessee.

Except where applicable law requires delivery through other methods, notices shall also be deemed sufficiently given if sent by e-mail or facsimile and placed in the U.S. Mail, first class, postage prepaid, on the same day.

23.0 BREACH BY LESSEE

In the event that the Lessee defaults in the performance of any of the terms, provisions, covenants and agreements to be kept, observed and performed on the Lessee's part, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the Lessor, or such longer period as may be reasonable under the circumstances provided that Lessee is making reasonable efforts to cure the breach; or if the Lessee shall abandon, desert, vacate or remove from the Premises; then, in such event, the Lessor, at its option at any time thereafter, may terminate this Lease together with all of the estate, right, and title thereby granted to or vested in the Lessee by giving twenty (20) days notice in writing of such election, by certified mail addressed to the Lessee at the address specified in this Lease, and at the expiration of such (20) day period, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and the Lessor may re-enter said premises using such force as may be required. Notwithstanding such re-entry by the Lessor and anything to the contrary in this agreement, the liability of the Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease.

24.0 VACATING OF PREMISES

Upon termination of this Lease, Lessee shall return the Premises in good order and condition, except for normal wear and tear. On or before the date of termination, Lessee shall have removed all furniture, equipment, supplies, and other materials owned and controlled by Lessee. At the request of Lessor, Lessee shall remove at its sole expense any improvements, additions, fixtures or alterations made by Lessee to the Premises which the Lessor has not selected for remaining with the property.

25.0 PARKING.

Lessor grants to Lessee and Lessee's employees, guests, members, licensees and invitees, a license to use twelve (12) dedicated parking spaces and four (4) shared spaces in the parking lot connected with the Premises for parking motor vehicles during the Lessee's business hours during the term of this Lease. The location of the parking stalls is shown on the attached Exhibit C. Lessee shall take reasonable measures to ensure that its members and guests observe all State and City regulations with regard to parking, and do not store nuisance or junk vehicles on the Property. Lessor shall ensure that an adequate number of ADA parking spaces are provided.

26.0 MISCELLANEOUS

26.1 The paragraph and section headings hereof are for convenience only and shall not be used to expand or interpret the meaning of any part of this Lease.

26.2 Time is of the essence hereof.

26.3 If any portion of this Lease shall be deemed void, illegal or unenforceable, the balance of this Lease shall not be affected thereby.

- 26.4 This Lease shall be interpreted under the laws of the State of Washington.
- 26.5 The parties agree that the Superior Court of the State of Washington for Pierce County shall have sole jurisdiction over any question, claim, loss or injury arising hereunder.
- 26.6 Lessee acknowledges that except as expressly set forth in this Lease, neither Lessor nor any other person has made any representation or warranty with respect to the Premises. Specifically, but not in limitation of the foregoing, no representation has been made or relied on with respect to the suitability of the Premises for the conduct of Lessee's business.
- 26.7 Lessor does not by this Lease, in any way or for any purpose, become a partner or joint venture of Lessee in the conduct of its business or otherwise.
- 26.8 Lessor and Lessee shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Lessor's or Lessee's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or service, or acts of God.
- 26.9 This Lease and the Exhibits, Riders, and/or Addenda, if any, attached hereto, constitute the entire agreement between the parties. All Exhibits, Riders, or Addenda mentioned in this Lease are incorporated herein by reference. Any guaranty attached hereto is an integral part of this Lease and constitutes consideration given to Lessor to enter into this Lease. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Lease shall be binding upon Lessor or Lessee unless reduced to writing and signed. Submission of this Lease for examination does not constitute an option for the Premises and becomes effective as a lease only upon approval of this Lease by the Bonney Lake City Council. If any provision contained in a Rider or Addenda is inconsistent with a provision in the body of this Lease, the provision contained in said Rider or Addenda shall control. The captions and paragraph number appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe, or describe the scope or intent of any paragraph.
- 26.10 Lessor and Lessee shall comply with the requirements of State and Federal regulations that prohibit discrimination based on sex, race, national origin, age, and/or disability.
- 26.11 Each of the parties represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease and agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of counsel fees in connection therewith).

Exhibit A

Tax Parcel Number:

Common Street Address: 8720 Main Street E, Bonney Lake, WA

Section 33 Township 20 Range 05 Quarter 23 MCDONALD FRUIT TRACTS: MCDONALD
FRUIT TRACTS S 100 FT OF W 1/2 OF TR 22 ITEM 1

Situated in Pierce County, Washington.

Having the Pierce County tax parcel number 5640001380

EXHIBIT B
SKETCH OF PREMISES

