

**CITY COUNCIL MEETING**

**November 26, 2013  
7:00 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](http://www.ci.bonney-lake.wa.us)*

**SIGN-UP TO SPEAK FOR SPECIFIC ACTION ITEMS ON THE AGENDA:** *If you have signed up prior to the Council meeting to speak with respect to a particular ordinance or resolution appearing on the agenda, you will be recognized to address the Council for up to one minute before the Council takes action on that item. Those wishing to address such items on the “Consent Agenda” should do so during the “Citizen Comments” portion of the Agenda. If the Council chooses to discuss the item further after taking comments, they may restrict additional public comment before taking action. Please look for the sign-up sheets near the Council Chamber doorway. (See Item II.B. for Citizen Comments on other items of City business.)*

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

**I. CALL TO ORDER – Mayor Neil Johnson, Jr.**

A. Flag Salute

B. Roll Call: 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.

C. Announcements, Appointments and Presentations:

1. Announcements: None.

2. Appointments:

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a. **AB13-150** – Reappointment of Ronald Heslop as Bonney Lake Municipal Court Judge.

3. Presentations: None.

D. Agenda Modifications

**II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:**

A. Public Hearings:

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1. **AB13-127** – [Continued from November 12, 2013] A Public Hearing Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Receive Citizen Comment In Reference To Ordinance D13-139, Which Sets The Amount Of The Annual Ad Valorem Tax Levy For Fiscal Year 2014.

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2. **AB13-138** – A Public Hearing Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Consider Ordinance D13-140, Amendments To The 2013 - 2014 Biennial Budget That Was Adopted On December 11, 2012 Via Ordinance 1447.

B. Citizen Comments:

*You may address the City Council on matters of City business for up to 5 minutes. Those commenting about ordinances or resolutions on the “Consent Agenda” should limit their comments to one minute per item. When recognized by the Mayor, please state your name and address for the official record. Designated representatives speaking on behalf of a group may take up to 10 minutes on matters of general City business.*

C. Correspondence**III. COUNCIL COMMITTEE REPORTS:**

- A. Finance Committee
- B. Community Development Committee
- C. Public Safety Committee
- D. Other Reports

**IV. CONSENT AGENDA:**

*The items listed below may be acted upon by a single motion and second of the City Council. By simple request to the Chair, any Councilmember may remove items from the Consent Agenda for separate consideration after the adoption of the remainder of the Consent Agenda items.*

- p. 31 A. **Approval of Minutes:** November 5, 2013 Council Workshop and November 12, 2013 Council Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #67430-67462 (including wire transfer #'s 20131021, 20131104, 20131105, 2031106, and 2013110601) in the amount of \$828,570.03.  
Accounts Payable checks/vouchers #67463-67467 in the amount of \$10,357.64 for Accounts Receivable deposit refunds.  
Accounts Payable checks/vouchers #67468-67479 in the amount of \$2,933.41.  
Accounts Payable checks/vouchers #67480-67497 (including wire transfer # 11042013) in the amount of \$286,732.20.  
Accounts Payable checks/vouchers #67498-67502 in the amount of \$2,477.35.  
VOIDS: Check #66639 – check lost/missing.
- C. **Approval of Payroll:** Payroll for October 16-31, 2013 for checks #31443-31468 including Direct Deposits and Electronic Transfers is \$ 442,332.64.
- p. 41 D. **AB13-129 – Resolution 2338** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Contract With KPG Engineering For Services For The 30% Design Of The 186th Corridor Improvements Project
- p. 69 E. **AB13-130 – Resolution 2339** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Contract With KOG Engineering For Services To Provide The 30% Design Effort For The Church Lake Road Culvert Replacement Project.
- p. 85 F. **AB13-134 – Resolution 2341** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Water Supply Capacity Credit Agreement With Cascade Water Alliance To Substitute Tacoma Public Utilities As The Water Supplier.
- p. 103 G. **AB13-141 – Resolution 2343** – A Resolution Of The City Council Of The City Of Bonney Lake, Washington, Authorizing A Contract With KPG Engineering For Services To Design The 24th Street – 25th Street Watermain Replacement Project.
- p. 121 H. **AB13-149 – Resolution 2350** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington Authorizing The Mayor To Sign An Interlocal Agreement With Pierce County For Certain Amendments To The Pierce County Countywide Planning Polices As Recommended By The Pierce County Regional Council.

**V. FINANCE COMMITTEE ISSUES:** None.

**VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES:**

- p. 131 A. **AB13-145 – Resolution 2346** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Angeline Road Sidewalk Improvement Project To Hoffman Construction Inc. [Previously AB13-142]

**VII. PUBLIC SAFETY COMMITTEE ISSUES:** None.

**VIII. FULL COUNCIL ISSUES:**

- p. 143 A. **AB13-139 – Ordinance D13-139** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting The Amount Of The Annual Ad Valorem Tax Levy Necessary For The Fiscal Year 2014 For The Purposes Set Forth Below.

- p. 151 B. **AB13-105 – Resolution 2322** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing Establishment Of A Sewer Development Financing Contract And Utility Latecomer Agreement For Eastown Sewers With Kahne Properties, LLC/ Landmark Development.

**IX. EXECUTIVE SESSION:**

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

**X. ADJOURNMENT**

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

**THE COUNCIL MAY ADD AND TAKE ACTION ON  
OTHER ITEMS NOT LISTED ON THIS AGENDA**



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

<b>Department/Staff Contact:</b> Executive / Don Morrison	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-150
<b>Agenda Item Type:</b> Motion	<b>Ordinance/Resolution Number:</b> NA	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Reappointment of Judge Ron Heslop

**Full Title/Motion:** A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Confirming The Mayor's Reappointment Of Ron Heslop As Municipal Judge.

**Administrative Recommendation:** Approve

**Background Summary:** Municipal Judge Ron Heslop's current term of office expires December 31<sup>st</sup>. Following a very positive 360 review survey completed by court staff, prosecuting attorney, public defender, city administrator, and selected police staff who have frequent dealings with the court, Mayor Johnson has reappointed Judge Heslop to a successive four (4) year term.  
**Attachments:** Letter of Reappointment;

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
<b>Budget Explanation:</b> No budget impact. The judge is part of the City's regular non-represented pay scale and the reappointment does not include any pay raise other than what the judge would receive in due course along with other department heads (e.g. COLA, step increase on anniversary date).			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	<i>Approvals:</i>	<b>Yes</b>	<b>No</b>
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:	<b>Consent</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b>	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> (if applicable):



P.O. Box 7380 • Bonney Lake, WA 98391  
(253) 862-8602

November 19, 2013

Judge Ronald Heslop  
9002 Main Street E  
Bonney Lake, WA 98391

RE: Reappointment as Presiding Municipal Judge

Dear Judge Heslop:

It is with pleasure that I hereby reappoint you as the presiding judge of the Bonney Lake municipal court, effective January 1, 2014. Your compensation and benefits will remain as currently constituted. This appointment is conditional, pending confirmation by the City Council.

I have been very pleased with the judicial work you have performed during your first term in office. You have received high marks from the city administrator, court staff, prosecuting attorney, public defender, and the police department. Your willingness to work with the Administration and the City Council to improve the operations of the court is appreciated, as is your willingness to be an active part of the community.

We look forward to working with you to implement the new judicial programs and services that have been initiated, including the probation office, Eatonville court contract, work programs, alternative sentencing, and other improvements.

It is anticipated that your confirmation would be approved by the City Council at their Tuesday November 26<sup>th</sup> regular meeting.

Sincerely,

Neil Johnson, Jr.  
Mayor

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

<b>Department/Staff Contact:</b> Fin / Al Juarez	<b>Meeting/Workshop Date:</b> 12 November 2013 26 November 2013	<b>Agenda Bill Number:</b> AB13-127
<b>Agenda Item Type:</b> Public Hearing	<b>Ordinance/Resolution Number:</b> D13-139	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Public Hearing To Set The Amount Of The Annual Ad Valorem (Property Tax) Levy To Be Collected In 2014.

**Full Title/Motion:** n/a A Public Hearing Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Receive Citizen Comment In Reference To Ordinance D13-139, Which Sets The Amount Of The Annual Ad Valorem Tax Levy For Fiscal Year 2014..

**Administrative Recommendation:**

**Background Summary:** Pursuant to Revised Code of WA (RCW) 84.52.020 the Mayor of the City of Bonney Lake must certify to the Pierce County Assessor-Treasurer and the Pierce County Council that the Bonney Lake City Council requests the following levy amounts be collected in year 2014 as provided in the City's budget and said property taxes will be adopted following a public hearing held on November 12, 2013.

As illustrated in the attached Pierce County "Preliminary Tax Levy Limit" worksheet, the regular levy limit is \$2,722,006.32, which consists of the lawful regular tax levy multiplied by the 1% limit factor (RCW 84.55.005) plus the current years assessed value of new construction and improvements.

As defined in the attachment title "Example of Ordinance" prepared by the Pierce County Assessor-Treasurer, the districts actual levy amount from the previous year was \$2,639,650.47 and the population of the district is more than 10,000. Now, therefore the governing body of the taxing district is authorized for the levy to be collected in the 2014 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$19,937.23, which is a percentage increase of .7553% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Key elements outlined in the 2014 proposed levy are: (a) the tax levy rate in 2013 per \$1,000 of property value was \$1.5595853 (rounded); the tax levy rate proposed for 2014 is \$1.5316089 per \$1,000 of property value. (b) The total City assessed value in 2013 was \$1,688,432,963 and in 2014 \$1,777,220,232, which is an increase of \$88,787,269 or 5.26%. (c) The total tax levy collected in 2013 was \$2,639,650.47. To derive the the proposed 2014 levy to be collected start with the previous year of \$2,639,650.47, add new construction and improvements over the year = \$62,418.62; add the allowed increase pursuant to RCW = \$19,937.23; and the net result for 2014 collection = \$2,722,006.32. The percentage of New Construction and Improvements compared to total assessed value = .0035%.

**Attachments:** Yes

**BUDGET INFORMATION**

<b>Budget Amount</b>	<b>Current Balance</b>	<b>Required Expenditure</b>	<b>Budget Balance</b>
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**Budget Explanation:** Adopt Annual Ad Valorem tax to be collected in 2014.

**COMMITTEE, BOARD & COMMISSION REVIEW**

<b>Council Committee Review:</b> Finance Committee	<i>Approvals:</i>	Yes No
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Date: 8 October 2013	Chair/Councilmember	Deputy Mayor Swatman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Councilmember	Mark Hamilton	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Councilmember	Randy McKibbin	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Forward to: 10/22/13 Council Meeting	<b>Consent Agenda:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>Commission/Board Review:</b>				
<b>Hearing Examiner Review:</b>				

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> <i>Al Juarez</i>	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> Standard (if applicable):

**Public Hearing Attachments:  
See proposed Ordinance D13-139 for complete  
attachments.**

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

<b>Department/Staff Contact:</b> Fin / Al Juarez	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-138
<b>Agenda Item Type:</b> Public Hearing	<b>Ordinance/Resolution Number:</b>	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Public Hearing To Receive Citizen Comment On the Recommended Amendments To The 2013 - 2014 Adopted Budget.

**Full Title/Motion:** A Public Hearing To Consider Ordinance D13-140 - Amendments To The 2013 - 2014 Biennial Budget That Was Adopted On December 11, 2012 Via Ordinance 1447.

**Administrative Recommendation:** Hold public hearing.

**Background Summary:** Revised Code of WA (RCW) 35A.34 provides procedures for adopting, managing and amending a biennial budget. Since the Mayor has proposed amendments to the adopted budget, a public hearing is required on those proposed amendments or other modifications, including changes to revenues and expenditures. Exhibits outlining the various amendments were provided to the City Council for the November 5<sup>th</sup> agenda packet, and will likewise be provided during the Council meeting on November 26, 2013.

**Attachments:** None

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
<b>Budget Explanation:</b> Amendments pursuant to exhibits			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	Finance Committee	<i>Approvals:</i>	<b>Yes No</b>
	Date:	Chair/Councilmember Deputy Mayor Swatman	<input type="checkbox"/> <input type="checkbox"/>
		Councilmember Mark Hamilton	<input type="checkbox"/> <input type="checkbox"/>
		Councilmember Randy McKibbin	<input type="checkbox"/> <input type="checkbox"/>
	Forward to:	<b>Consent</b>	
		<b>Agenda:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			

<b>COUNCIL ACTION</b>	
Workshop Date(s): 11/5/2013, 11/19/2013	Public Hearing Date(s): 11/26/2013
Meeting Date(s): 11/12/2013, 11/26/2013	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> Al Juarez	<b>Mayor:</b>	<b>Date Reviewed</b> <b>by City Attorney:</b> Standard (if applicable):



November 5, 2013

P.O. Box 7380 • Bonney Lake, WA 98391  
(253) 862-8602

Dear Council Members:

I am excited about the things we have been able to accomplish this past year, and am looking forward to 2014. The recent ribbon-cutting for the Fennel Creek/Safe Routes trail made us all proud of the completion of that long-awaited project. Likewise, we have received a lot of positive comments about the improvements to the Allen Yorke Park dike expansion. It put a classy face to our principal park. Being able to successfully negotiate the acquisition of the Victor Falls property was a real coup, which will benefit the community for generations to come. In addition, we were able to improve streets, install additional sidewalks, and generally make our community much more livable, as well as improve other aspects of our infrastructure.

State law (RCW 35A.34.130) requires cities that have adopted a biennial budget to conduct a mid-biennial review, and make any modifications deemed appropriate. Consistent with our past practice, I limit the proposed budget amendment to minor modifications necessitated by changing conditions. The mid-biennial review is not intended to be a major rewrite of the budget.

Accordingly, the proposed amendments to the adopted 2013-2014 biennial budget are those which deal primarily with projected changes to estimated revenues and expenditures, and carry-over of unfinished 2013 projects. A few new capital projects have been proposed, but most are the result of 2013 grant awards or Council actions requiring a budget amendment.

The attached budget ordinance adopts revised revenue estimates and corresponding revisions and reductions to adopted expenditures, including revisions to the various capital budgets.

All departments and divisions have again done well at keeping their expenditures within budget. General Fund expenditure savings from 2013 have been carried forward to the 2014 operating budget. We may need some modest expenditure savings in 2014 to likewise balance the biennial budget. None of the proceeds from the Renwood land sale is proposed to be used to fund 2014 general fund maintenance and operations.

We had anticipated refinancing the 800 MHz and JMC bonds to lessen the impact of the debt service on the general fund budget. However, current interest rates are such that this is not cost-effective at this time. This has put a continuing strain on the City's General Fund. However, the 2013-2014 biennial budget remains balanced without any use of prior fund balance.

### **Modifications of Operating Budgets**

Within the amounts currently appropriated, we have or will make some minor modifications to selected departmental budgets for supplies and services to better reflect actual experience and projected need. There are few substantial amendments to the adopted operating budget, but most are on the capital side, and many of those are simply to carry forward a 2013 unfinished project.

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Justice & Municipal Center:  
9002 Main Street East  
Bonney Lake, WA 98391  
Fax (253) 862-8538  
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Public Safety Building:  
18421 Veterans Memorial Dr E  
Bonney Lake, WA 98391  
Fax (253) 863-2661

Public Works Center:  
19306 Bonney Lake Blvd.  
Bonney Lake, WA 98391  
Fax (253) 826-1921

Senior Center:  
19304 Bonney Lake Blvd.  
Bonney Lake, WA 98391  
Fax (253) 862-8538

Any changes to the bottom line have been incorporated into Exhibits A and B of the budget ordinance, and include the following:

1. We have added funds to the Community Development salary budget to cover the return of an additional building inspector (approved by Resolution No. 2318);
2. We have increased the Community Development budget by \$40,000 for professional planning services related to the update of the various comprehensive plan elements.
3. During the past few years, we have provided custodial services through a combination of contracting and force account. We have issued an RFP for janitorial services and are proposing to eliminate the City janitorial position and contract-out all janitorial services. This is reflected in the position authorization schedule attached to the budget ordinance. The salary and benefit costs associated with the position have been transferred to professional services (janitorial contract).
4. An additional \$20,000 has been added to the facilities budget for building repairs/improvements (this has been under-budgeted the past few years)
5. An additional \$30,000 has been added to the professional services budget in Water Fund 401 for our contracted water rights attorney (Tom Pors) to help us perfect our water rights. This is something that needs to be done with DOE in order to guarantee our continued use of our water supply rights.
6. An additional \$30,000 (from \$70K to \$100K) has been added to Water Fund 401 for higher than anticipated costs of using TPU water from the So. Prairie intertie.
7. \$5,000 has been added to the stormwater fund 415 for Lake Bonney water quality monitoring.

### **Modification to the Capital Budgets**

In the capital funds, projects are progressing as planned for those projects which have been funded. Many of these are grant or loan funded. Some projects have been complete and closed out, but there are several 2013 projects in progress and are being carried over into 2014.

Normally we do not entertain departmental requests for new capital projects mid-stream. However, there are a few new projects to be initiated in 2014 that were not part of the original biennial budget but have since been proposed to be included in the budget amendment. These are primarily projects resulting from new grant awards or specific Council actions.

Changes to the capital budgets are noted on Exhibits "C" of the budget ordinance, and have been incorporated into the revised budget totals of the respective funds.

As we begin work next year in preparing the 2015-2016 biennial budget, the Administration will be taking into account the many (11) public works trust fund loans outstanding, as well as our water supply debt obligations to Tacoma and the Cascade Waster Alliance. Our outstanding water utility debt from these loans exceed \$12M. Until increased growth in system development charges can replenish our capital accounts, we will likely plan for a reduced level of water capital spending over the next few years unless grants are obtained, or the Council chooses to increase water rates substantially in order to fund an ambitious capital investment program.

## **Personnel - Salaries and Benefits**

The mid-biennial amendment includes a 2.0% Cost-of-Living-Adjustment (COLA) for AFSCME covered employees, and a 2.88% adjustment for the police guild. These are both previously negotiated adjustments contained in the respective collective bargaining agreements. I am proposing a 2.0% COLA for non-represented employees. Both the AFSCME and Police contracts will expire at the end of 2014.

## **Summary**

I am excited about the prospects of being able to design and hopefully secure grant funding for another segment of the Fennel Creek Trail. I have proposed initial funds to make safety and access improvements to our new Victor Falls Park while we work towards developing an overall master plan for the property.

Additional resources have been devoted to comprehensive planning, as the next two years will features state mandated updates to almost all of our comprehensive plan elements.

I hope to further improve the downtown through intersection improvements and the installation of the last major missing link of sidewalk along SR410.

2014 may also come to be known as the year for Eastown, with the long planned completion of key sewer system components for both north and south Eastown.

Thanks to all of you for your support these past four (4) years. I am looking forward to another four, and appreciate our council, staff, boards, commissions, and volunteers who step forward to work together in making Bonney Lake a great place to live, work, and play.

Sincerely,

A handwritten signature in black ink, appearing to read "Neil Johnson Jr.", written in a cursive style.

Neil Johnson Jr.  
Mayor

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

<b>Department/Staff Contact:</b> Executive / Don Morrison	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-140
<b>Agenda Item Type:</b> Ordinance	<b>Ordinance/Resolution Number:</b> D13-140	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Mid-Biennial Budget Amendment

**Full Title/Motion:** An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting The Mid-Biennial Budget Amendment For Budget Years 2013 And 2014.

**Administrative Recommendation:** Approve

**Background Summary:** In December of last year the City Council approved Ordinance No. 1447 which adopted a biennial budget for fiscal years 2013-2014. RCW 35A.34.130 requires that the adopted biennial budget be subject to a mid-biennial review and modification as needed. This ordinance and attached exhibits constitutes the Mayor's proposed mid-biennial amendments to the adopted budget. A public hearing has been set for November 26, 2013 to consider the proposed mid-biennial modifications to the budget. It is anticipated any budget amendments will be adopted at either the December 10th regular meeting or the Dec. 17<sup>th</sup> Council Workshop.  
**Attachments:** Ordinance D13-140 and Exhibits A-F.

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
<b>Budget Explanation:</b> See Attached			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	<i>Approvals:</i>		<b>Yes No</b>
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:	<b>Consent</b>		
	<b>Agenda:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			

<b>COUNCIL ACTION</b>	
Workshop Date(s): November 5, 2013	Public Hearing Date(s): November 26, 2013
Meeting Date(s):	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b>	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> (if applicable):

**ORDINANCE NO. D13-140**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ADOPTING THE MID-BIENNIAL BUDGET AMENDMENT FOR BUDGET YEARS 2013 AND 2014**

**WHEREAS**, the City Council approved Ordinance No. 1447 which adopted a biennial budget for fiscal years 2013-2014; and

**WHEREAS**, Ch. 35A.34 RCW provides procedures for adopting, managing, and amending a biennial budget; and

**WHEREAS**, RCW 35A.34.130 requires that the adopted biennial budget be subject to a mid-biennial review and modification as needed; and

**WHEREAS**, on November 26, 2013 the City Council held a public hearing upon notice for the purpose of considering mid-biennial modifications and amendments to the adopted 2013-2014 biennial budget;

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

**Section 1.** The biennial budget for the City of Bonney Lake for the period January 1, 2013 through December 31, 2014 as contained in the adopted 2013-2014 Biennial Budget for total revenues/sources and expenditures/uses as approved by the City Council, is hereby amended by Total Revenues and Expenditures for each fund as shown on the attached Exhibit "A" (City of Bonney Lake Mid-Biennial Budget Amendment).

**Section 2.** The changes to biennial operating expenditures, capital expenditures, transfers and debt service schedules as shown on the attached Exhibit "B" (B-1 and B-2) are hereby adopted.

**Section 3.** The changes to the park, street, water, sewer, and stormwater capital budgets as shown on the attached Exhibit "C" are hereby adopted.

**Section 4.** The changes to the Equipment Replacement Schedule of the Equipment Rental & Replacement Fund, as shown on the attached Exhibit "D," are hereby adopted.

**Section 5.** The changes to the Position Summary (p3-30 of adopted budget), as shown on the attached Exhibit "E," are hereby adopted.

**Section 6.** The changes to the pre-approved out-of-state travel list (p 3-34 adopted budget) is hereby replaced with Exhibit "F" and adopted.

**Section 7.** The City Clerk is directed to transmit a certified copy of the City of Bonney Lake adopted 2013-2014 Mid-Biennial Budget Amendment (Ordinance No. D13-140 and

Exhibits “A”, and “B”) to the Office of the State Auditor and to the Association of Washington Cities.

**Section 8.** This ordinance concerning matters set out in RCW 35A.11.090, it is not subject to referendum, and shall take effect January 1, 2014 after its passage, approval and publication as required by law.

**PASSED** by the City Council of the City of Bonney Lake this \_\_\_\_ day of December, 2013.

\_\_\_\_\_  
Neil Johnson, Jr. Mayor

ATTESTED:

\_\_\_\_\_  
Harwood T. Edvalson, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathleen Haggard, City Attorney

Passed:

Valid:

Published:

Effective Date:

Exhibit A

Ordinance D13-140

2013 - 2014 Mid Biennial Budget Amendment  
Prepared October, 2013

Amended Funds Only		2013-2014 Biennial Budget			
Number	Name	Revenue	Revenue	Expenditure	Expenditure
		Adopted Biennial	Revised Biennial	Adopted Biennial	Revised Biennial
001	General	27,743,843	28,399,558	27,611,835	28,399,558
301	Street CIP	1,464,193	6,664,193	3,403,844	10,998,844
302	Parks CIP	1,263,724	1,438,724	1,697,326	2,524,326
401	Water	19,130,187	19,130,187	19,554,688	20,819,688
402	Wastewater (Sewer)	18,738,805	19,178,805	20,291,384	21,081,384
415	Stormwater	3,555,870	3,725,870	3,576,137	4,433,137
501	Equipment Rental & Replacement	2,309,770	2,309,770	2,194,838	2,212,986
	<b>Total</b>	<b>74,206,392</b>	<b>80,847,107</b>	<b>78,330,052</b>	<b>90,469,923</b>

Footnotes:

- 1 General Fund - See "Exhibits B1" and "B2" for details of mid-biennial amendment, both Revenue and Expenditures
- 2 See "Exhibit C" for individual line item amendment detail for fund 301, 302, 401, 402 and 415
- 3 See "Exhibit D" for individual line item amendment detail for the ER&R Fund
- 4 Expenditures in excess of revenues are funded through the use of reserves (fund balance)

2013 - 2014 Mid Biennial Budget Amendment  
 General Fund Revenues  
 Prepared October, 2013

GENERAL FUND	Adopted	Adopted Budget	Biennial Total	Amendments	Revised
	Budget	2013	2014		Biennial
<b>General Revenues</b>					
Property Taxes (311)	2,637,042	2,663,412	5,300,454	93,191	5,393,645
Sales Tax (312 + 313)	3,514,182	4,114,890	7,629,072		7,629,072
Utility Tax (314, 316, -316.20)	2,477,699	2,552,030	5,029,729		5,029,729
Excise Taxes (317.34& 35)	88,590	88,590	177,180		177,180
Other taxes (316.20, 319)(317 -317 34& 35)	170,431	175,544	345,975		345,975
<b>Total Taxes (310)</b>	<b>8,887,944</b>	<b>9,594,466</b>	<b>18,482,410</b>	<b>93,191</b>	<b>18,575,601</b>
Licenses & Permits (320)	694,149	745,762	1,439,911		1,439,911
Intergovernmental (330)	631,973	757,882	1,389,855		1,389,855
Charges for Goods & Service (341 - 348)	585,294	666,769	1,252,063		1,252,063
Administrative Transfers In (349)	1,409,067	1,423,158	2,832,225		2,832,225
<b>Total Chgs for Goods &amp; Services (340)</b>	<b>1,994,361</b>	<b>2,089,927</b>	<b>4,084,288</b>	<b>0</b>	<b>4,084,288</b>
Fines & Forfeits (350)	725,976	755,016	1,480,992	(108,896)	1,372,096
Investment Interest (361)	82,628	25,000	107,628		107,628
Other Revenues (362, -362.50, 366, 367, 369)	180,427	185,000	365,427		365,427
Other Revenues; Fac Rentals (362.50)	261,537	131,795	393,332		393,332
<b>Total Misc. Revenue (360)</b>	<b>524,592</b>	<b>341,795</b>	<b>866,387</b>	<b>0</b>	<b>866,387</b>
Other Fin. Sources (390)	0	0	0	0	0
<b>**Sub-Total General Revenue</b>	<b>13,458,995</b>	<b>14,284,848</b>	<b>27,743,843</b>	<b>(15,705)</b>	<b>27,728,138</b>
Renwood Agreement	0	0	0	671,420	671,420
<b>**Sub-Total Additional Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>671,420</b>	<b>671,420</b>
<b>Total Revenues</b>	<b>13,458,995</b>	<b>14,284,848</b>	<b>27,743,843</b>	<b>655,715</b>	<b>28,399,558</b>
<b>Total Expenditures - O &amp; M (From Schedule B)</b>	<b>13,625,257</b>	<b>13,986,578</b>	<b>27,611,835</b>	<b>787,723</b>	<b>28,399,558</b>
<b>Results of Operations (Revenue less Expenditure)</b>	<b>-166,262</b>	<b>298,270</b>	<b>132,008</b>	<b>(132,008)</b>	<b>(0)</b>

Footnotes - Budget Amendment Details

- 1 Revise Prop Tx Projection based on P.C. prelim assess: (2014 orig budget=2,663,412; revised=2,756,603) 93,191
- 2 Revise Fines/Forfeits based on actuals: (original budget=725,976; revised=617,080) (108,896)
- 3 Renwood Agreement: Additional building permits, etc. not originally budgeted 671,420

2013 - 2014 Mid Biennial Budget Amendment  
 General Fund Expenditures  
 Prepared October, 2013

General Fund		Adopted Budget	Adopted Budget	Biennial	Amendments	Revised Biennial
Department		2013	2014	Total		Total
11	Legislative	109,497	78,316	187,813		187,813
12	Judicial	699,982	712,500	1,412,482		1,412,482
13	Executive	642,846	735,024	1,377,870		1,377,870
14	Financial Services (2013 salary & benefit budget=\$920,125)	1,094,025	1,126,227	2,220,252		2,220,252
15	Legal	395,120	396,223	791,343		791,343
16	Information Technology	520,453	477,291	997,744		997,744
18	Administrative Services	508,970	538,333	1,047,303		1,047,303
21	Law Enforcement (2013 salary & benefit budget=\$4,561,643)	5,728,224	5,966,822	11,695,046		11,695,046
32	Engineering and Public Works Administration	75,621	75,621	151,242		151,242
42	Road & Streets Maint. (2013 salary & benefit budget=\$672,756)	1,032,806	1,055,355	2,088,161		2,088,161
50	Senior Center	329,708	320,322	650,030		650,030
57	Community Forestry	39,345	39,998	79,343		79,343
58	Comm Develop (2013 salary & bene budget=\$1,087,584)	1,207,292	1,253,118	2,460,410	177,241	2,637,651
59	Comm Develop - Bldg (In 2011 Dept 58 & 59 are combined)	0	0	0		0
60	Facilities	516,549	477,327	993,876	20,000	1,013,876
76	Parks and Recreation	307,752	305,085	612,837		612,837
90	Non-Departmental	417,067	429,016	846,083		846,083
90	Debt Service - Motorola (annual prin + int = \$231,000)		0	0	346,000	346,000
90	Debt Service - J & MC (annual prin + int = \$661,443)	0	0	0	992,443	992,443
**	Anticipated Savings - 2013				(476,884)	(476,884)
***	Anticipated Savings - 2014				(271,077)	(271,077)
	<b>TOTAL EXPENDITURES</b>	<b>13,625,257</b>	<b>13,986,578</b>	<b>27,611,835</b>	<b>787,723</b>	<b>28,399,558</b>
				<b>27,611,835</b>		<b>28,399,558</b>

Footnotes - Budget Amendment Details

Dept	Description	Amount
58	Professional Planning service -update comp. plan elements	40,000
58	Blding Inspect salary & benefits moved from P.W. to Comm. Develop. (2013=36,173; 2014=101,068)	137,241
60	Building Repairs & Improvements	20,000
90	Motorola Debt Svc. 2013 = 115,000. 2014 = 231,000.	346,000
90	J&MC Debt Svc. 2013 = 331,000. 2014 = 661,443.	992,443
	<b>New budget request</b>	<b>1,535,684</b>
**	Anticipated 2013 Savings: (a) 3.5% of 2013 total expenditures	(476,884)
***	Anticipated 2014 Savings: (a) Total expenditures=202,284; (b) G.F portion of medical savings=68,793	(271,077)
	<b>Total anticipated savings</b>	<b>(747,961)</b>
	<b>Net new budget request</b>	<b>787,723</b>

**Exhibit "C" to Ordinance No. D13-140  
City of Bonney Lake  
2013-2014 Mid-Biennial Capital Improvement Budget Modifications**

<b>Fund Number</b>	<b>Fund Name</b>	<b>Description of CIP Project Amendment</b>	<b>Amount</b>	<b>Adopted Budget Page Ref.</b>
302	Park CIP	Install a permanent roof over the stage at Allan Yorke Park	\$55,000	5-50
302	Park CIP	Initial safety and access improvement to Victor Falls Park	\$75,000	5-50
302	Park CIP	FC trail design segment (1.5 miles anticipated state design grant – will not be undertake is grant is not awarded).	\$175,000	5-50
302	Park CIP	FC trail ROW acquisition (in anticipation of future trail construction grant)	\$100,000	5-50
302	Park CIP	\$20,000 for misc. improvements to various AYP ball fields.	\$20,000	5-50
302	Park CIP	Ken Love property acquisition for Victor Falls Park	\$382,000	5-50
302	Park CIP	Access Improvements to Lake Tapps Swim Area	\$20,000	5-50
301	Street CIP	Install sidewalks along a segment of Angeline Road (citizen petition)	\$65,000	5-47
301	Street CIP	Acquire ROW on SR410 in Downtown to facilitate the SR410/VMD intersection improvement	\$80,000	5-47
301	Street CIP	Increase the overlay program budget from \$164,000 to \$516,000 for Church Lake Rd overlay project (TIB grant funds \$406,193 of project costs).	\$516,000	5-47
301	Street CIP	Carried forward from 2013 to complete Transportation Plan update.	\$145,000	5-47
301	Street CIP	Install sidewalks on SR410 (missing link over Angeline Rd – (TIB grant funds \$500,000 of project costs).	\$920,000	5-47
301	Street CIP	“Place holder” for improvements to the 186/88/188th street corridor.	\$1,000,000	5-47
301	Street CIP	“Place holder” SR410/Veterans Memorial Drive intersection improvement project (\$4.1M funded by Tehaleh mitigation)	\$5,000,000	5-47
301	Street CIP	Crosswalk(s) for School or Park Zones	\$14,000	5-47

<b>Fund Number</b>	<b>Fund Name</b>	<b>Description of CIP Project Amendment</b>	<b>Amount</b>	<b>Adopted Budget Page Ref.</b>
401	Water Fund	Grainger Springs Building Upgrade (carried forward from 2013)	\$200,000	5-6
401	Water Fund	Lakeridge 810 zone water main upgrade (revised scope carried forward from 2013 - broken into phases)	\$2,030,000	5-6
401	Water Fund	Lakeridge 810 zone booster pump station design	\$700,000	5-6
401	Water Fund	Reed property improvements (carried forward from 2013 - minimal repairs needed to place residence on market, and improvements to revised access; fencing and gate at storage yard)	\$50,000	5-6
401	Water Fund	24th St E water main replacement.	\$60,000	5-6
401	Water Fund	Victor Falls watershed fencing (Includes amount carried forward from 2013)	\$200,000	5-6
401	Water Fund	SCADA telemetry system upgrade – water share (carried forward from 2013 - \$210,000)	\$210,000	5-6
401	Water Fund	Water Share of Land Acquisition for Public Works Center	\$505,000	5-6
415	Storm Water	Regional Storm Pond at Locust & 82nd (carried forward from 2013)	\$75,000	5-22
415	Storm Water	Church Lake Rd replacement culvert. Design contract issued in 2013.	\$250,000	5-22
415	Storm Water	Recently announced DOE grant award to the City. Most of the funds are to be used for capital; some may be used for NPDES maintenance activities.	\$170,000	5-22
415	Storm Water	Placeholder to complete stormwater comp plan, including Eastown storm sewers. Note: This may be accomplished through a temporary force-account project engineer.	\$172,000	5-22
415	Storm Water	Placeholder for potential stormwater SDC study upon completion of comp plan.	\$40,000	5-22
415	Storm Water	Compact street sweeper for pervious surfaces, sidewalks, trails, parking lots and narrow street sections to remove debris from getting into storm drains per NPDES Permit requirements.	\$75,000	5-22

<b>Fund Number</b>	<b>Fund Name</b>	<b>Description of CIP Project Amendment</b>	<b>Amount</b>	<b>Adopted Budget Page Ref.</b>
415	Storm Water	Stormwater Share of Land Acquisition for Public Works Center	\$150,000	5-22
402	Sewer	Eastown Lift Station/Force Main (Carry forward from 2013)	\$712,460	5-16
402	Sewer	Eastown Gravity Sewer Main (Carry forward from 2013)	\$25,000	5-16
402	Sewer	Eastown Lift Station Upgrade/SR410 crossing (Carried forward from 2013)	\$160,000	5-16
402	Sewer	SCADA system telemetry upgrade (sewer share carried forward from 2013)	\$423,000	5-16
402	Sewer	Septic System Reduction Project (carried forward from 2013)	\$300,000	5-16
402	Sewer	Eastown "Southern" sewer ROW acquisition, design, and construction (Kahne et al ULA – City to be reimbursed)	\$440,000	5-16
402	Sewer	Sumner WWTP Upgrade (carried forward from 2013 - PWTFLL)	\$5,000,000	5-16
402	Sewer	Sewer share of Land Acquisition for Public Works Center	\$350,000	5-16

Fund 501: Equipment Rental & Replacement

Equipment Replacement Schedule							
Asset #	Department	Existing Equipment Description	2013		2014		Notes
			Adopted	Revised	Adopted	Revised	
RS133	Community Development	Dodge Stratus 2004	9,500.00	17,936.00			1
RS222	ER&R	Ford F250	30,000.00	-			2
RS135	Admin/Information Services	Dodge Stratus 2004	9,800.00	21,564.00			3
RS221	Facilities	Ford F150	9,000.00	-		30,000.00	4
RS291	Park Facilities	Ford Ranger	-	-			5
RS463	Park Facilities	Paint Stripper	4,000.00	4,320.00			
RS601	Park Facilities	Mower - Grasshopper	14,500.00	15,641.00			
PD202	Police	Ford Crown Victoria 2000	40,706.00	33,285.00			
PD052	Police	Ford Crown Victoria 2004	37,622.00	33,285.00			
PD053	Police	Ford Crown Victoria 2004	37,622.00	42,199.00			
PD057	Police	Mercury Mountaineer 2000	11,000.00	-		27,000.00	6
PD059	Police	Ford Crown Victoria 2005	38,270.00	40,752.00			
PD061	Police	Dodge Charger 2006	40,177.00	42,952.00			
PD023	Police	Ford Crown Victoria 2002			44,616.00	44,616.00	
PD055	Police	Dodge Intrepid 2005			16,261.00	20,500.00	
PD511	Police	Ford Crown Victoria 2005			39,020.00	39,020.00	
PD062	Police	Ford Crown Victoria 2006			39,680.00	39,680.00	
RS297	Street	Chevrolet C2500 1995			19,000.00	27,586.00	
RS225	Street	Ford F250 1995			19,000.00	27,586.00	
RS283	Water	Ford Ranger 1999	4,000.00				bed only
RS284	Water	Chevrolet Silverado	26,000.00				7
Subtotal			\$ 312,197	\$ 251,934	\$ 177,577	\$ 255,988	

- 1 Two surplus dept. vehicles replaced with 1 new one
- 2 Still in good condition; defer until 2015
- 3 Replace with small SUV - Replacement cost underbudgeted
- 4 RS221 Replacement deferred to 2014 - Additional funding from surplus Janitor Van
- 5 Replaced internally with RS284
- 6 Deferred to 2014 and replace with Ford Escape; replacement cost underbudgeted
- 7 Will be transferred to parks to replace RS291

City of Bonney Lake POSITION SUMMARY	Year	2008	2009	2010	2011	2011	2012	2012	2013	2014
		Authorized F.T.E	Adopted F.T.E	Adopted F.T.E	Adopted F.T.E	Revised F.T.E	Adopted F.T.E	Revised F.T.E	Revised F.T.E	Revised F.T.E
<b>CITY COUNCIL</b>										
Councilmember (Part-Time)		7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000
<b>TOTAL CITY COUNCIL</b>		<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>
<b>EXECUTIVE</b>										
Mayor		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
City Administrator		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Community Services Director		1.000	1.000	1.000	1.000					
Executive Assistant		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Facilities & Special Projects Manager						1.000	1.000	1.000	1.000	1.000
Special Events Coordinator						1.000	1.000	1.000	1.000	1.000
Facilities Maintenance Worker II						1.000	1.000	1.000	1.000	1.000
Custodian						1.000	1.000	1.000	1.000	
<b>TOTAL EXECUTIVE</b>		<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>6.000</b>
<b>LEGAL</b>										
City Prosecutor					1.000	1.000	1.000	1.000	1.000	1.000
<b>TOTAL LEGAL</b>					<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
<b>COURT</b>										
Municipal Judge		0.750	0.800	0.850	0.850	0.850	0.850	0.850	0.850	0.850
Court Administrator		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Probation Officer									1.000	1.000
Court Clerk I		3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Court Clerk II		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
<b>TOTAL COURT</b>		<b>5.750</b>	<b>5.800</b>	<b>5.850</b>	<b>5.850</b>	<b>5.850</b>	<b>5.850</b>	<b>5.850</b>	<b>6.850</b>	<b>6.850</b>
<b>FINANCE</b>										
Chief Financial Officer		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Accounting Manager			1.000	1.000	1.000	1.000	1.000	1.000		
Financial Operations Supervisor			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Senior Accountant		1.000							1.000	1.000
Accountant		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Utility Billing Supervisor		1.000								
Accounting Specialist I/II		4.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Accounting Specialist III		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Payroll Officer		1.000								
<b>TOTAL FINANCE</b>		<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>

**City of Bonney Lake  
POSITION SUMMARY**

Year	2008	2009	2010	2011	2011	2012	2012	2013	2014
	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Revised F.T.E.	Adopted F.T.E.	Revised F.T.E.	Revised F.T.E.	Revised F.T.E.

**CITY CLERK & ADMINISTRATIVE SERVICES**

Administrative Services Director/City Clerk	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Records/Information Specialist	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Human Resources Manager					1.000		1.000	1.000	1.000
Human Resources Officer	1.000	1.000	1.000	1.000		1.000			
Information Services Manager					1.000		1.000	1.000	1.000
Information Services Coordinator	1.000	1.000	1.000	1.000		1.000			
PC/Network Technician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Senior Center Manager					1.000		1.000	1.000	1.000
Senior Services Assistant					1.000		1.000	1.000	1.000
Cook					0.800		0.800	0.800	0.800
Kitchen Aide					0.300		0.300	0.300	0.300
Senior Center Aide/Van Driver					1.800		1.800	1.800	1.800
<b>TOTAL CITY CLERK &amp; ADMINISTRATIVE SERVICES</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>11.900</b>	<b>7.000</b>	<b>11.900</b>	<b>11.900</b>	<b>11.900</b>

**COMMUNITY SERVICES**

Community Services Director	1.000	1.000	1.000	1.000		1.000			
Special Events Coordinator	1.000	1.000	1.000	1.000		1.000			
Community Services Specialist	1.000	1.000	1.000	1.000					
Facilities Maintenance Worker II	1.000	1.000	1.000	1.000		1.000			
Custodian	1.000	1.000	1.000	1.000		1.000			
Parks Lead Worker	1.000	1.000	1.000	1.000		1.000			
Maintenance Worker II (Parks/Forestry)	1.000	1.000	1.000	1.000		1.000			
Senior Center Manager	1.000	1.000	1.000	1.000		1.000			
Senior Services Assistant	1.000	1.000	1.000	1.000		1.000			
Cook	0.800	0.800	0.800	0.800		0.800			
Kitchen Aide	0.300	0.300	0.300	0.300		0.300			
Senior Center Aide/Van Driver	1.800	1.800	1.800	1.800		1.800			
<b>TOTAL COMMUNITY SERVICES</b>	<b>11.900</b>	<b>11.900</b>	<b>11.900</b>	<b>10.900</b>		<b>10.900</b>			

**POLICE**

Police Chief	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Police Chief	1.000	1.000	1.000	1.000	1.000	1.000	1.000	2.000	2.000
Police Lieutenant	1.000			1.000	1.000	1.000	1.000		
Department Assistant	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Records Clerk	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Police Sergeant	4.000	5.000	5.000	4.000	4.000	4.000	4.000	5.000	5.000
Patrol Officers	21.000	22.000	22.000	22.000	22.000	22.000	22.000	21.000	21.000
School Resource Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Community Services Officer	3.200	3.200	3.200	3.600	3.600	3.600	3.600	3.600	3.600
<b>TOTAL POLICE</b>	<b>36.200</b>	<b>37.200</b>	<b>37.200</b>	<b>37.600</b>	<b>37.600</b>	<b>37.600</b>	<b>37.600</b>	<b>37.600</b>	<b>37.600</b>

**City of Bonney Lake  
POSITION SUMMARY**

Year	2008	2009	2010	2011	2011	2012	2012	2013	2014
	Authorized	Adopted	Adopted	Adopted	Revised	Adopted	Revised	Revised	Revised
	F.T.E.	F.T.E.	F.T.E.	F.T.E.	F.T.E.	F.T.E.	F.T.E.	F.T.E.	F.T.E.

**COMMUNITY DEVELOPMENT**

Community Development Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
GIS Analyst	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
GIS Assistant					1.000	1.000	1.000	1.000	1.000
Senior Planner	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Associate Planner	1.000	1.000	1.000	1.000	1.000	1.000		1.000	1.000
Assistant Planner	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Planning Technician	1.000	1.000	1.000						
Code Enforcement Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Development Services Engineer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Construction Inspector				1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II/III	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Building Official	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Permit Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Permit Technician I/II	2.000	2.000	2.000	1.000	1.000	1.000	1.000	1.000	1.000
Plans Examiner/Sr. Inspector								1.000	1.000
Building Inspector I/II	2.000	2.000	2.000	1.000	1.000	1.000	1.000		1.000
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>15.000</b>	<b>15.000</b>	<b>15.000</b>	<b>13.000</b>	<b>14.000</b>	<b>14.000</b>	<b>13.000</b>	<b>12.000</b>	<b>13.000</b>

**PUBLIC WORKS (Water, Sewer, Streets, Stormwater, ER&R)**

Public Works Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Public Works Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Public Works Support Services Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Engineer		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist IV	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
City Engineer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	3.000	3.000	3.000	3.000	3.000	3.000
Engineering Technician	1.000								
Maintenance Worker I	7.000	7.000	7.000	6.000	6.000	6.000	6.000	6.000	6.000
Maintenance Worker II	18.000	18.000	18.000	17.000	17.000	17.000	17.000	17.000	17.000
Maintenance Electrician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Mechanic II	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Meter Reader	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Project Manager	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Lead Maintenance Worker	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Utility Supervisor	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Street & Stormwater Supervisor	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant City Engineer - Utilities	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Parks Lead Worker					1.000		1.000	1.000	1.000
Maintenance Worker II (Parks/Forestry)					1.000		1.000	1.000	1.000
<b>TOTAL PUBLIC WORKS</b>	<b>44.000</b>	<b>44.000</b>	<b>44.000</b>	<b>44.000</b>	<b>46.000</b>	<b>44.000</b>	<b>46.000</b>	<b>46.000</b>	<b>46.000</b>

City of Bonney Lake POSITION SUMMARY	Year	2008	2009	2010	2011	2011	2012	2012	2013	2014
		Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Revised F.T.E.	Adopted F.T.E.	Revised F.T.E.	Revised F.T.E.	Revised F.T.E.
<b>TOTAL STAFFING (excludes elected officials)</b>		<b>132.850</b>	<b>133.900</b>	<b>133.950</b>	<b>132.350</b>	<b>132.350</b>	<b>136.350</b>	<b>131.350</b>	<b>131.350</b>	<b>131.350</b>
<b>TOTAL POPULATION</b>		<b>16,725</b>	<b>17,082</b>	<b>17,374</b>	<b>17,500</b>	<b>17,500</b>	<b>17,730</b>	<b>17,730</b>	<b>18,010</b>	<b>18,500</b>
<b>F.T.E. per 1,000 population</b>		<b>7.94</b>	<b>7.84</b>	<b>7.71</b>	<b>7.56</b>	<b>7.56</b>	<b>7.69</b>	<b>7.41</b>	<b>7.29</b>	<b>7.10</b>

**Exhibit "F"**  
**2013-2014 Mid-Biennial Budget Amendment**  
**Out of State Travel**

**Out of State Travel - 2014**

**Department:** Community Development  
**BARS Account #** 001.000.058.558.60.43.xx (Travel Expenses) \$1,000.00  
**BARS Account #** 001.000.058.558.60.49.xx \$500.00  
(Miscellaneous/Registration)  
**Staff Position(s)** Permit Coordinator  
**Destination** San Antonio, Texas  
**Dates** April 13 - 16, 2014  
**Purpose of Travel** Tyler Connects 2014 National User Conference (Eden Financial & Permitting Software)  
**Justification** *The City has made a substantial investment in the Eden Software suite, which includes financial, permitting, licensing, utility billing, and customer service modules. The Eden National Conference is a valuable training and network tool that helps staff get more utility out of the software. Two staff members from Finance attended this conference in 2008 and found it extraordinarily valuable. Similar value in attending can be gained by the Permit Coordinator attending the conference.*

**Department:** Community Development  
**BARS Account #** 001.000.058.558.60.43.xx (Travel Expenses) \$1,000.00  
**BARS Account #** 001.000.058.558.60.49.xx \$650.00  
(Miscellaneous/Registration)  
**Staff Position(s)** Community Development Director  
**Destination** Charlotte/Mecklenburg, North Carolina  
**Dates** September 14- 17, 2014  
**Purpose of Travel** International City/County Management Association 2014 Annual Conference  
**Justification** *This conference is approved per Employment Contract and is therefore exempt from Resolution #1787; however, the detail is provided for informational purposes.*

**Department:** Administrative Services Department (Office of Information Services)  
**BARS Account #** 001.000.016.518.80.43.01 (Transportation) \$600.00  
**BARS Account #** 001.000.016.518.80.43.02 (Logging) \$800.00  
**Staff Position(s)** IS Manager  
**Destination** San Antonio, Texas  
**Dates** April 13 - 16, 2014  
**Purpose of Travel** Tyler Connects 2014 National User Conference (Eden Systems Software, Tyler Payments, Tyler Cashiering, etc.)  
**Justification** *The City has made a substantial investment in the Eden Software suite, which includes financial, permitting, licensing, utility billing, and customer service modules. The*

*Eden National Conference is a valuable training and network tool that helps staff get more utility out of the software. The IS Manager attended this conference in 2006 and found it extraordinarily valuable. Similar value in attending can be gained by the IS Manager attending this conference.*

Note: Approval of this list does not necessarily imply that travel funds have been specifically allocated.

## CITY COUNCIL WORKSHOP

November 5, 2013  
5:30 P.M.

### 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](http://www.ci.bonney-lake.wa.us)

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**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 5:32 p.m.

**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 Katrina Minton-Davis, Councilmember Randy McKibbin, and Councilmember Tom Watson. Councilmember James Rackley was absent.

**Deputy Mayor Swatman moved to excuse Councilmember Rackley's absence.  
Councilmember Watson seconded the motion.**

**Motion approved 6 – 0.**

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

**II. AGENDA ITEMS:**

**A. Council Open Discussion**

Safety Crosswalks: Councilmember Lewis said the Public Safety Committee met and discussed safety crosswalks. He said there is a resident in Bonney Lake who lives by Bonney Lake High School who has a self-made safety crossing and flags to assist the students crossing the street. He said the Public Safety Committee would like to find a permanent solution to all crosswalks for pedestrian safety. He said he would like to have Council and the Mayor set aside approximately \$14,000 in the budget to cover the expenses for the safety crosswalks and the Committee discussed different options that may be available at a reasonable expense, and plans to work with the County and the State to address these concerns.

System Development Charges Reductions Expiration: Councilmember Watson asked about the upcoming expiration of the sewer development charges (SDCs) reductions that were implemented last year and whether Council will have further discussion before the scheduled expiration. Mayor Johnson said he thinks it would be best to let the system development charges reduction program expire, especially since the transportation impact fees (TIF) incentive is still in effect and will continue to bring development. Councilmember McKibbin said he is concerned why the City has not heard from the Master Builders Association and why they are not expressing any concerns if the City does not extend the system development charges reduction. Mayor Johnson said a possibility could be to extend the SDCs to expire when the TIF's expire. Councilmember

Hamilton said he would oppose extending the SDC's reduction. Councilmember Minton-Davis said that the current SDC rates are based on the study that was done over five years ago and inquired if the City has the budget to review the rates. City Administrator Morrison said the previous study was based on current growth assumptions, and that has obviously changed. Councilmember Minton-Davis said she would agree to expend monies to review the rates. Councilmember Lewis said he is aware of banks and mortgage companies offering more loans as the economy is getting better. He then asked whether there is any competition between the City with Tehaleh and the County. Councilmember Watson said he would be concerned with extending the SDCs reduction to August. It was Council's consensus to let the SDC's reduction incentive expire.

Youth Forum: Deputy Mayor Swatman said he attended the Youth Forum at Mountain View Middle School and he said there was discussion about concerns with the kids walking to school now, and the over-crowding of the buses. He said another reoccurring issue discussed was the use of drugs and alcohol and there was a huge concern with the adults in attendance and in the community regarding the upcoming marijuana laws. He said the forums are always enjoyable to attend and it is very interesting to hear the different perspectives from the students and the parents.

- B. Review of Council Minutes:** October 15, 2013 Council Workshop, October 22, 2013 Council Meeting, and October 26, 2013 Council Special Meeting

The minutes were forwarded to the November 12, 2013 Meeting for action.

- C. Presentation:** Mayor's Proposed Mid-Biennial Budget Amendment Ordinance and attachments are presented to the City Council at Workshop.

City Administrator Morrison presented a Power Point Presentation regarding the 2013-2014 Mid-Biennial Budget Amendments and discussed the highlights of the Operating Budget Amendments as outlined in the presentation. Councilmember Hamilton asked about the facilities budget and the need of a new boiler at the Public Works Center. City Administrator Morrison then discussed the Principal Capital Projects as laid out in the presentation, and the possible grants the City has or will apply for to assist with the costs. Council had various questions regarding the proposed expenses and costs associated with the Victor Falls Park. Councilmember Lewis asked about money for a future food bank and Mayor Johnson and City Administrator Morrison said that it would most likely be included in the 2015 budget. Councilmember Watson inquired about whether any actions for the Victor Falls Park property, as well as the food bank, would come to Council for discussion and Mayor Johnson advised that yes it would. Mayor Johnson advised that all leases for City buildings are scheduled to be reviewed annually. Councilmember Watson said he just wants to make sure that all leases are treated equally. Councilmember Lewis asked about the current lease agreement with East Pierce Fire & Rescue (EPFR) and City Administrator Morrison said the lease is set to expire but believes EPFR will possibly ask for another extension.

**III. EXECUTIVE SESSION:** None.

**IV. ADJOURNMENT:**

**At 6:30 p.m., Councilmember McKibbin moved to adjourn the Council Workshop.  
Councilmember Lewis seconded the motion.**

**Motion to adjourn approved 6 – 0.**

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Harwood Edvalson, MMC  
City Clerk

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Neil Johnson, Jr.  
Mayor

Items presented to Council for the November 5, 2013 City Council Workshop:

- City Administrator Don Morrison – *PowerPoint Presentation Re: 2013-2014 Mid-Biennium Budget Amendments.*

*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

November 12, 2013  
7:00 P.M.

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](http://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, Community Development Director John Vodopich, Chief Financial Officer Al Juarez, Police Chief Dana Powers, Administrative Services Director/City Clerk Harwood Edvalson, City Attorney Kathleen Haggard, and Records & Information Specialist Susan Haigh.

C. Announcements, Appointments and Presentations:

- 1. Announcements: None.
- 2. Appointments: None.
- 3. Presentations: None.

D. Agenda Modifications: None.

**II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:**

A. Public Hearings:

- 1. **AB13-127** – A Public Hearing Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Consider Revenue Sources And Possible Property Tax Increases Before Setting The Ad Valorem Property Tax Rate For 2014.

**Mayor Johnson opened the public hearing at 7:01 p.m.**

Dan Decker, 20401 70<sup>th</sup> St E, Bonney Lake, said city, county, or state tax increases harm people and he spoke against property tax increases in Bonney Lake.

James Kelly McClimans, 19025 68<sup>th</sup> St E, Bonney Lake, said the City’s public notice for this hearing should better explain what impact a property tax increase would have on property owners, including the percentage increase per \$1,000 of property value.

**Seeing no additional speakers, the public hearing was closed at 7:04 p.m. and continued to the November 26, 2013 City Council Meeting at 7:00 p.m.**

2. **AB13-135** – A Public Hearing Of The City Of Bonney Lake, Pierce County, Washington, Regarding Ordinance 1468, Declaring A Moratorium Prohibiting The Production, Processing, And Retail Sales Of Recreational Marijuana And Prohibiting Granting Of Any City License Or Permit Related To Such Activities.

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

Marilee Hill-Anderson, Sumner School District, is the STARR Project Director for the school district, and provided the Council with information to consider related to the moratorium, including the results of a 2012 survey of students in the Sumner School District regarding marijuana use and perceptions among local youth. She said parents and the community can have a big impact on youth drug use.

Kim Nygard, Sumner School District, said she works with the grant-funded STARR Project promoting the prevention of drug and alcohol use by youth. She provided information and data about drug and alcohol use, including marijuana, and asked the Council to consider this information in its deliberations.

James Kelly McClimans, 19025 68<sup>th</sup> St E, Bonney Lake, said the U.S. military does not accept people who use illegal drugs. He said the State of Washington does not yet have a good plan and the City is best-served by continuing the moratorium.

Dan Decker, 20401 70<sup>th</sup> St E, Bonney Lake, said Initiative 502 was a bad initiative and is a bad result for the State, and that drug use is bad for children. He spoke in favor of continuing the moratorium and said the City of Bonney Lake should not have any marijuana stores.

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

B. Citizen Comments:

Laurie Carter, 9418 184<sup>th</sup> St E, Bonney Lake, challenged the Council and Mayor to match, by a food or cash donation, her donation of 8 meals-worth of food to the Bonney Lake Food Bank. She also challenged Mayor Johnson to match her cash donation. She said the citywide holiday food drive runs from November 25, 2013 to December 9, 2013, and encouraged all to participate and support the Food Bank.

Mayor Johnson said the Police Department will be placing collection bins at various locations and City buildings soon.

James Kelly McClimans, 19025 68<sup>th</sup> St E, Bonney Lake, congratulated the Councilmembers and Mayor for their recent re-elections. He said his purpose in running for a Council seat was to push against urban sprawl in Bonney Lake. He said he favors small government, and it is important that the City grows to serve the citizens, not the City. He spoke about the importance of the Council in making decisions that affect people who live in Bonney Lake.

Marilee Hill-Anderson, Sumner School District, introduced Kim Nygard to the Council. She said Ms. Nygard managed a federal grant in Puyallup previously, and Sumner

recently learned it has received a 5-year grant to help reduce drug and alcohol use by youth. She said the project is a partnership between several groups. She thanked members of the City, in particular Police Chief Powers, Mayor Johnson, City Administrator Morrison, and Special Events Coordinator David Wells for their support. She said she and Ms. Nygard will report regularly about activities and campaigns, and will hold coalition meetings on the third Monday each month in Sumner at 1:30 p.m.

Dan Decker, 20401 70<sup>th</sup> Ave E, Bonney Lake, spoke about the recent general election and his disappointment in the results of Initiative 517 and Initiative 522. He congratulated Mayor Johnson, Councilmember Lewis, Councilmember McKibbin, and Deputy Mayor Swatman on their re-elections. He spoke about living in Bonney Lake since 1958 and the issues of urban sprawl.

- 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 personnel updates, forwarded a proposed wholesale water supply purchase agreement with Cascade Water Alliance to a future meeting for consideration, and reviewed the Committee meeting notes.
- B. Community Development Committee / Economic Development Focus Group: Councilmember Watson said the Economic Development Focus Group (EDFG) met on November 5, 2013. He said City Administrator Morrison gave a presentation on potential areas for growth and retail opportunities in the City, and the results of a survey to residents showing which businesses they want in Bonney Lake.
- C. Public Safety Committee: Councilmember Hamilton said the Committee met on November 4, 2013, and discussed crosswalk safety. The Committee recommends that \$14,000 be allocated to install one illuminated crosswalk in the City, as well as a manual flag system at the Allen Yorke Park crosswalk. The Committee also discussed the Police Department's crime statistics report, potential jail services and management options.
- D. Other Reports:

Community Updates: Councilmember Watson said he and Deputy Mayor Swatman attended the Communities for Families meeting in Sumner on November 7<sup>th</sup>, and heard a presentation from Sumner School District Superintendent Dr. Sarah Johnson. He said the annual 'Community Big Give' event is on November 23, 2013 in Bonney Lake and Sumner. He said the group was introduced to Kim Nygard, who is working with the School District on a grant-funded program to reduce youth drug and alcohol use.

Councilmember Watson said he attended a flag-raising ceremony for Veterans Day on November 11, 2013. He thanked all who served in the military and he is excited to see a monument on the site in the future.

Councilmember Watson thanked Councilmember Lewis for helping him clean up his Adopt-A-Street route recently.

Councilmember Watson reminded the Council that Senator Pam Roach and County Councilmember Dan Roach are hosting a meeting on November 14, 2013 at 7:00 p.m. at

Dieringer Heights Elementary School about the possible adverse action by the Department of Ecology related to the Lake Tapps shoreline.

Councilmember Lewis said he attended the White River Communities for Families coalition on October 28, 2013 at the Buckley Fire Station. The group discussed programs for needy families including a bicycle safety and repair workshop. The first meeting for the bicycle program is scheduled on November 14<sup>th</sup>.

Councilmember Lewis said he plans to attend the Fennel Creek Habitat Team meeting at 6:30 p.m. on November 14, 2013 at the Bonney Lake Library. He said members of the community seem very excited about the opening of the Fennel Creek Trail and a lot of people are using the trail.

#### IV. CONSENT AGENDA:

- A. **Approval of Minutes:** October 15, 2013 Workshop, October 22, 2013 Meeting and October 26, 2013 Special Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #67284-67305 (including wire transfer #'s 20131015, and 20131016) in the amount of \$32,871.06.  
Accounts Payable checks/vouchers #67306-67308 in the amount of \$4,785.16 for Accounts Receivable deposit refunds.  
Accounts Payable checks/vouchers #67309-67333 in the amount of \$3,301.09 for utility refunds.  
Accounts Payable checks/vouchers #67334-67372 in the amount of \$897,339.06.  
Accounts Payable checks/vouchers #67373-67406 in the amount of \$65,134.08.  
Accounts Payable checks/vouchers #67407-67429 in the amount of \$1,826.86 for utility refunds.

#### **VOIDS:**

Check #56625 – unclaimed property; Check #56756 – unclaimed property; Check #57427 – unclaimed property; Check #57437 – unclaimed property; Check #58803 – unclaimed property; Check #59190 – unclaimed property; Check #59546 – unclaimed property; Check #59833 – unclaimed property; Check #59835 – unclaimed property; Check #60070 – unclaimed property; Check #60189 – unclaimed property; Check #61769 – unclaimed property; Check #61785 – unclaimed property; Check #61789 – unclaimed property; Check #62312 – unclaimed property; Check #62320 – unclaimed property; Check #62328 – unclaimed property; Check #62342 – unclaimed property; Check #62343 – unclaimed property; Check #62346 – unclaimed property; Check #62517 – unclaimed property; Check #62723 – unclaimed property; Check #62732 – unclaimed property; Check #63501 – unclaimed property; Check #63517 – unclaimed property; Check #63539 – unclaimed property; Check #63547 – unclaimed property; Check #63561 – unclaimed property; Check #63566 – unclaimed property; Check #63585 – unclaimed property; Check #63895 – unclaimed property; Check #63911 – unclaimed property; Check #64064 – wrong vendor paid; Check #64067 – unclaimed property; Check #64077 – unclaimed property; Check #64087 – unclaimed property; Check #67319 – replaced with checks #67410, and #67411; Check #67329 – replaced with checks #67424, and #67425; Check #67330 – replaced with checks #67426, and #67428.

- C. **Approval of Payroll:** Payroll for October 1-15, 2013 for checks #31385-#31410 including Direct Deposits and Electronic Transfers is \$ 438,931.85.

Payroll for October 16-31, 2013 for checks #31411-31442 including Direct Deposits and Electronic Transfers is \$ 652,348.54.

- D. **AB13-138** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting A Public Hearing At 7:00 P.M., Or As Soon Thereafter As Possible, During The Regular Council Meeting Of November 26, 2013 To Consider Amendments To The 2013 - 2014 Biennial Budget That Was Adopted On December 11, 2012 Via Ordinance 1447.

**Councilmember Watson moved to approve the Consent Agenda. Councilmember Lewis seconded the motion.**

**Consent Agenda approved 7 – 0.**

V. **FINANCE COMMITTEE ISSUES:** None.

VI. **COMMUNITY DEVELOPMENT ISSUES:** None.

VII. **PUBLIC SAFETY COMMITTEE ISSUES:** None.

VIII. **FULL COUNCIL ISSUES:** None.

IX. **CLOSED SESSION:**

Pursuant to RCW 42.30.140(4)(a), the Council adjourned to a Closed Session with the City Attorney at 7:50 p.m. for 10 minutes to discuss interpretation and application of a collective bargaining agreement. The Session was extended for 5 minutes at 8:02. The Council returned to Chambers at 8:08 p.m. No action was taken.

X. **ADJOURNMENT:**

**At 8:08 p.m., Councilmember Rackley moved to adjourn the Council Meeting. Councilmember Watson seconded the motion.**

**Motion to adjourn approved 7 – 0.**

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Harwood Edvalson, MMC  
City Clerk

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Neil Johnson, Jr.  
Mayor

Items presented to Council at the November 12, 2013 Meeting:

- John, Sandra, and Katie Teter – *Letter to City Council (Public Hearing AB13-135).*
- Marilee Hill-Anderson, Sumner School District – *Healthy Youth Survey Fact Sheet: Current Marijuana Use for Sumner School District, and Youth Marijuana Use in Sumner School District in 2012.*

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

<b>Department/Staff Contact:</b> PW / John Woodcock	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-129
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2338	<b>Councilmember Sponsor:</b> Randy McKibbin

**Agenda Subject:** Award the contract with KPG Engineering for the 30% Design of the 186<sup>th</sup> Avenue Corridor Street Improvements in the Downtown Area.

**Full Title/Motion:** A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Authorize The Award Of The Contract With KPG Engineering For The 30% Design Of The 186<sup>th</sup> Avenue Corridor Street Improvements In The Downtown Area.

**Administrative Recommendation:**

**Background Summary:** The City Council approved Resolution 2303 on 14 May 2013 a Developer Agreement with the Renwood LLC. This agreement requires offsite street improvements to mitigate the impact of the Renwood development on surrounding streets.

On October 15<sup>th</sup>, 2013 the CDC met and directed staff to submit a design effort of 30% for two options, the 186<sup>th</sup> Ave., 88<sup>th</sup> St., and 188<sup>th</sup> Ave. improvement and extension of 186<sup>th</sup> Ave. to Veterans Memorial Drive. This 30% design effort will quantify costs to purchase right of way, underground utilities, and construct the improvements. Further direction by City Council will be needed after the results of this effort have been completed and reviewed, before proceeding with ROW Acquisition & Final Design

**Attachments:** Resolution, Area Map, PSA

<b>BUDGET INFORMATION</b>			
<b>Budget Amount</b>	<b>Current Balance</b>	<b>Required Expenditure</b>	<b>Budget Balance</b>
\$1,000,000	\$1,000,000	\$70,443	\$929,557
<b>Budget Explanation:</b> 301.034.032.595.10.63.01			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	Community Development Date: 19 November 2013	<b>Approvals:</b> Chair/Councilmember Randy McKibbin Councilmember Jim Rackley Councilmember Katrina Minton-Davis	<b>Yes</b> <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
	Forward to: Full Council	<b>Consent Agenda:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Commission/Board Review:</b>	Community Development- 15 October 2013		
<b>Hearing Examiner Review:</b>			

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

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



**RESOLUTION NO. 2338**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, AUTHORIZING A CONTRACT WITH KPG ENGINEERING FOR SERVICES FOR THE 30% DESIGN OF THE 186<sup>TH</sup> CORRIDOR IMPROVEMENTS PROJECT.**

**WHEREAS**, the City Council approved Resolution 2303 on 14 May 2013 a Developer Agreement with the Renwood LLC. This agreement requires offsite street improvements to mitigate the impact of the Renwood development on surrounding streets; and

**WHEREAS**, on October 15<sup>th</sup>, 2013 the CDC met and directed staff to submit a design effort of 30% for two options, the 186<sup>th</sup> Ave., 88<sup>th</sup> Ave., and 188<sup>th</sup> Ave. improvement and extension of 186<sup>th</sup> Ave. to Veterans Memorial Drive.; and

**WHEREAS**, this 30% design effort will quantify costs to purchase right of way, underground utilities, and construct the improvements. Further direction by City Council will be needed, after the results of this effort have been completed and reviewed; and

**WHEREAS**, funding for this expenditure will be from mitigation fees contributed by the developer

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON HEREBY RESOLVES AS FOLLOWS:**

That the City of Bonney Lake Council does hereby authorize the Mayor to sign the attached contract with KPG Engineering in the amount of \$70,443.

**PASSED BY THE CITY COUNCIL this 26<sup>th</sup> day of November, 2013.**

\_\_\_\_\_  
Neil Johnson, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathleen Haggard, City Attorney



## PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of Bonney Lake (“City”) and \_\_\_\_\_ KPG, Inc. \_\_\_\_\_ (“Consultant”).

The parties hereby agree as follows:

1. **Scope of Work.** The Consultant shall perform all work and provide all materials described in the Scope of Work set out in Exhibit A attached hereto and incorporated herein by this reference. Such work shall be performed using facilities, equipment and staff provided by Consultant, and shall be performed in accordance with all applicable federal, state and local laws, ordinances and regulations. The Consultant shall exercise reasonable care and judgment in the performance of work pursuant to this Agreement. The Consultant shall make minor changes, amendments or revisions in the detail of the work as may be required by the City, such work not to constitute Extra Work under this Agreement.
2. **Ownership of Work Product.** Documents, presentations and any other work product produced by the Consultant in performance of work under this Agreement shall be tendered to the City upon completion of the work, and all such product shall become and remain the property of the City and may be used by the City without restriction; *provided*, that any such use by the City not directly related to the particular purposes for which the work product was produced shall be without any liability whatsoever to the Consultant.
3. **Payment.** The Consultant shall be paid by the City for completed work and services rendered under this Agreement pursuant to the rates and charges set out in Exhibit B, attached hereto and incorporated herein by this reference. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. All billings for compensation for work performed under this Agreement shall list actual time and dates during which the work was performed and the compensation shall be figured using the rates set out in Exhibit B; *provided*, that payment for work within the Scope of Work (Exhibit A) shall not exceed the fee/hour estimate set out in Exhibit B without written amendment to this Agreement, agreed to and signed by both parties.

Acceptance of final payment by the Consultant shall constitute a release of all claims, related to payment under this Agreement, which the Consultant may have against the City unless such claims are specifically reserved in writing and transmitted to the City by the Consultant prior to acceptance of final payment. Final payment shall not, however, be a bar to any claims that the City may have against the Consultant or to any remedies the City may pursue with respect to such claims.

The Consultant and its sub consultants shall keep available for inspection, by the City, for a period of three years after final payment, the cost records and accounts pertaining to this Agreement and all items related to, or bearing upon, such records. If any litigation, claim or audit is started before

the expiration of the three-year retention period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The three-year retention period shall commence when the Consultant receives final payment.

4. **Changes in Work.** The Consultant shall make all revisions and changes in the work completed under this Agreement as are necessary to correct errors, when required to do so by the City, without additional compensation.

5. **Extra Work.** The City may desire to have the Consultant perform work or render services in addition to or other than work provided for by the expressed intent of the Scope of Work. Such work will be considered Extra Work and will be specified in a written supplement which will set forth the nature and scope thereof. Work under a supplement shall not proceed until authorized in writing by the City. Any dispute as to whether work is Extra Work or work already covered by this Agreement shall be resolved before the work is undertaken. Performance of the work by the Consultant prior to resolution of any such dispute shall waive any claim by the Consultant for compensation as Extra Work.

6. **Employment.** Any and all employees of Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of said employees, while so engaged; any and all taxes arising out of Consultant's or Consultant's employees' work under this Agreement; and any and all claims made by a third party as a consequence of any acts, errors, or omissions on the part of the Consultant's employees, while so engaged, shall be the sole obligation and responsibility of the Consultant, except as provided in Section 12 of this agreement. The Consultant's relation to the City shall at all times be as an independent contractor.

7. **Nondiscrimination and Legal Compliance.** Consultant agrees not to discriminate against any client, employee or applicant for employment or for services because of race, creed, color, national origin, marital status, gender, age or handicap except for a bona fide occupational qualification with regard to, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and rendition of services. The consultant represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Reform and Control Act of 1986, including but not limited to the provisions of the Act prohibiting the hiring and continued employment of unauthorized aliens and requiring verification and record keeping with respect to the status of each of its employees' eligibility for employment. The consultant shall include a provision substantially the same as this section in any and all contracts with sub consultants performing work required of the contractor under this contract. The consultant agrees to indemnify and hold the City harmless from any and all liability, including liability for interest and penalties, the City may incur as a result of the consultant failing to comply with any provisions of the Immigration Reform and Control Act of 1986. Consultant understands and agrees that if it violates this section, this Agreement may be terminated by the City, and that Consultant shall be barred from performing any services for the

City in the future unless and until a showing is made satisfactory to the City that discriminatory practices have terminated and that recurrence of such action is unlikely.

8. **Term.** This Agreement shall become effective upon the day of its execution by both parties, and shall terminate upon completion of the work and delivery of all materials described in Exhibit A.

9. **Termination by City.** The City may terminate this Agreement at any time upon not less than ten (10) days written notice to Consultant, subject to the City's obligation to pay Consultant in accordance with subsections A and B below.

A. In the event this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for actual cost of work complete at the time of termination of the Agreement. In addition, the Consultant shall be paid on the same basis as above for any authorized Extra Work completed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the termination notice. If the accumulated payment(s) made to the Consultant prior to the termination notice exceeds the total amount that would be due as set forth in this subsection, then no final payment shall be due and the Consultant shall immediately reimburse the City for any excess paid.

B. In the event the services of the Consultant are terminated by the City for fault on the part of the Consultant, subsection A of this section shall not apply. In such event the amount to be paid shall be determined by the City with consideration given to the actual costs incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which was satisfactorily completed to date of termination, whether that work is in a form or of a type which is usable by the City at the time of termination, the cost to the City of employing another person or firm to complete the work required and the time which may be required to do so, and other factors which affect the value to the City of the work performed at the time of termination. Under no circumstances shall payment made under this subsection exceed the amount which would have been made if subsection A of this section applied.

C. In the event this Agreement is terminated prior to completion of the work, the original copies of all work products prepared by the Consultant prior to termination shall become the property of the City for its use without restriction; *provided*, that any such use by the City not directly related to the particular purposes for which the work product was produced shall be without any liability whatsoever to the Consultant.

10. **Termination by Consultant.** Consultant may terminate this Agreement only in response to material breach of this Agreement by the City, or upon completion of the work set out in the Scope of Work and any Extra Work agreed upon by the parties.

11. **Applicable Law; Venue.** The law of the State of Washington shall apply in interpreting this Agreement. Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of the State of Washington, in and for Pierce County.

## 12. Indemnification / Hold Harmless

Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or resulting from the negligent acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

### Insurance

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

#### A. Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

## B. Minimum Amounts of Insurance

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

## C. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respect the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.
2. The Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

## D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

## E. Verification of Coverage

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

13. **Subletting or Assigning.** The Consultant shall not sublet or assign any of the work covered by this Agreement without the express written consent of the City.

14. **Entire Agreement.** This Agreement represents the entire Agreement between the parties. No change, termination or attempted waiver of any of the provisions of the Agreement shall be binding on any party unless executed in writing by authorized representatives of each party. The agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the parties.

15. **Waiver.** Failure by any party to this Agreement to enforce any provision of this Agreement or to declare a breach shall not constitute a waiver thereof, nor shall it impair any party's right to demand strict performance of that or any other provision of this Agreement any time thereafter.

16. **Severability.** If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the application of the remainder of the Agreement shall not be affected.

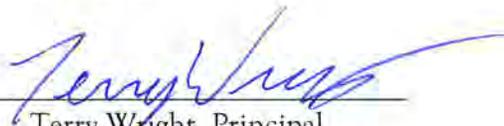
17. **Execution and Acceptance.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The Consultant hereby ratifies and adopts all statements, representations, warranties, covenants, and agreements contained in the supporting materials submitted by the Consultant, and does hereby accept the Agreement and agrees to all of the terms and conditions thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF BONNEY LAKE

CONSULTANT

By: \_\_\_\_\_  
Neil Johnson Jr., Mayor

By:   
Terry Wright, Principal

**Attachments:**

- Exhibit A: Scope of Work/Deliverables/Fee
- Exhibit B: Rates

**EXHIBIT A – Scope of Work**  
**City of Bonney Lake**  
**Renwood Offsite Improvements Project**  
**Preliminary Design**

**KPG**  
**November 12, 2013**

**INTRODUCTION**

The following scope of work will outline the effort required to complete 30% design for the City of Bonney Lake Renwood Offsite Improvements Project. Upon the completion of the 30% design the City will select a preferred option, and then a separate scope and budget will be prepared to cover the effort associated with final design of the preferred option. The Scope of Work for preliminary design is based on the following proposed improvements:

- Preliminary design for 186<sup>th</sup> Ave E from 90<sup>th</sup> Street east to the intersection of 88<sup>th</sup> Street east. Install curb, gutter, & sidewalk on west side and stormwater swale on east side. Conversion of existing overhead utilities to a joint utility trench and replace City utilities as required.
- Preliminary design for two options to connect 186<sup>th</sup> Ave E to Veterans Memorial Drive (VMD). The alignment options are:
  - Option 1: 88<sup>th</sup> Street – (186<sup>th</sup> Ave to 188<sup>th</sup> Ave) - Sidewalk on north side and stormwater swale on south side and 188<sup>th</sup> Ave (88<sup>th</sup> Street to VMD at signal) – Curb & Gutter on west side, and extend existing sidewalk on east side of 188<sup>th</sup> south to 88<sup>th</sup> Street. Conversion of existing overhead utilities to a joint utility trench and replace City utilities as required.
  - Option 2: 186<sup>th</sup> Ave east (88<sup>th</sup> St to VMD) – extend new roadway to the north and connect to VMD at a new non-signalized intersection. Install curb, gutter, & sidewalk on west side and stormwater swale on east side. Install new joint utility trench and

Preliminary design will be completed as required to determine:

- Right-of-way acquisition requirements.
- Private property impacts.
- Horizontal location of curbs, sidewalks, and drainage swales.
- Approximate type, size, and location of storm water treatment.
- Approximate type, size, and location of retaining walls.
- Locations of proposed City utilities.
- City utilities needing replacement and/or upgrading.
- Required private utility relocations.

## EXHIBIT A – Scope of Work

- Probable construction cost for:
  - 186<sup>th</sup> Ave East (90<sup>th</sup> St to 88<sup>th</sup> Street)
  - 186<sup>th</sup> Ave East to VMD – Option 1 and Option 2.

The following assumptions were made when preparing the scope and budget for preliminary design:

- Storm Water quality treatment will consist of treatment vaults such as Filterrras, and quantity treatment will consist of infiltration within the project limits.
- A storm water collection system will not be constructed to convey water outside of the project limits.
- No Federal funds are involved in the project.
- No irrigation system will be required.
- Illumination will match that of Main Street.
- No permits will be required for this phase of work.
- Replacement of sewer and water lines will not be required.
- Negotiations and appraisals for right-of-way acquisitions will be completed by others under a separate agreement.
- Title reports will be provided by the City.

The following scope of work includes the effort to complete the above described improvements:

## EXHIBIT A – Scope of Work

### SCOPE OF WORK

#### **Task 1.0 – Management/Coordination/Administration**

This task covers the effort required to manage the contract and to ensure that the project meets the client's expectations for schedule, budget, and quality of product:

- 1.1 Provide project administrative services including:
  - Project set-up and execute agreement
  - Execution of subconsultant agreements
  - Preparation of monthly progress reports and invoices
  - Maintaining project files
  - Record keeping and project closeout
- 1.2 Provide project management services including:
  - Project staff management and coordination
  - Subconsultant management and coordination
  - Prepare and update project schedule
  - Schedule and budget monitoring
- 1.3 Design Coordination meetings with City staff:
  - Attend 3 design review/coordination meetings with City staff. Budget assumes that the KPG project manager and lead project engineer will attend all meetings and task leads will attend meetings as needed.
- 1.4 Provide QA/QC reviews of all submittals (30% plans and Construction Estimate by senior staff.
- 1.5 Miscellaneous letters and phone calls.

#### **Products:**

- Monthly progress report and invoice
- Meeting minutes for Consultant/City Meeting
- QA/QC of all Submittal packages

#### **Assumptions:**

**30% Design will be completed in the April of 2014.**

## EXHIBIT A – Scope of Work

### Task 2.0 – Survey and Base Mapping

This task covers the effort to create a basemap sufficient to:

- Complete final design of 186<sup>th</sup> Ave east (from 90<sup>th</sup> St. to 88<sup>th</sup> St.).
- Complete preliminary design for Option 1 and Option 2 as described above.
- Define right-of-way lines for all streets within the project limits, including VMD in the area of the proposed intersection

The following effort is anticipated to provide the above information:

- 2.1 Survey Control: Existing monuments and property markers will be located and horizontal and vertical control points set, which will be used for mapping and control during construction. Horizontal and Vertical datum will be based on City Standard.
- 2.2 Detailed Mapping: Limits of the detailed topographic mapping will be completed along 186<sup>th</sup> from 90<sup>th</sup> St. E. to 88<sup>th</sup> St. E as follows:
  - Typically 5-feet past ROW
  - 10-feet past ROW at all driveway locations
  - 10-feet past ROW at proposed retaining wall locations
  - 50-feet-east of 186<sup>th</sup> Ave on 88<sup>th</sup> Street
  - 50-feet-west of 186<sup>th</sup> Ave on 89<sup>th</sup> Street
  - To the south curb line of Veterans Memorial Dr. E
  - 30-feet to the east and south of the intersection of 88<sup>th</sup> Street E and 188<sup>th</sup> Ave E
- 2.3 Preliminary Mapping: Limits of the preliminary mapping required to complete the 30% design for the connection to VMD are as follows:
  - 88th St E (186<sup>th</sup> Ave E to 188<sup>th</sup> Ave E): edge of pavement, edge of gravel, fences, driveway locations, utility castings and poles, ditches, top and toe of slopes within existing right-of-way.
  - Intersection of 88<sup>th</sup> St. E and 188<sup>th</sup> Ave E: as described for 88<sup>th</sup> St. E 50-feet east and south of center of intersection
  - 188<sup>th</sup> Ave E (88<sup>th</sup> St. E to the curb returns on the south side of VMD): as described above plus the location of existing curbs and building on the west side of 188<sup>th</sup>
  - 186<sup>th</sup> Extension (88<sup>th</sup> St E. to VMD):
    - VMD: pavement markings, north curb line and south curb and sidewalk 100-feet each side of the proposed intersection

## EXHIBIT A – Scope of Work

- US Post Office & Commercial Property to east: parking stall locations, curbs, building locations, and top and toes of slopes
  - Private Property (just north of 186<sup>th</sup> Ave E and 88<sup>th</sup> St E): fence lines on the north and south of property, building locations, driveway locations and other features that can be seen from the Street. We anticipate that our surveyors will not enter private property.
- 2.4 Right-of-Way and parcel lines – The existing street right-of-way will be defined along the entire project limits and lot lines will be defined for the 6 parcels where right-of-way will be required.
- 2.5 Utility Locations –
- 2.5.1 186<sup>th</sup> Ave east from 90<sup>th</sup> to 88<sup>th</sup> St E: KPG will hire a private utility location firm to locate all franchise utilities including PSE for gas and underground power lines, and Century Link for underground telephone lines. It is assumed that the City will locate all City utilities such as water, sewer, and storm lines. Locations of these marked utilities will be included in the field survey.
- 2.5.2 All other locations: Above ground utilities such as utility poles, water valve, and manhole castings will be located. Utilities that are not visible on the surface will not be located.
- 2.6 Gravity Utility Structures – measure downs and sketches will be provided for all sanitary and storm sewer structures on 186<sup>th</sup> Ave E only.
- 2.7 Legal Descriptions and Figures – Once the preferred alternatives are complete KPG will prepare legal descriptions and figures for eight (8) property acquisitions associated with the roadway improvements.
- 2.8 Utility Pot Holes – Not included in preliminary design.

### Products:

- Electronic basemap showing existing right-of-way, utility locations, surface features, and contours at 1 foot intervals.
- Eight (6) legal descriptions and figures.

### Assumptions:

- Basemap will be prepared in AutoCAD Civil 3D using KPG drafting standards.
- Additional detailed mapping will be required for final design.
- Title reports will be paid for by the City and are not included in this scope and budget.

## EXHIBIT A – Scope of Work

### Task 3.0 – Preliminary Design 30% Design

Efforts under this task include the anticipated work necessary to complete the preliminary design associated with the roadway improvements. Preliminary design will be completed to the level required to provide the following information:

- 3.1 Horizontal alignment of curbs, sidewalks and ditches.
- 3.2 Locations of pavement markings.
- 3.3 Locations and types of retaining walls.
- 3.4 Locations of street lights.
- 3.5 Determine right-of-way acquisition needs.
- 3.6 Approximate locations of joint utility trench (JUT).
- 3.7 Approximate locations and approximate size of infiltration facilities and water quality (Filtera).
- 3.8 Private utility impacts and relocations not associated with the utility conversion.
- 3.9 Identify impacts to private property both inside and outside of existing right-of-way.
- 3.10 Preliminary construction cost estimates.

#### Products:

- Roll plot showing the above described improvements
- Horizontal Plan sheets that can be provided to Franchise Utilities
- Construction Cost estimate
- Preliminary right-of-way plan showing proposed and existing ROW

### Task 4 – Utility Conversion

Efforts under this task includes the anticipated work necessary to coordinate with franchised utilities and prepare an approximate cost estimate to convert the existing overhead utilities to a joint utility trench.

- 4.1 Utility Coordination Meetings: The Consultant will work with PSE and the other franchised utility companies to create a preliminary construction cost estimate for the utility conversion and a new underground system for the 186<sup>th</sup> Ave E extension.
- 4.2 Preliminary Undergrounding Plan: KPG will coordinate with Puget Sound Energy (PSE), Century Link, and Comcast Cable to develop a preliminary undergrounding plan of existing overhead utilities. KPG will provide each utility with a PDF and AutoCADD copy of the preliminary design as approved under Task 3 above. The preliminary design will include information required for each utility to perform a Fit/No Fit and complete a schematic design.

*City of Bonney Lake*

*Renwood Offsite Improvements Project*

*30% Design*

*KPG*

*Project No. 13095*

*11/12/13*

## EXHIBIT A – Scope of Work

It is anticipated that the horizontal locations of the following will be provided in the preliminary design: right-of-way lines, curbs, sidewalks, driveways, signal poles, light poles, and planter strips. Each utility company will provide a schematic design of their proposed undergrounding facilities, including easements/right-of-way needs, vaults, number and size of conduits, temporary pole relocations, and terminal pole locations back to KPG. The Consultant shall incorporate the utility provided information into a preliminary aerial conversion plan compatible with proposed corridor improvements. This preliminary aerial conversion plan will show the locations of all utility vaults, junction boxes and other structures based on the information provided by each franchised utility. It is anticipated that one meeting will be held with all private utilities to review the preliminary design and another will be held to review the preliminary aerial conversion plan.

- 4.3 Private Property Conversion: KPG will prepare a summary table of existing connection type by parcel and provide the City with a summary of properties that need to be converted to underground service based on information provided by the franchised utilities. It is assumed that approximately 17 private property conversions will be required. KPG will prepare a preliminary construction cost estimate for the conversion.

### Products:

- Two utility meetings with meeting minutes
- Preliminary undergrounding plan
- Preliminary Construction Cost Estimate
- List of required private property conversions

### Assumptions:

- Design will only be completed as required to provide a preliminary estimate.

### Task 5: Public Involvement

The purpose of this task will be to provide the City with materials for public meetings. The anticipated scope of work under this task is summarized below:

- 5.1 Public Meetings: KPG will attend and prepare color roll plots, figures, and other graphics as need for a project open house meeting and council meetings. These meetings will be used to introduce the project to the adjacent property owners and inform council.

## EXHIBIT A – Scope of Work

### Products:

- Public Meeting graphics

### Assumptions:

- City will arrange and provide facilities for all public meetings
- Individual property owner meetings will not be required in this phase of work

### Task 6: Geotechnical Services

The purpose of this task will be to complete shallow test pits to explore the subsurface conditions and evaluate locations for storm water infiltration. **Under this task the City will provide a backhoe and traffic control for soil investigation.** Specific scope of our services is summarized as follows:

6.1 Coordinate and manage the field investigation, including coordinating utility locate requests. We anticipate that pilot infiltration tests (PIT) can be completed in the unpaved right-of-way area adjacent to the road. GeoDesign will coordinate work with the city of Bonney Lake personnel to avoid significant impacts to property owners adjacent to the alignment.

6.2 Mark test pit locations and request public utility locates. A separate trip to the site will be necessary to mark the test pit locations in order to get the utility locates completed and to identify if any parking areas will need to be closed during the field work.

6.3 Explore subsurface conditions by completing up to six test pits approximately 150 to 200 feet apart along the proposed alignment. We anticipate completing two test pits on 186<sup>th</sup> Avenue East, two on 88<sup>th</sup> Street East, and two on 188<sup>th</sup> Avenue East. The City of Bonney Lake will provide the backhoe with an operator and the equipment for obtaining water from nearby fire hydrants.

The test pits will be completed to a depth of approximately 3 feet below ground surface (BGS), at which point the PIT test will be completed. After the PIT is completed, excavation will continue to a depth of about 8 feet. Our representative will perform the PIT test, collect soil samples, and maintain a log of the subsurface conditions encountered. The test and soil sampling will be completed in general accordance to the Department of Ecology 2012 Western Washington Stormwater Management Manual.

6.4 Prepare a geotechnical report summarizing our findings related to the following:

- Subsurface soil and groundwater conditions and results of laboratory testing
- Results of PIT tests and a recommended long-term infiltration rate for use in design of the infiltration trenches

## EXHIBIT A – Scope of Work

### **Other Services:**

The City may require additional services of the Consultant. These services include final design, assistance during the advertisement and award period, value engineering support, permit assistance, and/or construction management and inspection services. At the time these services are required, the Consultant shall provide the City with a detailed scope of work and an estimate of costs. The Consultant shall not proceed with the work until the City has authorized the work and issued a notice to proceed.

# EXHIBIT B

## PROJECT SUMMARY

**CLIENT:** City of Bonney Lake  
**PROJ NAME:** Renwood Offset Preliminary Design  
**Job #:** 13095  
**PROJ MGR.:** Terry Wright  
**DATE:** November 13, 2013

			SUBCONSULTANTS						
Task	Description	KPG ARCHIT/ENG	GeoDesign						Totals
1.0	Management/Coordination/Admin	\$7,913							\$7,913
2.0	Survey and Base Mapping	\$18,207							\$18,207
3.0	Preliminary Design 30% Design	\$26,525							\$26,525
4.0	Utility Conversion	\$8,937							\$8,937
5.0	Public Involvement	\$2,911							\$2,911
6.0	Geotechnical Services		\$5,950						\$5,950
								Expenses =	\$456
<b>Totals</b>		<b>\$64,493</b>	<b>\$5,950</b>						<b>\$70,443</b>

## EXHIBIT B

### OTHER DIRECT COSTS EXPENSE ESTIMATE

DATE: November 13, 2013

CLIENT: City of Bonney Lake  
 PROJ NAME: Renwood Offset Preliminary Design  
 Job # 13095

EXPENSE ITEM	Cost	/ Unit	Qty	Total
Travel - Mileage	0.555	\$ / mile	100	\$56
Travel - Parking County	9.00	\$ / 4 hrs	0	\$0
Maps and Charts	-	estimate	LS	\$0
8 1/2 X 11 Copies	0.10	\$ea	0	\$0
11 X 17 Copies	0.35	\$ea	0	\$0
Blueline Prints	0.35	\$ea	0	\$0
11 X 17 Plot Check Prints	1.00	\$ea	0	\$0
Color Reduction Prints 8 1/2 x 11	1.00	\$ea	0	\$0
Color Reduction Prints 11 x 17	1.50	\$ea	0	\$0
22 X 34 Copies	2.00	\$ea	0	\$0
22X34 Plot Check Prints Copy (Bond)	6.00	\$ea	0	\$0
Plots Large Vellum	8.00	\$ea	0	\$0
Plots Large Mylar	14.00	\$ea	0	\$0
Mountings 22 x 34	15.00	\$ea	0	\$0
Plot Prints Large Bond Color	\$22	\$ea	0	\$0
Photo Documentation	-	estimate	LS	-
Postage	-	estimate	LS	-
Courier Service	-	estimate	LS	-
Title Reports	400.00	\$ea	0	\$0
Outside Reproduction	-	estimate	LS	\$400
<b>Total KPG In-House Expense =</b>				<b>\$456</b>

# EXHIBIT B

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CLIENT: City of Bonney Lake  
 PROJ NAME: Renwood Offset Preliminary Design  
 Job # 13095  
 DATE: November 13, 2013

		<b>TASK 1 HOUR BREAKDOWN</b>																	
		STAFF LABOR HOURS REQUIRED BY TASK																	
		Project Manager /Survey Manager	Proj. Engineer Senior LA PLS	Engineer Tech. LA Tech Survey Tech.	Project Surveyor, PLS	Survey Crew	Project Coordinator												
Classification	Initials																		
TASK NO.	TASK DESCRIPTION	170.37	113.00	90.00	124.17	151.95	68.79										Total Hours	Task Total	
<b>1.0 Management/Coordination/Admin</b>																			
1.1	Administrative Services						10.0										10	\$688	
1.2	Project Management (6 months)	6.0					12.0										18	\$1,848	
1.3	Meetings with City Staff (3 Meetigns)	6.0	6.0	3.0													15	\$1,970	
1.4	QA/QC (30% design and estiamtes)	10.0															10	\$1,704	
1.5	Misc. Correspondence	10.0															10	\$1,704	
<b>OTHER DIRECT COSTS</b>																			
	Other Direct Costs																		
	<b>Hours</b>	32.0	6.0	3.0			22.0										63		
	<b>Total</b>	\$5,452	\$678	\$270			\$1,513												
<b>TOTALS</b>																		<b>\$7,913</b>	

# EXHIBIT B

\*\*\*\*\*

CLIENT: City of Bonney Lake  
 PROJ NAME: Renwood Offset Preliminary Design  
 Job # 13095  
 DATE: November 13, 2013

### TASK 2 HOUR BREAKDOWN

#### STAFF LABOR HOURS REQUIRED BY TASK

TASK NO.	TASK DESCRIPTION	Classification  Initials	Project Manager /Survey Manager	Proj. Engineer Senior LA PLS	Engineer Tech. LA Tech Survey Tech.	Project Surveyor, PLS	Survey Crew	Project Coordinator													Total Hours	Task Total	
			170.37	113.00	90.00	124.17	151.95	68.79															
<b>2.0</b>	<b>Survey and Base Mapping</b>																						
2.1	Survey Control				6.0	10.0															16	\$2,265	
2.2	Detailed Topo Mapping (186th)					12.0															12	\$1,823	
2.3	Preliminary Mapping:					20.0															20	\$3,039	
2.4	Right of Way and Parcel Maps				16.0	4.0															20	\$2,595	
2.5	Ulility Locations					4.0															4	\$608	
2.6	Gravity Utility Structures					2.0															2	\$304	
2.7	Legal Description & Figures (8 parcels)				32.0																32	\$3,973	
2.8	Utility Pot Holes																						
	Prepare Base map and TIN			40.0																	40	\$3,600	
<b>OTHER DIRECT COSTS</b>																							
	Other Direct Costs																						
	<b>Hours</b>			40.0	54.0	52.0															146		
	<b>Total</b>			<b>\$3,600</b>	<b>\$6,705</b>	<b>\$7,901</b>																	
<b>TOTALS</b>																						<b>\$18,207</b>	











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

<b>Department/Staff Contact:</b> PW / John Woodcock	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-130
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2339	<b>Councilmember Sponsor:</b> Randy McKibbin

**Agenda Subject:** Authorize Agreement with KPG for the 30% Design of the Church Lake Road Culvert Replacement Project

**Full Title/Motion:** A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Authorize Agreement With KPG For The 30% Design Of The Church Lake Road Culvert Replacement Project.

**Administrative Recommendation:**

**Background Summary:** City staff identified the main culvert under Church Lake Road in a condition of failure. This conduit conveys all of the headwaters from Lake Bonney and Lake Debra Jane to Fennel Creek. The existing pipes are of two different pipe materials, a portion concrete and a portion vitrified clay (which is failing) that are connected together. Due to the sensitivity of the aquatic life supported by this stream network the Department of Ecology and the Department of Fish and Wildlife will require some sort of a "natural bottom" replacement conduit. This preliminary design effort will collect survey data, explore which option to use and lay the ground work for the permits necessary for the final design effort. We anticipate a completed design effort to be in the range of \$45,000, permits at \$20,000, and construction cost in the \$180,000 to \$200,000 range.

**Attachments:** Resolution, Map, PSA

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
10,000	10,000	\$14,984.87	0
4,000	4,000		0
500	500		0
6,500	3,569.02		3,084.15

**Budget Explanation:** 415.077.038.594.38.63.03 which has combined unused dollars from 415.538.10.41.20, 415.538.50.4120 Funding derived from Engr-Admin: Engineering Services, Other Services and Charges, and OPS-Maint: Engineering Services and Professional Services

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	Community Development Date: 19 November 2013	<i>Approvals:</i> Chair/Councilmember Randy McKibbin 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:	<b>Consent Agenda:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			

**COUNCIL ACTION**

Workshop Date(s): \_\_\_\_\_ Public Hearing Date(s): \_\_\_\_\_

Meeting Date(s):

Tabled to Date:

**APPROVALS**

**Director:**

*Dan Grigsby, P. E.*

**Mayor:**

*Neil Johnson Jr.*

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

**RESOLUTION NO. 2339**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, AUTHORIZING A CONTRACT WITH KPG ENGINEERING FOR SERVICES TO PROVIDE THE 30% DESIGN EFFORT FOR THE CHURCH LAKE ROAD CULVERT REPLACEMENT PROJECT.**

**WHEREAS**, the City Council adopted the 2013 budget; and

**WHEREAS**, the Public Works Maintenance Staff has identified a failing culvert under Church Lake Road that serves the basin of the main tributary to Fennel Creek from with the City; and

**WHEREAS**, the Public Works Engineering staff desires to use remaining funds within the adopted 2013 Stormwater Fund budget to begin the design effort; and

**WHEREAS**, the Public Works Engineering staff has enough 2013 monies available to provide a 30% design effort and permit identification ground work;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON HEREBY RESOLVES AS FOLLOWS:**

That the City of Bonney Lake Council does hereby authorize the Mayor to sign the attached contract with KPG Engineering in the amount of \$14,984.87.

**PASSED BY THE CITY COUNCIL this 26<sup>th</sup> day of November, 2013.**

\_\_\_\_\_  
Neil Johnson, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathleen Haggard, City Attorney



## PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of Bonney Lake ("City") and \_\_\_\_\_ KPG, Inc. ("Consultant").

The parties hereby agree as follows:

1. **Scope of Work.** The Consultant shall perform all work and provide all materials described in the Scope of Work set out in Exhibit A attached hereto and incorporated herein by this reference. Such work shall be performed using facilities, equipment and staff provided by Consultant, and shall be performed in accordance with all applicable federal, state and local laws, ordinances and regulations. The Consultant shall exercise reasonable care and judgment in the performance of work pursuant to this Agreement. The Consultant shall make minor changes, amendments or revisions in the detail of the work as may be required by the City, such work not to constitute Extra Work under this Agreement.
2. **Ownership of Work Product.** Documents, presentations and any other work product produced by the Consultant in performance of work under this Agreement shall be tendered to the City upon completion of the work, and all such product shall become and remain the property of the City and may be used by the City without restriction; *provided*, that any such use by the City not directly related to the particular purposes for which the work product was produced shall be without any liability whatsoever to the Consultant.
3. **Payment.** The Consultant shall be paid by the City for completed work and services rendered under this Agreement pursuant to the rates and charges set out in Exhibit B, attached hereto and incorporated herein by this reference. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. All billings for compensation for work performed under this Agreement shall list actual time and dates during which the work was performed and the compensation shall be figured using the rates set out in Exhibit B; *provided*, that payment for work within the Scope of Work (Exhibit A) shall not exceed the fee/hour estimate set out in Exhibit B without written amendment to this Agreement, agreed to and signed by both parties.

Acceptance of final payment by the Consultant shall constitute a release of all claims, related to payment under this Agreement, which the Consultant may have against the City unless such claims are specifically reserved in writing and transmitted to the City by the Consultant prior to acceptance of final payment. Final payment shall not, however, be a bar to any claims that the City may have against the Consultant or to any remedies the City may pursue with respect to such claims.

The Consultant and its sub consultants shall keep available for inspection, by the City, for a period of three years after final payment, the cost records and accounts pertaining to this Agreement and all items related to, or bearing upon, such records. If any litigation, claim or audit is started before

Church Lake Road Culvert Replacement,  
Preliminary Design

the expiration of the three-year retention period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The three-year retention period shall commence when the Consultant receives final payment.

4. **Changes in Work.** The Consultant shall make all revisions and changes in the work completed under this Agreement as are necessary to correct errors, when required to do so by the City, without additional compensation.

5. **Extra Work.** The City may desire to have the Consultant perform work or render services in addition to or other than work provided for by the expressed intent of the Scope of Work. Such work will be considered Extra Work and will be specified in a written supplement which will set forth the nature and scope thereof. Work under a supplement shall not proceed until authorized in writing by the City. Any dispute as to whether work is Extra Work or work already covered by this Agreement shall be resolved before the work is undertaken. Performance of the work by the Consultant prior to resolution of any such dispute shall waive any claim by the Consultant for compensation as Extra Work.

6. **Employment.** Any and all employees of Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of said employees, while so engaged; any and all taxes arising out of Consultant's or Consultant's employees' work under this Agreement; and any and all claims made by a third party as a consequence of any acts, errors, or omissions on the part of the Consultant's employees, while so engaged, shall be the sole obligation and responsibility of the Consultant, except as provided in Section 12 of this agreement. The Consultant's relation to the City shall at all times be as an independent contractor.

7. **Nondiscrimination and Legal Compliance.** Consultant agrees not to discriminate against any client, employee or applicant for employment or for services because of race, creed, color, national origin, marital status, gender, age or handicap except for a bona fide occupational qualification with regard to, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and rendition of services. The consultant represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Reform and Control Act of 1986, including but not limited to the provisions of the Act prohibiting the hiring and continued employment of unauthorized aliens and requiring verification and record keeping with respect to the status of each of its employees' eligibility for employment. The consultant shall include a provision substantially the same as this section in any and all contracts with sub consultants performing work required of the contractor under this contract. The consultant agrees to indemnify and hold the City harmless from any and all liability, including liability for interest and penalties, the City may incur as a result of the consultant failing to comply with any provisions of the Immigration Reform and Control Act of 1986. Consultant understands and agrees that if it violates this section, this Agreement may be terminated by the City, and that Consultant shall be barred from performing any services for the

Church Lake Road Culvert Replacement,  
Preliminary Design

City in the future unless and until a showing is made satisfactory to the City that discriminatory practices have terminated and that recurrence of such action is unlikely.

8. **Term.** This Agreement shall become effective upon the day of its execution by both parties, and shall terminate upon completion of the work and delivery of all materials described in Exhibit A.

9. **Termination by City.** The City may terminate this Agreement at any time upon not less than ten (10) days written notice to Consultant, subject to the City's obligation to pay Consultant in accordance with subsections A and B below.

A. In the event this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for actual cost of work complete at the time of termination of the Agreement. In addition, the Consultant shall be paid on the same basis as above for any authorized Extra Work completed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the termination notice. If the accumulated payment(s) made to the Consultant prior to the termination notice exceeds the total amount that would be due as set forth in this subsection, then no final payment shall be due and the Consultant shall immediately reimburse the City for any excess paid.

B. In the event the services of the Consultant are terminated by the City for fault on the part of the Consultant, subsection A of this section shall not apply. In such event the amount to be paid shall be determined by the City with consideration given to the actual costs incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which was satisfactorily completed to date of termination, whether that work is in a form or of a type which is usable by the City at the time of termination, the cost to the City of employing another person or firm to complete the work required and the time which may be required to do so, and other factors which affect the value to the City of the work performed at the time of termination. Under no circumstances shall payment made under this subsection exceed the amount which would have been made if subsection A of this section applied.

C. In the event this Agreement is terminated prior to completion of the work, the original copies of all work products prepared by the Consultant prior to termination shall become the property of the City for its use without restriction; *provided*, that any such use by the City not directly related to the particular purposes for which the work product was produced shall be without any liability whatsoever to the Consultant.

10. **Termination by Consultant.** Consultant may terminate this Agreement only in response to material breach of this Agreement by the City, or upon completion of the work set out in the Scope of Work and any Extra Work agreed upon by the parties.

11. **Applicable Law; Venue.** The law of the State of Washington shall apply in interpreting this Agreement. Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of the State of Washington, in and for Pierce County.

Church Lake Road Culvert Replacement,  
Preliminary Design

## 12. Indemnification / Hold Harmless

Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or resulting from the negligent acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

### Insurance

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

#### A. Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

#### B. Minimum Amounts of Insurance

Church Lake Road Culvert Replacement,  
Preliminary Design

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

#### C. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respect the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.
2. The Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

#### D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

#### E. Verification of Coverage

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

13. **Subletting or Assigning.** The Consultant shall not sublet or assign any of the work covered by this Agreement without the express written consent of the City.

14. **Entire Agreement.** This Agreement represents the entire Agreement between the parties. No change, termination or attempted waiver of any of the provisions of the Agreement shall be binding on any party unless executed in writing by authorized representatives of each party. The agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the parties.

Church Lake Road Culvert Replacement,  
Preliminary Design

15. **Waiver.** Failure by any party to this Agreement to enforce any provision of this Agreement or to declare a breach shall not constitute a waiver thereof, nor shall it impair any party's right to demand strict performance of that or any other provision of this Agreement any time thereafter.

16. **Severability.** If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the application of the remainder of the Agreement shall not be affected.

17. **Execution and Acceptance.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The Consultant hereby ratifies and adopts all statements, representations, warranties, covenants, and agreements contained in the supporting materials submitted by the Consultant, and does hereby accept the Agreement and agrees to all of the terms and conditions thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF BONNEY LAKE

CONSULTANT

By: \_\_\_\_\_  
Neil Johnson Jr., Mayor

By:   
Terry Wright, Principal

**Attachments:**

Exhibit A: Scope of Work/Deliverables/Fee

Exhibit B: Rates

Church Lake Road Culvert Replacement,  
Preliminary Design

EXHIBIT A

City of Bonney Lake  
Church Lake Road  
Culvert Replacement

KPG  
Scope of Work  
October 9, 2013

The City of Bonney Lake plans to replace two culverts which pass under Church Lake Road just south of Evergreen Drive. In order to better understand the required permits, possible wetland mitigation, and construction cost the city is requesting that a preliminary design be completed. This preliminary design will include the following effort:

**Task 1.0 – Survey Base Mapping**

This task covers the effort required to supplement the existing basemap created for the Church Lake Overlay project and create a design basemap for use on this Project. It is anticipated that survey will be limited to just that needed to complete the preliminary design and will not include a stream profile or cross sections which may be need to complete a stream simulation. The additional survey will:

- Topo the existing surface features along Church Lake Road 30-feet each side of the existing culvert from the existing pavement edge to the right-of-way lines
- Locate existing utilities based on on-call utility locates.
- Provide invert elevations on gravity utility lines crossing the existing culverts.
- Locate existing right-of-way lines

**Products:**

- Electronic basemap showing existing features described above and contours at 1 foot intervals.

**Assumptions:**

- City will order and pay for title reports if required.
- City will provide locates of City owned utilities.
- Franchised utilities will locate utilities based on One-Call.
- Franchised utilities will be located by utility and pot holed by the utility if necessary.
- Horizontal and vertical datum's will be NAD 83/91 and NAVD88, respectively.

*City of Bonney Lake*  
*Church LK Rd Culvert*

*KPG*  
*Project No. 13132*  
*10/9/13*

## EXHIBIT A

### Task 2.0 – Preliminary Design

This task covers the effort required to review options to replace the existing culvert and select a preferred alternative which will be carried forward to a final design.

It is assumed that the type of culvert replacement alternatives will consist:

- Arch pipe with gravel bottom
- Box culvert with gravel bottom
- Three sided box culvert with open bottom

It is assume that the alternatives for the length of the culvert replacement will be:

- Match existing length and headwall slope
- Match existing length and have a vertical headwall to increase the useable space above
- Increase the length to provide for future roadway widening (future section dimensions to be provided by the City).

The selection of the preferred alternative will take the following items into consideration:

- Project Cost
- Future roadway cross section
- Environmental permitting requirements
- Anticipated environmental mitigation, if any.

#### Products:

- Draft and Final Design Memorandum documenting the alternatives reviewed.
- Permit Matrix that shows the anticipated permits and time required to obtain for each alternative based on state, federal, or local funding.
- One initial kick off-meeting with City to review alternatives.
- One meeting with City to review Draft Design Memorandum.
- Construction cost estimate for preferred alternative.
- Plan, Profile, and Section view of preferred alternative.
- Required public and private utility modifications required, if any.

#### Assumptions:

- KPG will arrange meetings with Regulatory agency as required to determine permit and final design requirements.
- Geotechnical services are not required at this time.

*City of Bonney Lake*  
*Church LK Rd Culvert*

*KPG*  
*Project No. 13132*  
*10/9/13*

## EXHIBIT B

<b>PROJECT SUMMARY</b>					
<p> <b>CLIENT:</b> City of Bonney Lake  <b>PROJ NAME:</b> Church LK Rd - Culvert Preliminary Design  <b>Job #:</b> 13132  <b>PROJ MGR.:</b> Terry Wright  <b>DATE:</b> November 12, 2013                 </p>					
			SUBCONSULTANTS		
Task	Description	KPG ARCHIT/ENG	Enviromental Sub	Totals	
1.0	Survey and Base Mapping	\$3,248.13			\$3,248.13
2.0	Preliminary Design Design	\$9,181.24	\$2,500		\$11,681.24
3.0					
4.0					
5.0					
6.0					
7.0					
				Expenses =	\$55.50
<b>Totals</b>		<b>\$12,429.37</b>	<b>\$2,500</b>		<b>\$14,984.87</b>

## EXHIBIT B

### OTHER DIRECT COSTS EXPENSE ESTIMATE

DATE: November 12, 2013

CLIENT: City of Bonney Lake  
 PROJ NAME: Church LK Rd - Culvert Preliminary Design  
 Job # 13132

EXPENSE ITEM	Cost	/ Unit	Qty	Total
Travel - Mileage	0.555	\$/ mile	100	\$56
Travel - Parking County	9.00	\$/ 4 hrs	0	\$0
Maps and Charts	-	estimate	LS	\$0
8 1/2 X 11 Copies	0.10	\$/ea	0	\$0
11 X 17 Copies	0.35	\$/ea	0	\$0
Blue-line Prints	0.35	\$/ea	0	\$0
11 X 17 Plot Check Prints	1.00	\$/ea	0	\$0
Color Reduction Prints 8 1/2 x 11	1.00	\$/ea	0	\$0
Color Reduction Prints 11 x 17	1.50	\$/ea	0	\$0
22 X 34 Copies	2.00	\$/ea	0	\$0
22X34 Plot Check Prints Copy (Bond)	6.00	\$/ea	0	\$0
Plots Large Vellum	8.00	\$/ea	0	\$0
Plots Large Mylar	14.00	\$/ea	0	\$0
Mountings 22 x 34	15.00	\$/ea	0	\$0
Plot Prints Large Bond Color	\$22	\$/ea	LS	\$0
Photo Documentation	-	estimate	LS	-
Postage	-	estimate	LS	-
Courier Service	-	estimate	LS	-
Title Reports	400.00	\$/ea	0	\$0
Outside Reproduction	-	estimate	LS	-
<b>Total KPG In-House Expense =</b>				<b>\$55.50</b>

## EXHIBIT B

\*\*\*\*\*  
 CLIENT: City of Bonney Lake  
 PROJ NAME: Church LK Rd - Culvert Preliminary Design  
 Job # 13132  
 DATE: November 12, 2013

		TASK 1 HOUR BREAKDOWN													
		STAFF LABOR HOURS REQUIRED BY TASK													
TASK NO.	TASK DESCRIPTION	Project Manager /Survey Manager	Proj. Engineer Senior LA PLS	Engineer Tech. LA Tech Survey Tech.	Project Surveyor, PLS	Survey Crew	Project Coordinator							Total Hours	Task Total
		Initials	170.37	113.00	90.00	124.17	151.95	68.79							
1.0	Survey and Base Mapping														
1.1	Survey Control				0.5	1.0							1.5	\$214.04	
1.2	Detailed Topographic Mapping					8.0							8	\$1,215.60	
1.3	Right of Way and Parcel Maps			4.0	2.0								6	\$608.34	
1.4	Utility Locations				0.5	1.0							1.5	\$214.04	
1.5	Gravity Utility Structures					1.0							1	\$151.95	
1.5	Prepare Base map and TIN			8.0	1.0								9	\$844.17	
<b>OTHER DIRECT COSTS</b>															
	Other Direct Costs														
	<b>Hours Total</b>			12.0	4.0	11.0							27		
	<b>Total</b>			\$1,080	\$497	\$1,671									
<b>TOTALS</b>														<b>\$3,248.13</b>	

## EXHIBIT B

\*\*\*\*\*

CLIENT: City of Bonney Lake  
 PROJ NAME: Church LK Rd - Culvert Preliminary Design  
 Job # 13132  
 DATE: November 12, 2013

		<b>TASK 2 HOUR BREAKDOWN</b>														
		STAFF LABOR HOURS REQUIRED BY TASK														
		Classification														
		Project Manager /Survey Manager	Proj. Engineer Senior LA PLS	Engineer Tech. LA Tech Survey Tech.	Project Surveyor, PLS	Survey Crew	Project Coordinator									
TASK NO.	TASK DESCRIPTION	Initials													Total Hours	Task Total
		170.37	113.00	90.00	124.17	151.95	68.79									
2.0	Preliminary Design Design															
2.1	Project Management & Invoicing	2.0					2.0							4	\$478.32	
2.2	Draft & Final Design Report	5.0	16.0	8.0										29	\$3,379.85	
2.3	Permit Matrix	1.0		2.0										3	\$350.37	
2.4	Initial kick-off meeting	3.0	3.0											6	\$850.11	
2.5	City review meeting	3.0	3.0											6	\$850.11	
2.6	Plan, Profile and Sections (1 sheet)	4.0	6.0	16.0										26	\$2,799.48	
2.7	Plan of utility conflicts		1.0	4.0										5	\$473.00	
<b>OTHER DIRECT COSTS:</b>																
	Other Direct Costs (Environmental Sub)															\$2,500.00
	Hours	18.0	29.0	30.0			2.0							79		
	Total	\$3,067	\$3,277	\$2,700			\$138									
<b>TOTALS</b>																<b>\$11,681.24</b>

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

<b>Department/Staff Contact:</b> PW / Dan Grigsby	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-134
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2341	<b>Councilmember Sponsor:</b> Deputy Mayor Swatman

**Agenda Subject:** Wholesale Water Supply Capacity Credit Agreement

**Full Title/Motion:** A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Regarding Proposed Resolution 2341, Authorizing A Wholesale Water Supply Capacity Credit Agreement With Cascade Water Alliance (Cascade).

**Administrative Recommendation:** Recommend Approval

**Background Summary:** The City Council authorized substitution of the water supply purchase from Cascade with water supplied by Tacoma Public Utility by Resolution 2295 on 23 April 2013. This agreement describes the conditions under which this water supply purchase and substitution will be made.  
**Attachments:** Resolution 2341, City-Cascade Wholesale Water Supply Capacity Credit Agreement

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

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Finance Committee Date: 12 November 2013	<i>Approvals:</i> Chair/Councilmember Dan Swatman Councilmember Randy McKibbin Councilmember Mark Hamilton	<table style="width: 100%; border: none;"> <tr> <td style="width: 15%;"><b>Yes</b></td> <td style="width: 15%;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Yes</b>	<b>No</b>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
	Forward to:	<b>Consent Agenda:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

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



**RESOLUTION NO. 2341**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BONNEY LAKE, PIERCE COUNTY, WASHINGTON,  
AUTHORIZING A WATER SUPPLY CAPACITY CREDIT  
AGREEMENT WITH CASCADE WATER ALLIANCE TO  
SUBSTITUTE TACOMA PUBLIC UTILITIES AS THE WATER  
SUPPLIER**

**Whereas**, the City of Bonney Lake has purchased 2 MGD (four month peak demand period) offered by Cascade Water Alliance (“Cascade”) in the 2010 Cascade agreement with the Four Cities; and

**Whereas**, Cascade and Tacoma Water entered into an agreement on 31 December 2012 that allows the Four Cities to convert their water supply purchase from Cascade into a Wholesale Water Supply Agreement with Tacoma Water at the same System Development Charge (SDC) paid by Cascade to Tacoma Water in 2005; and,

**Whereas**, Tacoma Water has offered the City of Bonney Lake an opportunity to increase the 2 MGD (four month peak demand period) water supply into a year round water supply for a one-time SDC charge of \$391,222 (paid in 2019); and,

**Whereas**, the City of Bonney Lake has built a Water Booster Pump Station next to Tacoma Water’s transmission line #1, at Prairie Ridge Road, that can use this additional 2 MGD water supply year round; and,

**Whereas**, the City Council approved Resolution 2292 on 22 April 2013 that authorized the Mayor to sign a Confirmation Notice of the City’s intent to substitute a Tacoma Public Utility water supply for the 2 MGD Cascade water supply;

**Now therefore, be it resolved;**

that the City Council of the City of Bonney Lake, Washington, does hereby authorize the Mayor to sign the attached Wholesale Water Supply Capacity Credits Agreement.

**PASSED** by the City Council this 26<sup>th</sup> day of November, 2013.

---

Neil Johnson Jr., Mayor

ATTEST:

---

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

---

Kathleen Haggard, City Attorney

**AGREEMENT FOR THE PURCHASE AND SALE  
OF WHOLESALE WATER SUPPLY CAPACITY CREDITS**

THIS AGREEMENT ("Agreement") is made and entered into as of this \_\_\_ day of December 2013 ("Effective Date"), by and between the City of Bonney Lake, Washington ("Bonney Lake"), and Cascade Water Alliance, a joint municipal utilities services authority organized under Chapter 39.106 RCW ("Cascade"). The City and Cascade are sometimes referred to collectively as the "Parties" and individually as a "Party".

**RECITALS**

WHEREAS, in 2005, in order to meet Cascade's immediate and long-term water supply needs, Cascade purchased from Tacoma a supply of water both permanently and for a finite period of years pursuant to an "Agreement for the Sale of Wholesale Water";

WHEREAS, on February 5, 2010, Cascade and the Cities of Bonney Lake, Buckley, Sumner and Auburn entered the 2010 Lake Tapps Area Water Resources Agreement (the "Four Cities Agreement") that provided, among other things, for Cascade to assist the four cities in meeting their projected 50-year water supply needs;

WHEREAS, on December 31, 2012, Cascade and Tacoma entered the Amended and Restated Agreement for the Sale of Wholesale Water (the "Amended and Restated Agreement") that provided, among other things, for Tacoma to make available to the four cities a water supply to be purchased directly from Tacoma as a wholesale customer and to recognize credit for the System Development Charges that Cascade had previously paid to Tacoma;

WHEREAS, Cascade and Tacoma sent a letter, dated February 11, 2013, to inform Bonney Lake of the availability of the "substitute" water supply opportunity and related time limitations and procedures for acting on the opportunity ("Joint Letter");

WHEREAS, Bonney Lake timely approved, signed, and delivered the Confirmation Notice, dated April 23, 2013, to confirm Bonney Lake's election of the substitute supply opportunity and its desire to purchase a System Development Charge Credit from Cascade ("Confirmation Notice");

WHEREAS, Bonney Lake has elected to extend its payments to Cascade by one year in order to secure year-round access to supply capacity; and

WHEREAS, the Joint Letter and Confirmation Notice are set forth in Exhibit A hereto and are incorporated by reference in this Agreement;

NOW, THEREFORE, IN CONSIDERATION of the recitals stated above, which are incorporated herein, and the mutual covenants and conditions herein contained, the Parties agree as follows:

## AGREEMENT

### **1. Definitions.**

“4 MGD Wholesale Water Supply” means an average annual 4 MGD wholesale water supply from Tacoma, with a Peaking Factor of 1.33, and a maximum peak day of 5.32 MGD, all as provided in the Amended and Restated Agreement.

“Amended and Restated Agreement” means the “Amended and Restated Agreement for the Sale of Wholesale Water” by and among Cascade and the City of Tacoma, Department of Public Utilities, Water Division, dated December 31, 2012.

“Confirmation Notice” means the document, dated April 23, 2013, in which Bonney Lake confirmed its election of the substitute supply opportunity in fulfillment of Cascade’s obligation in the Four Cities Agreement to assist with Bonney Lake’s projected 50-year water supply needs (attached in Exhibit A).

“Four Cities Agreement” means the “2010 Lake Tapps Area Water Resources Agreement among the Cities of Auburn, Bonney Lake, Buckley and Sumner, and Cascade Water Alliance”, dated February 5, 2010.

“MGD” means million gallons per day.

“Joint Letter” means the letter, dated February 11, 2013, from Cascade and Tacoma to Cities of Auburn, Bonney Lake, Buckley, and Sumner that is attached hereto in Exhibit A.

“Notice of Confirmation of System Development Charge Credit” means a notice, given by Cascade to Tacoma at the request of Boney Lake, confirming the amount of the System Development Charge Credit (if any) to be applied to the System Development Charge otherwise due and payable by Bonney Lake to Tacoma in connection with a wholesale water supply agreement.

“System Development Charge” or “SDC” means the system development charge imposed upon wholesale customers by Tacoma in its wholesale water regulations.

“System Development Charge Credit” means a credit to be applied in a wholesale water supply agreement against the System Development Charge otherwise due and payable by Bonney Lake to Tacoma. The System Development Charge Credit is expressed in million gallons per day (MGD) units and in dollars.

“Tacoma” means the City of Tacoma, Department of Public Utilities, Water Division.

### **2. Term of Agreement.**

This Agreement takes effect on the first date that both Parties have duly approved, signed, and delivered the Agreement to the other Party. The term of the Agreement will commence on the effective date and will end on December 31, 2019 or the date that Bonney

Lake has fully paid Cascade for the price of the System Development Charge Credit consistent with Sections 3 and 4 of this Agreement.

**3. Purchase of System Development Charge Credit & Price.**

Bonney Lake agrees to purchase and Cascade agrees to sell a System Development Charge Credit regarding the 4 MGD Wholesale Water Supply in the quantity of 1.5 MGD annual supply capacity (2.0 MGD peak supply capacity) and with an SDC value of \$6,181,500.00.

In consideration for said System Development Charge Credit, Bonney Lake will pay a total price of \$3,138,554.00 to Cascade. Of the total price, Bonney Lake has already paid \$400,000.00, which leaves a total balance due of \$2,738,554.00. Bonney Lake will pay the \$2,738,554.00 amount owing according to the annual payment schedule set forth in Section 4 below.

**4. Annual Payment Schedule.**

Bonney Lake will make an annual installment payment to Cascade in the amount of \$391,222.00 in each year during the term of this Agreement. The annual payment schedule is as follows:

**Payment Schedule**

<b>Payment Year</b>	<b>Annual Payment Amount</b>
2013	\$391,222.00
2014	\$391,222.00
2015	\$391,222.00
2016	\$391,222.00
2017	\$391,222.00
2018	\$391,222.00
2019	\$391,222.00

The annual payment for 2013 shall be due and payable by Bonney Lake on or before December 31, 2013. Thereafter, each year the annual payment shall be due and payable by Bonney Lake to Cascade on or before June 30 of the year in which such payment is due. If full payment of any annual payment is not received by Cascade on or before the date due, such payment shall be considered past due, and the unpaid amount shall accrue interest, from the date due until the date paid, at a rate per day equal to 0.03 percent per day. Upon not less than fifteen (15) days' advance

notice to Cascade, the City may in any given year prepay without penalty any one or more of the next successive annual payments.

**5. Notice of Confirmation of System Development Charge Credit.**

Within 30 days after this Agreement takes effect, Cascade will send to the Tacoma Water Superintendent a Notice of Confirmation of System Development Charge Credit regarding the 4 MGD Wholesale Water Supply in the quantity of 1.5 MGD annual supply capacity (2.0 MGD peak supply capacity) and with an SDC value of \$6,181,500.00. Cascade will provide a copy of the Notice to Bonney Lake when it is sent to Tacoma.

**6. Wholesale Water Supply Purchase Negotiations with Tacoma.**

In order to use the System Development Charge Credit and secure a wholesale water supply from Tacoma, Bonney Lake acknowledges that it must make an offer, complete negotiations, and enter a wholesale water supply agreement with Tacoma consistent with the Joint Letter and Confirmation Notice set forth in Exhibit A and with the Amended and Restated Agreement. Bonney Lake acknowledges and agrees that Cascade makes no representations or warranties as to the outcome of such negotiations, the Tacoma wholesale water supply that Bonney Lake may (or may not) be able to purchase, or otherwise.

**7. Effect on Four Cities Agreement.**

The Parties agree that this Agreement constitutes full performance by Cascade of its obligations under Section 3(a) of the Four Cities Agreement. Accordingly, Section 3(a) of the Four Cities Agreement shall be of no further force or effect as between Cascade and Bonney Lake. Other provisions of the Four Cities Agreement are unaffected by this Agreement and remain effective according to their terms.

**8. Notices.**

All notices and payments hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

Cascade Water Alliance:  
520 112<sup>th</sup> Avenue NE, Suite 400  
Bellevue, Washington 98004  
Attn: Chief Executive Officer  
Phone: (425) 453-0930  
Fax: (425) 425-453-0953

City of Bonney Lake:  
19306 Bonney Lake Blvd.  
Bonney Lake, WA 98391  
Attn: Public Works Director  
Phone: (253) 447-4347  
Fax: (253) 862-8538

A Party may change its address from time to time by providing notice to the other Party. All notices and payments mailed by regular post (including first class) shall be deemed to have been given on the second business day following the date of mailing, if properly mailed and addressed. Notices and payments sent by certified or registered mail shall be deemed to have been given on the next business day following the date of mailing, if properly mailed and addressed. For all types of mail, the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing.

**9. Dispute Resolution.**

In the event that any dispute arises between Cascade and Bonney Lake, the aggrieved Party shall give a notice of the dispute to the other Party. Cascade and Bonney Lake shall, within five (5) days of such notice, each nominate a senior officer of its management to meet at a mutually agreed location, to attempt to resolve such dispute. The Parties shall each designate a representative(s) to confer on the best and most cost effective way to resolve the dispute. By mutual agreement, they may choose direct negotiations or mediation. If there is no agreement between the Parties on how to proceed within thirty (30) days, either Party may pursue legal action; provided, however, no Party shall be precluded from filing an appeal or action to prevent the expiration of a time period for filing or any statute of limitations.

**10. Attorneys' Fees.**

If any Party shall be required to bring any action to enforce any provision of this Agreement, or shall be required to defend any action brought by the other Party with respect to this Agreement, and in the further event that one Party shall substantially prevail in such action, the losing Party shall, in addition to all other payments required therein, pay all of the prevailing Party's reasonable costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorney's fees in the trial court and in any appellate courts.

If a Party fails to perform its obligations hereunder, then it shall be in default hereunder unless the defaulting Party cures an event of default, whether monetary or non-monetary, within thirty (30) days after receiving written notice from the other Party of such default.

Subject to the procedures set forth in Section 9 (Dispute Resolution), if a Party is in breach or default of its obligations arising under this Agreement, the other Party shall have and shall be entitled to exercise any and all remedies available to it at law or in equity (including the right to specifically enforce this Agreement), all of which remedies shall be cumulative.

**12. Non-Waiver.**

No delay or failure by a Party to exercise any of its rights, powers or remedies under this Agreement following any breach by another Party shall be construed to be a waiver of any such breach, or any acquiescence therein, or of or in any similar breach thereafter occurring, nor shall any waiver of any single breach be deemed a waiver of any other breach theretofore or thereafter occurring.

**13. No Assignment.**

This Agreement is specific to the Parties and may not be assigned in whole or in part.

**14. No Third Party Beneficiary.**

This Agreement is for the sole and exclusive benefit of the Parties and is not intended to and shall not confer any rights or benefits on any third party not a signatory hereto.

**15. Integrated Agreement.**

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous understandings or agreements with respect thereto; provided, however, that this Agreement shall be interpreted or construed together with the Amended and Restated Agreement, the Joint Letter, and the Confirmation Notice. No modifications or amendments of this Agreement shall be valid or effective unless evidenced by an agreement in writing signed by the Parties.

**16. Signature in Counterparts.**

This Agreement may be executed in counterparts and all of those counterparts taken together shall constitute one and the same instrument.

**17. Representations of the Parties.**

Each Party represents and warrants that it has duly approved, executed, and delivered this Agreement and that it has all necessary authority to enter into this Agreement and to perform its terms and obligations. Each Party represents and warrants that the approval, execution, and delivery have been duly authorized by the appropriate board or council, and no other act or proceeding on the part of any Party is necessary to authorize entry into or performance of this Agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Effective Date.

\_\_\_\_\_  
**City of Bonney Lake:**

By: Neil Johnson Jr.

Title: Mayor

\_\_\_\_\_  
**Cascade Water Alliance:**

By: Chuck Clarke

Title: Chief Executive Officer

**Exhibit A**

[Joint Letter signed by Cascade and Tacoma, dated February 11, 2013, and the Confirmation Notice signed by Bonney Lake, dated April 23, 2013.]



P.O. Box 7380, Bonney Lake, WA 98391  
(253) 862-8602

April 24, 2013

Cascade Water Alliance  
Attn: Chuck Clarke, Chief Executive Officer  
520 112<sup>th</sup> Avenue NE, Suite 400  
Bellevue, Washington 98004

Re: Confirmation Notice - City of Bonney Lake's Election of Substitute Supply

Dear Mr. Clarke,

On April 23, 2013, the Bonney Lake City Council approved Resolution 2295, authorizing the City of Bonney Lake to substitute its water supply purchase from Cascade Water Alliance into a Tacoma Water supply.

Enclosed please find a signed original of the City of Bonney Lake's Confirmation Notice authorizing the Substitute Supply for Cascade Water Alliance's files.

Please feel free to contact the City's Public Works Director Dan Grigsby at (253) 447-4347 or staff in the City Clerk's office at (253) 862-8602 if you have any questions about the enclosures.

Sincerely,

Renee Cameron  
Administration Specialist II

*Enclosures*

cc: Dan Grigsby, P.E., Public Works Director

---

Justice & Municipal Center:  
9002 Main Street East  
Bonney Lake, WA 98391  
Fax (253) 862-8538

Public Safety Building:  
18421 Veterans Memorial Dr E  
Bonney Lake, WA 98391  
Fax (253) 863-2661

Public Works Center:  
19306 Bonney Lake Blvd.  
Bonney Lake, WA 98391  
Fax (253) 826-1921

Senior Center:  
19304 Bonney Lake Blvd.  
Bonney Lake, WA 98391  
Fax (253) 862-8538

Confirmation Notice  
To Be Delivered to Cascade Water Alliance

The City of Bonney Lake ("City") confirms receipt of the letter, dated February 11, 2013, from Cascade Water Alliance ("Cascade") and Tacoma Water presenting the availability of a substitute wholesale water supply ("Substitute Supply").

The City understands that the Substitute Supply is an alternative to the provisions of Section 3(a) of the 2010 Lake Tapps Area Water Resources Agreement between Cascade and the Cities of Auburn, Bonney Lake, Buckley, and Sumner (the "Four Cities Agreement"). The City understands that the Substitute Supply requires the City to enter a wholesale water supply agreement with Tacoma Water to be negotiated and offered to Tacoma Water by March 1, 2018 as described in the above-referenced letter.

The City understands that Cascade Water Alliance is offering to sell a System Development Charge Credit to the City on the terms and conditions stated on Exhibit 1 attached hereto, provided that by March 1, 2018 Cascade and the City need to enter an agreement to confirm the purchase and sale and Cascade's provisions of a Notice of Confirmation of System Development Charge ("SDC") Credit to Tacoma Water.

Now, therefore, the City of Bonney Lake hereby confirms and agrees as follows:

- (a) The City elects the "Substitute Supply" opportunity described herein as an alternative that fully substitutes for section 3(a) of the Four Cities Agreement.
- (b) The City provides this Confirmation Notice with respect to the following portion of the Substitute Supply:
  - 4 MGD wholesale supply: 2 MGD (with a 1.33 peak factor)
  - 6 MGD wholesale supply: \_\_\_\_\_
- (c) By selecting the "Substitute Supply" alternative, the City agrees that Cascade has fully performed and satisfied all obligations to the City under 3(a) of the Four Cities Agreement.
- (d) The City agrees that section 3(a) of the Four Cities Agreement shall be of no further force or effect as between Cascade and the City.
- (e) The City and Cascade shall proceed with diligence to negotiate an agreement for purchase of an SDC Credit consistent with the terms outlined in Exhibit 1.

CONFIRMED, ACCEPTED AND AGREED TO BY THE CITY OF BONNEY LAKE on this 23<sup>rd</sup> day of April, 2013:

By:   
Neil Johnson, Mayor

# Exhibit 1



February 11, 2013

The Honorable Pete Lewis  
City of Auburn  
25 West Main Street  
Auburn, WA 98001

The Honorable Pat Johnson  
City of Buckley  
933 Main Street  
Buckley, WA 98321

The Honorable Neil Johnson  
City of Bonney Lake  
19306 Bonney Lake Blvd.  
Bonney Lake, WA 98391

The Honorable Dave Enslow  
City of Sumner  
1104 Maple Street  
Sumner, WA 98390

Re: Cascade Water Alliance and Tacoma Water Substitute Wholesale Water Supply  
Availability – Time is of the Essence (*Sent by Email and US Mail*)

Dear Mayors:

As you may be aware, the Cascade Water Alliance and City of Tacoma have been in ongoing discussions about potential changes to the 2005 Water Supply Agreement. In late 2012 a new agreement was reached and signed which benefits not only Tacoma and Cascade but also the Four Cities of Auburn, Bonney Lake, Buckley and Sumner. This new agreement preserves the right of the four cities under the 2009 Cascade/Four Cities Agreement and allows a new time sensitive supply option to be jointly offered to the four cities from Cascade and Tacoma.

The Cascade Water Alliance (Cascade), in cooperation with Tacoma Water, is offering the availability of a substitute wholesale water supply (“Substitute Supply”) and to provide this notice of a limited period of time for your Cities to take action on this unique opportunity. Cascade and Tacoma have entered into a Restated and Amended Agreement for the Sale of Wholesale Water, which replaces the 2005 agreement between the parties for purchase and sale of wholesale water. The 2005 agreement is included as one of the “water supply assistance” measures in the 2010 Lake Tapps Area Water Resources Agreement between Cascade and your cities (the “Four Cities Agreement”).

In the Restated and Amended Agreement, Cascade has agreed to relinquish its right to take delivery of the Substitute Supply. This water is now available to the Cities to purchase directly from Tacoma as a wholesale customer. Cascade has, however, previously paid capacity charges for this wholesale water supply. If your City now desires to purchase the Substitute Supply directly from Tacoma and takes action described in this letter, Cascade is willing to sell your City a credit (reflecting the amounts that Cascade has previously paid to Tacoma) that can be

applied against System Development Charges that would otherwise be due to Tacoma ("SDC Credit"). The amount and availability of any SDC Credit will be determined by Cascade in accordance with the terms set forth in the Confirmation Notice that is attached to this letter. You must act promptly, however, in order to secure the opportunity to obtain an SDC Credit from Cascade.

This letter provides Cascade's formal notice of the limited window of time for your City to act, the Confirmation Notice that you must return to Cascade to apply for a SDC Credit, and general guidance as to how Cascade and Tacoma intend to cooperate to facilitate the implementation of the Restated and Amended Agreement.

#### Limited Time to Act

You must act within 120 days from the first meeting of Tacoma, Cascade and the Four Cities to confirm your interest in this opportunity by delivering a signed "Confirmation Notice" to Cascade in the form attached to this letter. This opportunity expires at the end of 120 days. During this 120-day period, the quantity allocation among and between the Four Cities as stated in the Four Cities letter to Cascade, dated February 5, 2010, shall be recognized by Cascade and shall determine the maximum allocation of the Substitute Supply (and the Residual Wholesale Water Supply) among the Cities (unless the Four Cities jointly agree to reallocation in accordance with the Four Cities Agreement). A City has until the expiration date to deliver an executed Confirmation Notice to Cascade. If you select this opportunity by acting within the 120 days, then you have until March 1, 2018 to purchase (or agree to purchase) an SDC Credit from Cascade. (In anticipation of the required steps with Tacoma described below, it is advisable for your City to complete the SDC purchase agreement with Cascade in advance of March 2018 to allow your City adequate time for the Tacoma steps.) If you select this opportunity by acting within the 120 days, then you will also have until March 1, 2018 to submit a Wholesale Water Agreement with Tacoma that is eligible for the SDC Credit.

If you do not confirm your selection by delivering a Confirmation Notice to Cascade by the deadline, then you decline the Substitute Supply opportunity stated in this letter. In that event, you will still be able to purchase wholesale water supply (if any water supply capacity remains available) from Tacoma on terms consistent with Section 3(a) of the Four Cities Agreement. However, you will not be eligible for an SDC Credit.

#### Next Steps with Cascade

If you deliver the Confirmation Notice within the 120-day deadline stated above and select this Substitute Supply opportunity, then you will need to complete the following steps with Cascade:

- (a) Confirmation to Cascade that your City will proceed with the Substitute Supply opportunity stated herein, and that it fully substitutes for Section 3(a) of the Four Cities Agreement which will have no further force or effect.
- (b) Agree with Cascade for payment terms to Cascade for the SDC credit.

- (c) Upon completion of the items in (a) and (b) above, Cascade will send Notice of Confirmation of System Development Charge Credit to Tacoma.

Next Steps with Tacoma Water

If you deliver the Confirmation Notice to Cascade within the deadline stated above and select this opportunity, then you would also need to complete the following steps with Tacoma in order to submit a timely offer to purchase all or a portion of the Substitute Supply. The procedures and requirements that must be followed to submit such an offer are set forth in Section 6 and Section 7 of the Restated and Amended Agreement (attached for reference). It is important to read these procedures and requirements carefully as any offer you make must be in strict compliance with these procedures and requirements. These procedures and requirements are briefly summarized as follows:

- (a) In order to obtain a SDC Credit, Tacoma must be in receipt of a Notice of Confirmation of System Development Charge Credit from Cascade.
- (b) Prior to submitting your offer to purchase water from Tacoma, you must obtain Tacoma's written review and approval of the Wholesale Water Supply Agreement (including any proposed modifications thereof) pursuant to which such offer is to be made to Tacoma.
- (c) Your offer to Tacoma must be submitted in the form of duplicate executed originals of the Wholesale Water Supply Agreement, in strict conformity with the form of the Wholesale Water Supply Agreement approved by Tacoma.
- (d) No later than March 1, 2018, you must deliver your offer to Tacoma, Attention: Water Superintendent, Tacoma Water, 3628 South 35th Street, Tacoma, WA 98409, and obtain Tacoma's acknowledgment of the time and date of Tacoma's receipt of such offer.

**Clarifications**

While we are pleased to present this opportunity to your City, we want to avoid any confusion as to what this opportunity is and is not. For avoidance of doubt, this letter does not constitute a modification or waiver of any of the procedures or requirements set forth in the Restated and Amended Agreement. This letter does not constitute an offer by Tacoma to sell a wholesale water supply to any person or entity. Any such sale by Tacoma is subject to and contingent upon the negotiation, execution and delivery of a mutually acceptable Wholesale Water Supply Agreement.

**Conclusion**

Cascade and Tacoma are pleased to provide the availability of Substitute Supply, and look forward to receiving your offer to purchase, should you desire to do so, in accordance with the

Joint Letter to the Four Cities  
February 11, 2013  
Page 4

guidelines set forth above. We will be contacting your office within the next week to schedule a meeting to present and discuss this opportunity.

Sincerely,



Chuck Clarke  
Chief Executive Officer  
Cascade Water Alliance



Linda A. McCrea  
Superintendent  
Tacoma Water



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

<b>Department/Staff Contact:</b> PW / John Woodcock	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-141
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2343	<b>Councilmember Sponsor:</b> Randy McKibbin

**Agenda Subject:** Award the design contract for the 24th / 25th Watermain Replacement Project to KPG Engineering

**Full Title/Motion:** A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Award The Design Contract For The 24th / 25th Watermain Replacement Project To KPG Engineering.

**Administrative Recommendation:**

**Background Summary:** Public Works staff has identified the watermain serving customers on 24<sup>th</sup> Street East and 25<sup>th</sup> Street East at the north end of our water service area as having chronic leaking situations over recent years due to the pipe material being past its operational life span as well as the pipe diameter being undersized for fire flow. The Operations and Maintenance branch of Public Works will use monies in the Water Engineering - Administration line item to design the replacement of this portion of the city water system. Construction to occur in 2014.  
**Attachments:** Resolution, Map, PSA

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
\$15,000	\$15,000	\$14,836.86	\$163.14
<b>Budget Explanation:</b> 301.035.032.595.10.63.01 - 24 <sup>th</sup> Street E Watermain Replacement			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Community Development Date: 19 November 2013	<b>Approvals:</b> Chair/Councilmember Randy McKibbin Councilmember James Rackley Councilmember Katrina Minton-Davis	<table style="width: 100%; border: none;"> <tr> <td style="text-align: right;"><b>Yes</b></td> <td style="text-align: left;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Yes</b>	<b>No</b>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
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	Forward to:	<b>Consent Agenda:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

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



**RESOLUTION NO. 2343**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, AUTHORIZING A CONTRACT WITH KPG ENGINEERING FOR SERVICES TO DESIGN THE 24<sup>TH</sup> STREET – 25<sup>TH</sup> STREET WATERMAIN REPLACEMENT PROJECT.**

**WHEREAS**, the City Council adopted the 2013 budget; and

**WHEREAS**, the Public Works Maintenance Staff has identified a leaky watermain within the water system at 24<sup>th</sup> Street East and 25<sup>th</sup> Street East; and

**WHEREAS**, the Public Works Engineering staff desires to use remaining funds within the adopted 2013 Water Engineering Administration – Engineering Services budget for the design effort; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON HEREBY RESOLVES AS FOLLOWS:**

That the City of Bonney Lake Council does hereby authorize the Mayor to sign the attached contract with KPG Engineering in the amount of \$14,836.86.

**PASSED BY THE CITY COUNCIL this 26<sup>th</sup> day of November, 2013.**

\_\_\_\_\_  
Neil Johnson, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathleen Haggard, City Attorney



## PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of Bonney Lake ("City") and \_\_\_\_\_ KPG, Inc. \_\_\_\_\_ ("Consultant").

The parties hereby agree as follows:

1. **Scope of Work.** The Consultant shall perform all work and provide all materials described in the Scope of Work set out in Exhibit A attached hereto and incorporated herein by this reference. Such work shall be performed using facilities, equipment and staff provided by Consultant, and shall be performed in accordance with all applicable federal, state and local laws, ordinances and regulations. The Consultant shall exercise reasonable care and judgment in the performance of work pursuant to this Agreement. The Consultant shall make minor changes, amendments or revisions in the detail of the work as may be required by the City, such work not to constitute Extra Work under this Agreement.

2. **Ownership of Work Product.** Documents, presentations and any other work product produced by the Consultant in performance of work under this Agreement shall be tendered to the City upon completion of the work, and all such product shall become and remain the property of the City and may be used by the City without restriction; *provided*, that any such use by the City not directly related to the particular purposes for which the work product was produced shall be without any liability whatsoever to the Consultant.

3. **Payment.** The Consultant shall be paid by the City for completed work and services rendered under this Agreement pursuant to the rates and charges set out in Exhibit B, attached hereto and incorporated herein by this reference. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. All billings for compensation for work performed under this Agreement shall list actual time and dates during which the work was performed and the compensation shall be figured using the rates set out in Exhibit B; *provided*, that payment for work within the Scope of Work (Exhibit A) shall not exceed the fee/hour estimate set out in Exhibit B without written amendment to this Agreement, agreed to and signed by both parties.

Acceptance of final payment by the Consultant shall constitute a release of all claims, related to payment under this Agreement, which the Consultant may have against the City unless such claims are specifically reserved in writing and transmitted to the City by the Consultant prior to acceptance of final payment. Final payment shall not, however, be a bar to any claims that the City may have against the Consultant or to any remedies the City may pursue with respect to such claims.

The Consultant and its sub consultants shall keep available for inspection, by the City, for a period of three years after final payment, the cost records and accounts pertaining to this Agreement and all items related to, or bearing upon, such records. If any litigation, claim or audit is started before

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

the expiration of the three-year retention period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The three-year retention period shall commence when the Consultant receives final payment.

4. **Changes in Work.** The Consultant shall make all revisions and changes in the work completed under this Agreement as are necessary to correct errors, when required to do so by the City, without additional compensation.

5. **Extra Work.** The City may desire to have the Consultant perform work or render services in addition to or other than work provided for by the expressed intent of the Scope of Work. Such work will be considered Extra Work and will be specified in a written supplement which will set forth the nature and scope thereof. Work under a supplement shall not proceed until authorized in writing by the City. Any dispute as to whether work is Extra Work or work already covered by this Agreement shall be resolved before the work is undertaken. Performance of the work by the Consultant prior to resolution of any such dispute shall waive any claim by the Consultant for compensation as Extra Work.

6. **Employment.** Any and all employees of Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of said employees, while so engaged; any and all taxes arising out of Consultant's or Consultant's employees' work under this Agreement; and any and all claims made by a third party as a consequence of any acts, errors, or omissions on the part of the Consultant's employees, while so engaged, shall be the sole obligation and responsibility of the Consultant, except as provided in Section 12 of this agreement. The Consultant's relation to the City shall at all times be as an independent contractor.

7. **Nondiscrimination and Legal Compliance.** Consultant agrees not to discriminate against any client, employee or applicant for employment or for services because of race, creed, color, national origin, marital status, gender, age or handicap except for a bona fide occupational qualification with regard to, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and rendition of services. The consultant represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Reform and Control Act of 1986, including but not limited to the provisions of the Act prohibiting the hiring and continued employment of unauthorized aliens and requiring verification and record keeping with respect to the status of each of its employees' eligibility for employment. The consultant shall include a provision substantially the same as this section in any and all contracts with sub consultants performing work required of the contractor under this contract. The consultant agrees to indemnify and hold the City harmless from any and all liability, including liability for interest and penalties, the City may incur as a result of the consultant failing to comply with any provisions of the Immigration Reform and Control Act of 1986. Consultant understands and agrees that if it violates this section, this Agreement may be terminated by the City, and that Consultant shall be barred from performing any services for the

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

City in the future unless and until a showing is made satisfactory to the City that discriminatory practices have terminated and that recurrence of such action is unlikely.

8. **Term.** This Agreement shall become effective upon the day of its execution by both parties, and shall terminate upon completion of the work and delivery of all materials described in Exhibit A.

9. **Termination by City.** The City may terminate this Agreement at any time upon not less than ten (10) days written notice to Consultant, subject to the City's obligation to pay Consultant in accordance with subsections A and B below.

A. In the event this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for actual cost of work complete at the time of termination of the Agreement. In addition, the Consultant shall be paid on the same basis as above for any authorized Extra Work completed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the termination notice. If the accumulated payment(s) made to the Consultant prior to the termination notice exceeds the total amount that would be due as set forth in this subsection, then no final payment shall be due and the Consultant shall immediately reimburse the City for any excess paid.

B. In the event the services of the Consultant are terminated by the City for fault on the part of the Consultant, subsection A of this section shall not apply. In such event the amount to be paid shall be determined by the City with consideration given to the actual costs incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which was satisfactorily completed to date of termination, whether that work is in a form or of a type which is usable by the City at the time of termination, the cost to the City of employing another person or firm to complete the work required and the time which may be required to do so, and other factors which affect the value to the City of the work performed at the time of termination. Under no circumstances shall payment made under this subsection exceed the amount which would have been made if subsection A of this section applied.

C. In the event this Agreement is terminated prior to completion of the work, the original copies of all work products prepared by the Consultant prior to termination shall become the property of the City for its use without restriction; *provided*, that any such use by the City not directly related to the particular purposes for which the work product was produced shall be without any liability whatsoever to the Consultant.

10. **Termination by Consultant.** Consultant may terminate this Agreement only in response to material breach of this Agreement by the City, or upon completion of the work set out in the Scope of Work and any Extra Work agreed upon by the parties.

11. **Applicable Law; Venue.** The law of the State of Washington shall apply in interpreting this Agreement. Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of the State of Washington, in and for Pierce County.

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

## 12. Indemnification / Hold Harmless

Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or resulting from the negligent acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

### Insurance

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

#### A. Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

#### B. Minimum Amounts of Insurance

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

#### C. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respect the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.
2. The Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

#### D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

#### E. Verification of Coverage

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

13. **Subletting or Assigning.** The Consultant shall not sublet or assign any of the work covered by this Agreement without the express written consent of the City.

14. **Entire Agreement.** This Agreement represents the entire Agreement between the parties. No change, termination or attempted waiver of any of the provisions of the Agreement shall be binding on any party unless executed in writing by authorized representatives of each party. The agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the parties.

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

15. **Waiver.** Failure by any party to this Agreement to enforce any provision of this Agreement or to declare a breach shall not constitute a waiver thereof, nor shall it impair any party's right to demand strict performance of that or any other provision of this Agreement any time thereafter.

16. **Severability.** If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the application of the remainder of the Agreement shall not be affected.

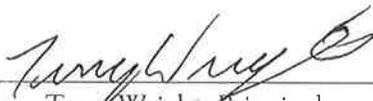
17. **Execution and Acceptance.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The Consultant hereby ratifies and adopts all statements, representations, warranties, covenants, and agreements contained in the supporting materials submitted by the Consultant, and does hereby accept the Agreement and agrees to all of the terms and conditions thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF BONNEY LAKE

CONSULTANT

By: \_\_\_\_\_  
Neil Johnson Jr., Mayor

By:   
Terry Wright, Principal

**Attachments:**

Exhibit A: Scope of Work/Deliverables/Fee

Exhibit B: Rates

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

## EXHIBIT A: SCOPE OF WORK

The Consultant shall perform the following services as directed by the City:

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

EXHIBIT B; RATES

24<sup>th</sup>/25<sup>th</sup> Watermain Replacement,  
Design

EXHIBIT A  
City of Bonney Lake  
24<sup>th</sup>/25<sup>th</sup> St Watermain Replacement

KPG  
Scope of Work  
October 24, 2013

The City of Bonney Lake plans to replace an existing 2-inch PVC watermain that is located within an improved section of property between 24<sup>th</sup> St CT E and 25<sup>th</sup> St Ct E with a new 8-inch DIP watermain. The project will also replace water services to four residential homes at the east end of 25<sup>th</sup> St. Ct East. This describes the anticipated effort required to complete a small works design bid package for this project:

**Task 1.0 – Survey Base Mapping**

This task covers the effort required to create a basemap for use on this Project. It is anticipated that survey will be limited to just what is necessary to complete the design and define property ownership lines as required to construct the new watermain. The survey will:

- Topo the existing surface including edge of pavement, marked utilities and tree line.
- Locate existing utilities based on on-call utility locates.
- Locate existing easement lines

**Products:**

- Electronic basemap showing existing features described above and contours at 1 foot intervals.

**Assumptions:**

- If required, the City will acquire title reports at their cost.
- City will provide locates of City owned utilities.
- Franchised utilities will be located based on One-Call.
- Franchised utilities will be pot holed by the utility or City, if necessary.
- Horizontal and vertical datum's will be NAD 83/91 and NAVD88, respectively.
- Right-of-entry, if required, will be obtained by the City.

## EXHIBIT A

### Task 2.0 -Design

This task covers the effort required to prepare bid documents required for construction of the proposed watermain.

#### Products:

- 30% design consisting of:
  - Roll plot showing horizontal alignment
  - Types and locations of restoration
  - Hydrant locations
  - Property ownership lines
- Meeting with City to review Preliminary Design.
- 90% Design plans, Specifications and Estimate.
  - Cover sheet
  - Typical sections and details
  - Plan and Profile (1 sheet)
  - Standard Details (1 sheet)
  - 1 set of Specifications
  - Construction Cost Estimate
- Meeting with City to review 90% submittal package.
- Address review comments and submit Final Bid Package to include:
  - Three sets of Specifications and ½ size plans
  - Engineer's estimate
  - PDF files of Plans, Specifications, and Estimate

#### Assumptions:

- Approximate length of watermain replacement is 430LF.
- Coordination with the County will not be required
- County permits will be required.
- Coordination with BPA/PSE will not be required
- Geotechnical services are not required.
- The watermain and service lines on 24<sup>th</sup> St. Ct E will not be-replaced.
- The new watermain between 24<sup>th</sup> and 25<sup>th</sup> will be located within the existing easement.
- Restoration of the watermain will be an HMA patch when in pavement and hydro seeding when crossing the easement.
- The new fire hydrant location will be determined by the City.
- No new easements will be required.



## EXHIBIT B

### OTHER DIRECT COSTS EXPENSE ESTIMATE

DATE: November 12, 2013

CLIENT: City of Bonney Lake  
 PROJ NAME: 24th/25th St Watermain Replacement  
 Job # 13149

EXPENSE ITEM	Cost	/ Unit	Qty	Total
Travel - Mileage	0.555	\$ / mile	100	\$56
Travel - Parking County	9.00	\$ / 4 hrs	0	\$0
Maps and Charts	-	estimate	LS	\$0
8 1/2 X 11 Copies	0.10	\$ea	0	\$0
11 X 17 Copies	0.35	\$ea	0	\$0
Blue-line Prints	0.35	\$ea	0	\$0
11 X 17 Plot Check Prints	1.00	\$ea	0	\$0
Color Reduction Prints 8 1/2 x 11	1.00	\$ea	0	\$0
Color Reduction Prints 11 x 17	1.50	\$ea	0	\$0
22 X 34 Copies	2.00	\$ea	0	\$0
22X34 Plot Check Prints Copy (Bond)	6.00	\$ea	0	\$0
Plots Large Vellum	8.00	\$ea	0	\$0
Plots Large Mylar	14.00	\$ea	0	\$0
Mountings 22 x 34	15.00	\$ea	0	\$0
Plot Prints Large Bond Color	\$22	\$ea	0	\$0
Photo Documentation	-	estimate	LS	-
Postage	-	estimate	LS	-
Courier Service	-	estimate	LS	-
Title Reports	#####	\$ea	0	\$0
Outside Reproduction	-	estimate	LS	-
<b>Total KPG In-House Expense =</b>				<b>\$55.50</b>

## EXHIBIT B

\*\*\*\*\*

CLIENT: City of Bonney Lake  
 PROJ NAME: 24th/25th St Watermain Replacement  
 Job # 13149  
 DATE: November 12, 2013

		<b>TASK 1 HOUR BREAKDOWN</b>															
		STAFF LABOR HOURS REQUIRED BY TASK															
TASK NO.	TASK DESCRIPTION	Project Manager /Survey Manager	Proj. Engineer Senior LA PLS	Engineer Tech. LA Tech Survey Tech.	Project Surveyor, PLS	Survey Crew	Project Coordinator									Total Hours	Task Total
		170.37	113.00	90.00	124.17	151.95	68.79										
1.0	Survey and Base Mapping																
1.1	Survey Control				0.5	3.0									3.5	\$517.94	
1.2	Detailed Topographic Mapping					6.0									6	\$911.70	
1.3	Ownership Lines			4.0	2.0										6	\$608.34	
1.4	Utility Locations				0.5	0.5									1	\$138.06	
1.5	Gravity Utility Structures																
1.5	Prepare Base map and TIN			6.0	1.0										7	\$664.17	
<b>OTHER DIRECT COSTS</b>																	
	Other Direct Costs																
	Hours Total			10.0	4.0	9.5									23.5		
	Total			\$900	\$497	\$1,444											
<b>TOTALS</b>																<b>\$2,840.21</b>	

## EXHIBIT B

\*\*\*\*\*  
 CLIENT: City of Bonney Lake  
 PROJ NAME: 24th/25th St Watermain Replacement  
 Job # 13149  
 DATE: November 12, 2013

		<b>TASK 2 HOUR BREAKDOWN</b>													
		STAFF LABOR HOURS REQUIRED BY TASK													
		Project Manager /Survey Manager	Proj. Engineer Senior LA PLS	Engineer Tech. LA Tech Survey Tech.	Project Surveyor, PLS	Survey Crew	Project Coordinator								
TASK NO.	TASK DESCRIPTION	Initials											Total Hours	Task Total	
2.0	<b>Design</b>		170.37	113.00	90.00	124.17	151.95	68.79							
	2.1 Project Management & Invoicing		1.0					2.0					3	\$307.95	
	2.2 30% Design		2.0	8.0	6.0								16	\$1,784.74	
	2.3 Preliminary Design Review Meeting		2.0										2	\$340.74	
	2.4 <u>90% Design</u>														
	2.5 Cover Sheet				2.0								2	\$180.00	
	2.6 Typ Sections/Details		1.0	6.0	4.0								11	\$1,208.37	
	Plan & Profile (1 Sheet)		2.0	10.0	6.0								18	\$2,010.74	
	Specifications		12.0	4.0				4.0					20	\$2,771.60	
	Construction Cost Est.		1.0		4.0								5	\$530.37	
	2.7 90% Design Review Meeting		2.0										2	\$340.74	
	2.8 Final Design Submittal		2.0	10.0	8.0			4.0					24	\$2,465.90	
<b>OTHER DIRECT COSTS</b>															
	Other Direct Costs														
	<b>Hours</b>		25.0	38.0	30.0			10.0					103		
	<b>Total</b>		\$4,259	\$4,294	\$2,700			\$688							
<b>TOTALS</b>														<b>\$11,941.15</b>	

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

<b>Department/Staff Contact:</b> Community Development / Jason Sullivan - Senior Planner	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-149
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2350	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Approving the Interlocal Agreement with Pierce County for Amendments to the Pierce County Countywide Planning Policies, Centers of Local Importance (CoLIs)

**Full Title/Motion:** A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington Authorizing The Mayor To Sign An Interlocal Agreement With Pierce County For Certain Amendments To The Pierce County Countywide Planning Polices As Recommended By The Pierce County Regional Council.

**Administrative Recommendation:**

**Background Summary:** This amendment to the Countywide Planning Policies (CPP) add criteria for designating Centers of Local Importance (CoLI). This amendment has been approved by the Pierce County Council following approval recommendations from both the Pierce County Regional Council (PCRC) and the Growth Management Coordinating Committee (GMCC). In order for this amendment to the CPP to become effective it must be ratified by 60 percent of the jurisdictions in Pierce County representing 75 percent of the total population by either executing an interlocal agreement or by taking no legislative action to disapprove the proposed amendment by March 23, 2014.

**Attachments:** Resoultion 2350

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
n/a			
<b>Budget Explanation:</b>			

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

<b>COUNCIL ACTION</b>	
Workshop Date(s): 19 November 2013	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> JPV	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> (if applicable):



**RESOLUTION NO. 2350**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE,  
PIERCE COUNTY, WASHINGTON AUTHORIZING THE MAYOR TO SIGN AN  
INTERLOCAL AGREEMENT WITH PIERCE COUNTY FOR CERTAIN  
AMENDMENTS TO THE PIERCE COUNTY COUNTYWIDE PLANNING POLICES  
AS RECOMMENDED BY THE PIERCE COUNTY REGIONAL COUNCIL**

The City Council of the City of Bonney Lake, Washington, does hereby resolve that the Mayor is authorized to sign the attached Interlocal attached hereto as Exhibit "A" and incorporated herein by this reference.

**PASSED** by the City Council this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
Mayor Neil Johnson, Jr.

ATTEST:

\_\_\_\_\_  
Harwood T. Edvalson, CMC  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathleen J. Haggard, City Attorney

**RESOLUTION 2350**

**EXHIBIT A**

**INTERLOCAL AGREEMENT**

**AMENDMENTS TO THE PIERCE COUNTY**

**COUNTYWIDE PLANNING POLICIES**

This agreement is entered into by and among the cities and towns of Pierce County and Pierce County. This agreement is made pursuant to the provisions of the Interlocal Cooperation Act of 1967, Chapter 39.34 RCW. This agreement has been authorized by the legislative body of each jurisdiction pursuant to formal action and evidenced by execution of the signature page of this agreement.

**BACKGROUND:**

- A. The Pierce County Regional Council (PCRC) was created in 1992 by interlocal agreement among the cities and towns of Pierce County and Pierce County. The organization is charged with responsibilities, including: serving as a local link to the Puget Sound Regional Council, promoting intergovernmental cooperation, facilitating compliance with the coordination and consistency requirements of the Growth Management Act (Chapter 36.70A RCW) and the Regional Transportation Planning Organization (Chapter 47.80 RCW), and developing a consensus among jurisdictions regarding the development and modification of the Countywide Planning Policies.
- B. The Pierce County Countywide Planning Policies provide for amendments to be adopted through amendment of the original interlocal agreement, or by a new interlocal agreement. The Pierce County Countywide Planning Policies may be amended upon the adoption of amendments by the Pierce County Council and ratification by 60 percent of the jurisdictions in Pierce County representing 75 percent of the total Pierce County population as designated by the State Office of Financial Management at the time of the proposed ratification.
- C. A demonstration of ratification shall be by execution of an interlocal agreement or the absence of a legislative action to disapprove a proposed amendment.
- D. A jurisdiction shall be deemed as casting an affirmative vote if it has not taken legislative action to disapprove a proposed amendment within 180 days from the date the Pierce County Council formally authorizes the Pierce County Executive to enter into an interlocal agreement.

- E. The amendment incorporates new policies that set criteria and a process for the formal recognition of areas that serve as important centers within Pierce County communities. This formal recognition may be used in future countywide project evaluations.
- F. The Pierce County Regional Council recommended adoption of the proposed amendment on March 21, 2013.

**PURPOSE:**

This agreement is entered into by the cities and towns of Pierce County and Pierce County for the purpose of ratifying and approving the attached amendment to the Pierce County Countywide Planning Policies (Attachment 1).

**DURATION:**

This agreement shall become effective upon execution by 60 percent of the jurisdictions in Pierce County, representing 75 percent of the total Pierce County population as designated by the State Office of Financial Management at the time of the proposed ratification. This agreement will remain in effect until subsequently amended or repealed as provided by the Pierce County Countywide Planning Policies.

**SEVERABILITY:**

If any of the provisions of this agreement are held illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect.

**FILING:**

A copy of this agreement shall be filed with the Secretary of State, Washington Department of Commerce, the Pierce County Auditor, and each city and town clerk.

IN WITNESS WHEREOF, this agreement has been executed by each member jurisdiction as evidenced by the signature page affixed to this agreement.

**INTERLOCAL AGREEMENT**

**AMENDMENTS TO THE PIERCE COUNTY**

**COUNTYWIDE PLANNING POLICIES**

Signature Page

The legislative body of the undersigned jurisdiction has authorized execution of the Interlocal Agreement, Amendments to the Pierce County Countywide Planning Policies.

IN WITNESS WHEREOF

This agreement has been executed by City of Bonney Lake

BY: \_\_\_\_\_  
Mayor Neil Johnson, Jr.

DATE: \_\_\_\_\_

Approved:

BY: \_\_\_\_\_  
(Director/Manager/Chair of County Council)

Approved as to Form:

BY: \_\_\_\_\_  
Kathleen J. Haggard, City Attorney

Approved:

BY: \_\_\_\_\_  
(Pierce County Executive)

# **ATTACHMENT 1**

Proposed Amendment  
to the  
Pierce County Countywide Planning  
to  
Incorporate Criteria for the Designation  
of  
Centers of Local Importance

*All text shown below is new.*

**Centers of Local Importance (CoLI) – Page 60:**

***Introduction language***

CoLIs are designated for the purpose of identifying local centers and activity nodes that are consistent with VISION 2040's Multi-county Planning Policies. Such areas promote compact, pedestrian-oriented development with a mix of uses, proximity to diverse services, and a variety of appropriate housing options, or be in an established industrial area.

**Rural Areas – Page 62:**

Rur-21. A CoLI may be located in a rural designated area.

21.1 A CoLI within a rural area shall encompass similar design features as identified in UGA-48 through UGA-52.

21.2 To be officially recognized, a CoLI within a rural area shall meet the same implementation strategy/process as set forth in UGA-53 through UGA-55.

**Starting on Page 81:**

***Introduction language***

CoLIs are designated for the purpose of identifying local centers and activity nodes that are consistent with VISION 2040's Multicounty Planning Policies. Such areas promote compact, pedestrian-oriented development with a mix of uses, proximity to diverse services, and a variety of appropriate housing options, or be in an established industrial area.

**Urban Growth Areas - Page 104:**

***Centers of Local Importance (CoLI)***

***Concepts and Principles***

UGA-49. A CoLI may be located in either an urban or rural area, and shall include activities that provide a focal point or sense of place for a community and its surrounding area.

***Design Features of CoLIs***

- UGA-50. A CoLI is characterized by a concentration of land\_uses or activities that provide a sense of place or gathering place for the community and neighborhood residents. A CoLI should include one or more the following characteristics:
- 50.1 Civic services
  - 50.2 Commercial areas
  - 50.3 Recreational areas
  - 50.4 Industrial areas
  - 50.5 Cultural facilities/activities
  - 50.6 Historic buildings or sites
  - 50.7 Residential areas
- UGA-51. The size of a CoLI and the mix and density of uses are to be locally determined to meet community goals.
- UGA-52. Each jurisdiction shall define the role that the CoLI plays in supporting planned growth.
- UGA-53. A variety of appropriate transportation options and pedestrian-friendly design should be available or planned within a CoLI.

*Implementation Strategies*

- UGA-54. A CoLI shall be locally adopted; approval by the PCRC or other regional organization shall not be required.
- 54.1 A jurisdiction shall document how an area meets the Design Features (UGA-48 through UGA-52)\_of a CoLI in its comprehensive plan.
  - 54.2 The documentation should include examples, plans, or other information that supports the designation of a CoLI.
  - 54.3 An area adopted as a CoLI shall be definitively delineated on a map within a jurisdiction's comprehensive plan.
  - 54.4 A CoLI shall have appropriate land use designations, zoning regulations, and infrastructure plans for existing and planned development.

54.5 A comprehensive plan that utilizes an alternative label to refer to a CoLI shall be accompanied with adopted findings of fact that recognizes the area as a CoLI per the Pierce County CPPs.

UGA-55. A jurisdiction shall provide the PCRC notice of its intention to locally adopt a CoLI or recognize formally adopted CoLIs that meet the criteria.

55.1 The notice shall be provided to the PCRC 60 days (minimum) prior to the expected dated of adoption.

55.2 The notice shall provide information that identifies the location of the proposed CoLI and documents how the location meets the CoLI policies.

UGA-56. A locally adopted CoLI shall be recognized in Appendix B of the CPPs.

56.1 Jurisdictions shall forward a map of locally adopted CoLIs together with the comprehensive plan citations to the PCRC for inclusion into Appendix B. The adopted CoLIs shall be attached to the CPP publications as Appendix B for ease of reference. Appendix B shall not be considered a component of the CPPs and, accordingly, an update to Appendix B shall not constitute an amendment to the CPPs requiring ratification by Pierce County jurisdictions.

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

<b>Department/Staff Contact:</b> PW / Andrew Fonda	<b>Meeting/Workshop Date:</b> November 26, 2013	<b>Agenda Bill Number:</b> AB13-145
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2346	<b>Councilmember Sponsor:</b> Dan Swatman

**Agenda Subject:** Award contract to Hoffman Construction, Inc. for the construction of the Angeline Road Sidewalk Improvement Project.

**Full Title/Motion:** A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Award Contract To Hoffman Construction, Inc. For The Construction Of The Angeline Road Sidewalk Improvement Project.

**Administrative Recommendation:**

**Background Summary:** The City Council approved the 2013-2014 Biennial Budget including \$100,000 toward Traffic Calming Signage. This funding will be used to construct the missing link of sidewalk between Panorama Blvd and 111<sup>th</sup> St. along Angeline Road. The City opened quotes for the Angeline Road Sidewalk Improvement Project on October 29, 2013. Six quotes were received and Hoffman Construction, Inc. submitted the lowest quote with a quote of \$64,352.60. The Engineer's Estimate was \$69,949.00. Staff has determined that the Hoffman Construction, Inc. submittal is consistent with the requirements of the contract provisions.

**Attachments:** Resolution, Bid Tabulation, Contract, Map

**BUDGET INFORMATION**

Budget Amount	Current Balance	Required Expenditure	Budget Balance
\$100,000	\$100,000	\$74,005.49	\$25,994.51

**Budget Explanation:** \$100,000 Traffic Calming Signage Redirected to Angeline Road Sidewalk Improvement Project 301.033.042.595.30.63.01

Construction contract amount: \$64,352.60 + 10% Contingency (Including Project Mgt.)

\$6,435.26 + 5% Construction Engineering \$3,217.63 = Total \$74,005.49

Revenue: Street CIP

**COMMITTEE, BOARD & COMMISSION REVIEW**

<b>Council Committee Review:</b>	Community Development <i>Approvals:</i>		Yes	No
	Date: November 19, 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:	<b>Consent</b>		
		<b>Agenda:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

**Commission/Board Review:**

**Hearing Examiner Review:**

**COUNCIL ACTION**

Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

**APPROVALS**

<b>Director:</b> <i>Dan Grigsby</i>	<b>Mayor:</b> <i>Neil Johnson Jr.</i>	<b>Date Reviewed</b> <b>by City Attorney:</b> (if applicable):
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**RESOLUTION NO. 2346**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AWARDED THE ANGELINE ROAD SIDEWALK IMPROVEMENT PROJECT TO HOFFMAN CONSTRUCTION INC.**

**WHEREAS**, the City Council approved the 2013-2014 Biennial Budget on December 11, 2012 per Ordinance D12-157; and

**WHEREAS**, the 2013-2014 Biennial Budget provided funding for Traffic Calming Signage; and

**WHEREAS**, Public Works staff will use this Traffic Calming Signage funding toward design and construction of the missing link of sidewalk between Panorama Blvd. and 111<sup>th</sup> St. along Angeline Road; and

**WHEREAS**, the City received and opened six quotes on October 29, 2013, and has determined the lowest responsible quote for this contract was received from Hoffman Construction, Inc.

**NOW, THEREFORE, BE IT RESOLVED** that the City of Bonney Lake Council does hereby authorize the Mayor to sign the attached contract with Hoffman Construction, Inc. in the amount of \$64,352.60 which includes tax.

**BE IT FURTHER RESOLVED** that the City of Bonney Lake Council does hereby authorize a 10% Construction Contingency (\$6,435.26) amount based on the contract quote amount as well as a 5% Construction Engineering (\$3,217.63) amount based on the contract quote.

**PASSED** by the City Council this 26th day of November, 2013.

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Neil Johnson, Jr., Mayor

ATTEST:

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Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

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Kathleen Haggard, City Attorney

**TOTAL CONSTRUCTION COST ESTIMATE**

Bid Item	Section	Item	QUANTITY	UNIT	ENGINEERS ESTIMATE		Hoffman Construction		Northwest Cascade		Pape & Sons		Miles Resources		Titan Earthwork		Pivetta Brothers	
					UNIT COST	BASE COST	UNIT COST	BASE COST	UNIT COST	BASE COST	UNIT COST	BASE COST	UNIT COST	BASE COST	UNIT COST	BASE COST	UNIT COST	BASE COST
A001	1-04	Minor Change	1	EST	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
A002	1-07	SPCC Plan	1	LS	\$500.00	\$500.00	\$500.00	\$500.00	\$1,726.00	\$1,726.00	\$500.00	\$500.00	\$600.00	\$600.00	\$570.00	\$570.00	\$450.00	\$450.00
A003	1-09	Mobilization	1	LS	\$6,359.00	\$6,359.00	\$4,850.00	\$4,850.00	\$6,101.00	\$6,101.00	\$6,750.00	\$6,750.00	\$8,190.00	\$8,190.00	\$11,006.89	\$11,006.89	\$15,000.00	\$15,000.00
A004	1-10	Flaggers and Spotters	160	HR	\$50.00	\$8,000.00	\$10.00	\$1,600.00	\$52.60	\$8,416.00	\$41.00	\$6,560.00	\$61.00	\$9,760.00	\$65.00	\$10,400.00	\$50.00	\$8,000.00
A005	1-10	Project Temporary Traffic Control	1	LS	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$2,050.00	\$2,050.00	\$500.00	\$500.00	\$5,400.00	\$5,400.00	\$3,628.00	\$3,628.00	\$3,000.00	\$3,000.00
A006	2-02	Removing Asphalt Conc. Pavement	55	SY	\$15.00	\$825.00	\$40.00	\$2,200.00	\$13.00	\$715.00	\$30.00	\$1,650.00	\$33.00	\$1,815.00	\$32.00	\$1,760.00	\$35.00	\$1,925.00
A007	2-03	Removing Cement Conc. Sidewalk	20	SY	\$25.00	\$500.00	\$80.00	\$1,600.00	\$32.50	\$650.00	\$30.00	\$600.00	\$86.00	\$1,720.00	\$22.00	\$440.00	\$35.00	\$700.00
A008	2-03	Roadway Excavation Incl. Haul	10	CY	\$25.00	\$250.00	\$0.01	\$0.10	\$61.50	\$615.00	\$75.00	\$750.00	\$80.00	\$800.00	\$110.00	\$1,100.00	\$108.00	\$1,080.00
A009	2-03	Gravel Borrow Incl. Haul	100	TN	\$35.00	\$3,500.00	\$22.00	\$2,200.00	\$21.50	\$2,150.00	\$23.00	\$2,300.00	\$54.00	\$5,400.00	\$26.00	\$2,600.00	\$18.00	\$1,800.00
A010	4-04	Crushed Surfacing Top Course	65	TN	\$35.00	\$2,275.00	\$30.00	\$1,950.00	\$30.50	\$1,982.50	\$35.00	\$2,275.00	\$101.00	\$6,565.00	\$26.00	\$1,690.00	\$35.00	\$2,275.00
A011	5-04	HMA CL 1/2 In. PG 64-22	20	TN	\$150.00	\$3,000.00	\$220.00	\$4,400.00	\$256.50	\$5,170.00	\$250.00	\$5,000.00	\$146.00	\$2,920.00	\$170.00	\$3,400.00	\$370.00	\$7,400.00
A012	7-04	Ductile Iron Storm Sewer Pipe 12 In. Diam.	16	LF	\$65.00	\$1,040.00	\$85.00	\$1,360.00	\$67.00	\$1,072.00	\$100.00	\$1,600.00	\$97.00	\$1,552.00	\$170.00	\$2,720.00	\$200.00	\$3,200.00
A013	7-05	Catch Basin Type 1	2	EA	\$1,250.00	\$2,500.00	\$1,050.00	\$2,100.00	\$896.00	\$1,792.00	\$1,100.00	\$2,200.00	\$1,050.00	\$2,100.00	\$927.00	\$1,854.00	\$1,350.00	\$2,700.00
A014	8-02	Topsoil Type A	10	CY	\$60.00	\$600.00	\$80.00	\$800.00	\$60.80	\$608.00	\$70.00	\$700.00	\$90.00	\$900.00	\$123.00	\$1,230.00	\$80.00	\$800.00
A015	8-02	Sod Installation	175.00	SY	\$10.00	\$1,750.00	\$9.50	\$1,662.50	\$17.00	\$2,975.00	\$12.50	\$2,187.50	\$12.00	\$2,100.00	\$29.00	\$5,075.00	\$15.00	\$2,625.00
A016	8-04	Cement Conc. Traffic Curb and Gutter	335.00	LF	\$26.00	\$8,715.00	\$21.00	\$7,035.00	\$23.25	\$7,788.75	\$24.75	\$8,291.25	\$18.25	\$6,113.75	\$19.00	\$6,365.00	\$30.00	\$10,050.00
A017	8-04	Cement Conc. Pedestrian Curb	35	LF	\$35.00	\$1,225.00	\$16.00	\$560.00	\$23.25	\$813.75	\$24.75	\$866.25	\$23.00	\$805.00	\$21.00	\$735.00	\$60.00	\$2,100.00
A018	8-14	Cement Conc. Sidewalk	190	SY	\$30.00	\$5,700.00	\$46.00	\$8,740.00	\$34.00	\$6,460.00	\$35.00	\$6,650.00	\$35.50	\$6,745.00	\$36.00	\$6,840.00	\$60.00	\$11,400.00
A019	8-14	Cement Conc. Curb Ramp Type Parallel A	2	EA	\$1,250.00	\$2,500.00	\$1,100.00	\$2,200.00	\$1,350.00	\$2,700.00	\$2,000.00	\$4,000.00	\$1,120.00	\$2,240.00	\$1,343.00	\$2,686.00	\$2,600.00	\$5,200.00
A020	8-22	Paint Line	350	LF	\$3.00	\$1,050.00	\$1.70	\$595.00	\$2.86	\$1,011.00	\$7.00	\$2,450.00	\$3.50	\$1,225.00	\$10.00	\$3,500.00	\$3.20	\$1,120.00
					\$69,949.00		\$64,352.60		\$69,786.00		\$70,830.00		\$81,910.75		\$82,599.59		\$95,825.00	

## CONTRACTOR AGREEMENT

THIS AGREEMENT, is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013 by and between the CITY OF BONNEY LAKE, a Washington municipal corporation, hereinafter referred to as the "CITY" and \_\_\_\_\_, hereinafter referred to as the "CONTRACTOR."

WITNESSETH:

WHEREAS, the CITY desires to have certain work, services and/or tasks performed as set forth below requiring specialized skills and other supportive capabilities; and

WHEREAS, sufficient CITY resources are not available to provide such work; and

WHEREAS, the CONTRACTOR represents that the CONTRACTOR is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise, where required, to perform the work, services and/or tasks set forth in this Agreement.

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

### 1. SCOPE OF WORK.

The CONTRACTOR shall perform such work and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as CONTRACTOR responsibilities throughout this Agreement and as detailed in Exhibit "A" attached hereto and incorporated herein (the "Project").

### 2. TERM.

The Project shall begin no earlier than Refer to Notice to Proceed and shall be completed no later than Refer to Notice to Proceed, unless sooner terminated according to the provisions herein.

### 3. COMPENSATION AND METHOD OF PAYMENT.

A. Payments for work provided hereunder shall be made following the performance of such work, unless otherwise permitted by law and approved in writing by the CITY.

B. No payment shall be made for any work rendered by the CONTRACTOR except for work identified and set forth in this Agreement.

C. The CITY shall pay the CONTRACTOR for work performed under this Agreement pursuant to accepted quote proposal attached hereto as Exhibit "B" and by this reference incorporated herein.

D. The CONTRACTOR shall submit to the CITY Clerk-Treasurer on forms approved by the Clerk-Treasurer, a voucher or invoice for services rendered during the pay period. The CITY shall initiate authorization for payment after receipt of said approved voucher or invoice and shall make payment to the CONTRACTOR within approximately thirty (30) days thereafter.

### 4. REPORTS AND INSPECTIONS.

A. The CONTRACTOR at such times and in such forms as the CITY may require, shall furnish to the CITY such statements, records, reports, data, and information as the CITY may request pertaining to matters covered by this Agreement. All of the reports, information data, and other related materials,

prepared or assembled by the CONTRACTOR under this Agreement and any information relating to personal, medical and financial data will be treated as confidential insofar as is allowed by Washington State laws regarding disclosure of public information, Chapter 42.17, R.C.W. Generally, Chapter 42.17, R.C.W. requires disclosure of all but the most personal and sensitive information in CITY hands.

B. The CONTRACTOR shall at any time during normal business hours and as often as the CITY or State Examiner may deem necessary, make available for examination all of its records and data with respect to all matters covered, directly or indirectly, by this Agreement and shall permit the CITY or its designated authorized representative to audit and inspect other data relating to all matters covered by this Agreement. The CITY shall receive a copy of all audit reports made by the agency or firm as to the CONTRACTOR'S activities. The CITY may, at its discretion, conduct an audit at its expense, using its own or outside auditors, of the CONTRACTOR'S activities which relate, directly or indirectly, to this Agreement.

#### 5. INDEPENDENT CONTRACTOR RELATIONSHIP.

A. The parties intend that an independent CONTRACTOR/CITY relationship will be created by this Agreement. The CITY is interested primarily in the results to be achieved; subject to paragraphs herein, the implementation of work and/or services will lie solely with the discretion of the CONTRACTOR. No agent, employee, servant or representative of the CONTRACTOR shall be deemed to be an employee, agent, servant or representative of the CITY for any purpose, and the employees of the CONTRACTOR are not entitled to any of the benefits the CITY provides for its employees. The CONTRACTOR will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors or representatives during the performance of this Agreement.

B. In the performance of the work herein contemplated the CONTRACTOR is an independent contractor with the authority to control and direct the performance of the details of the work, however, the results of the work contemplated herein must meet the approval of the CITY and shall be subject to the CITY'S general rights of inspection and review to secure the satisfactory completion thereof.

#### 6. CONTRACTOR EMPLOYEES/AGENTS

The CITY may in its sole discretion require the CONTRACTOR to remove an employee(s), agent(s) or servant(s) from employment on this Project. The CONTRACTOR may however employ that (those) individual(s) on other non-CITY related projects.

#### 7. HOLD HARMLESS INDEMNIFICATION.

A. Contractor shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or resulting from the negligent acts, errors or omissions of the Contractor in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

B. No liability shall attach to the CITY by reason of entering into this Agreement except as expressly provided herein.

## 8. INSURANCE.

The CONTRACTOR shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, its agents, representatives, employees or subcontractors.

### A. Minimum Scope of Insurance

The CONTRACTOR shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

### B. Minimum Amounts of Insurance

CONTRACTOR shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

### B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Contractor's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and not contribute with it.
2. The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

3. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
4. Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including, but not limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor before commencement of the work.

The CONTRACTOR'S insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

Any payment of deductible or self-insured retention shall be the sole responsibility of the CONTRACTOR.

The CONTRACTOR'S insurance shall be primary insurance as respects the CITY and the CITY shall be given thirty (30) days prior written notice of any cancellation, suspension or material change in coverage.

#### 9. TREATMENT OF ASSETS.

Title to all property furnished by the CITY shall remain in the name of the CITY and the CITY shall become the owner of the work product and other documents, if any, prepared by the CONTRACTOR pursuant to this Agreement.

#### 10. COMPLIANCE WITH LAWS.

A. The CONTRACTOR, in the performance of this Agreement, shall comply with all applicable federal, state or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.

B. The CONTRACTOR specifically agrees to pay any applicable business and occupation (B & 0) taxes which may be due on account of this Agreement.

C. The CONTRACTOR shall fully satisfy, and shall require any subcontractors to fully satisfy, any obligation to make industrial insurance premium payments related to the Project and required under RCW 51.12.050 and/or RCW 51.12.070. Specified retainage relating to the Project will be withheld until receipt by the City of evidence that CONTRACTOR and all of its subcontractors have fully satisfied any obligation to make industrial insurance premium payments related to the Project and required under RCW 51.12.050 and/or RCW 51.12.070.

#### 11. NONDISCRIMINATION AND LEGAL COMPLIANCE.

A. The CITY is an equal opportunity employer.

B. Nondiscrimination in Employment. In the performance of this Agreement, the CONTRACTOR agrees not to discriminate against any client, employee or applicant for employment or for services because of race, creed, color, national origin, marital status, gender, age or handicap except for a bona fide occupational qualification with regard to, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and rendition of services. Contractor understands and agrees that if it violates this section, this Agreement may be terminated by the City, and that Contractor shall be barred from performing any services for the City in the future unless and until a showing is made satisfactory to the City that discriminatory practices have terminated and that recurrence of such action is unlikely.

C. Nondiscrimination in Services. The CONTRACTOR will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap.

D. If any assignment and/or subcontracting has been authorized by the CITY, said assignment or subcontract shall include appropriate safeguards against discrimination. The CONTRACTOR shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

E. The contractor represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Reform and Control Act of 1986, including but not limited to the provisions of the Act prohibiting the hiring and continued employment of unauthorized aliens and requiring verification and record keeping with respect to the status of each of its employees' eligibility for employment. The contractor shall include a provision substantially the same as this section in any and all contracts with subcontractors performing work required of the contractor under this contract. The contractor agrees to indemnify and hold the City harmless from any and all liability, including liability for interest and penalties, the City may incur as a result of the contractor failing to comply with any provisions of the Immigration Reform and Control Act of 1986.

## 12. ASSIGNMENT/SUBCONTRACTING.

A. The CONTRACTOR shall not assign its performance under this Agreement or any portion of this Agreement without the written consent of the CITY, and it is further agreed that said consent must be sought in writing by the CONTRACTOR not less than thirty (30) days prior to the date of any proposed assignment. The CITY reserves the right to reject without cause any such assignment.

B. Any work or services assigned hereunder shall be subject to each provision of this Agreement and proper RFQ procedures where applicable as set forth in local, state and/or federal statutes, ordinances and guidelines.

C. Any technical/professional service subcontract not listed in this Agreement, must have express advance approval by the CITY.

## 13. CHANGES.

Either party may request changes to the scope of services and performance to be provided hereunder, however, no change or addition to this Agreement shall be valid or binding upon the CITY unless such change or addition be in writing and signed by both parties. Such amendments shall be attached to and made part of this Agreement.

The CITY will have the right to make changes to the work provided for hereunder, within its general scope, and the contract time and for contract amount will be equitably adjusted to reflect the change. The CONTRACTOR will promptly commence and continue to perform the work as changed notwithstanding disagreement over the equitable adjustment owing therefore.

## 14. MAINTENANCE AND INSPECTION OF RECORDS.

A. The CONTRACTOR shall maintain books, records and documents, which sufficiently and properly reflect all direct and indirect costs related to the performance of this Agreement and shall maintain such accounting procedures and practices as may be necessary to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject at all reasonable times to inspection, review, or audit, by the CITY, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

B. The CONTRACTOR shall retain all books, records, documents and other material relevant to this agreement, for six (6) years after its expiration. The CONTRACTOR agrees that the CITY or its designee shall have full access and right to examine any of said materials at all reasonable times during said period.

15. POLITICAL ACTIVITY PROHIBITED.

None of the funds, materials, property or services provided directly or indirectly under tile Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

16. PROHIBITED INTEREST.

No member, officer, or employee of the CITY shall have any interest, direct or indirect, in this Agreement or the proceeds thereof

17. RETAINAGE.

Notwithstanding any other provision of this Agreement, in accordance with Ch. 60.28 RCW, the CITY shall retain from the monies earned by CONTRACTOR hereunder, five percent as a trust fund for the protection and payment of any person or persons, mechanic, subcontractor or materialman who shall perform any labor or furnish any supplies related to the Project, and the state with respect to taxes imposed pursuant to Title 82 RCW which may be due from CONTRACTOR. Said retainage shall be reserved in a CITY fund until thirty days following final acceptance of the Project as completed, and shall not be released to CONTRACTOR until the CITY has received certification from the Washington State Department of Revenue that all taxes, increases and penalties due from CONTRACTOR, and all taxes due and to become due with respect to the Project, have been paid in full or are readily collectible without recourse to the state's lien on the retainage, and until the requirements of section 10(C) have been satisfied.

18. PERFORMANCE BOND.

In accordance with Ch. 39.08 RCW, CONTRACTOR shall furnish to the CITY a bond, with a surety company licensed as a surety in Washington as surety, conditioned that CONTRACTOR shall faithfully perform all provisions of this Agreement and pay all laborers, mechanics, subcontractors and materialmen, and all persons who supply such person or persons, or subcontractors, with provisions and supplies for carrying out the Project. Said bond shall be in the amount of the total amount of this Agreement.

19. PREVAILING WAGE.

CONTRACTOR shall pay all laborers, workers, or mechanics performing work under this Agreement prevailing wages as required by Ch. 39.12 RCW, and shall satisfy all other requirements of that chapter, including without limitation requiring that all subcontractors performing work related to the project comply with the requirements of that chapter. The hourly minimum rate of wage which may be paid to laborers, workers, or mechanics for work related to the Project is shown on Exhibit C, attached hereto and incorporated herein by this reference. Prior to the CITY making any payment to CONTRACTOR under this Agreement, CONTRACTOR and each subcontractor shall submit to the CITY a Statement of Intent to Pay Prevailing Wages approved by the industrial statistician of the Washington State Department of Labor and Industries and complying with the requirements of RCW 39.12.040. Prior to release of the sums retained pursuant to section 17 of this Agreement ["Retainage"], CONTRACTOR and each

subcontractor shall submit to the City an Affidavit of Wages Paid approved by the industrial statistician of the Washington State Department of Labor and Industries and complying with the requirements of RCW 39.12.040.

## 20. TERMINATION.

A. Termination for Convenience. The CITY may terminate this Agreement, in whole or in part, at any time, by written notice to the CONTRACTOR. In the event of termination for the convenience of the CITY, the CONTRACTOR shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The CONTRACTOR shall promptly submit a termination claim to the CITY. If the CONTRACTOR has any property in its possession belonging to the CITY, the CONTRACTOR will account for the same, and dispose of it in the manner directed by the CITY.

B. Termination for Cause. If the CONTRACTOR fails to perform in the manner called for in this Agreement, or if the CONTRACTOR fails to comply with any other provisions of the Agreement and fails to correct such noncompliance within five (5) days written notice thereof, the CITY may terminate this Agreement for cause. Termination shall be effected by serving a notice of termination on the CONTRACTOR setting forth the manner in which the CONTRACTOR is in default. The CONTRACTOR will only be paid for services performed in accordance with the manner of performance set forth in this Agreement.

## 21. NOTICE.

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated for the parties on the last page of this Agreement.

## 22. ATTORNEYS FEES AND COSTS.

If any legal proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney's fees and other costs incurred in that action or proceeding.

## 23. JURISDICTION AND VENUE.

A. This Agreement has been and shall be construed as having been made and delivered with the State of Washington and it is agreed by each party hereto that this Agreement shall be governed by laws of the State of Washington, both as to interpretation and performance.

B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provisions thereof shall be instituted and maintained only in any of the courts of competent jurisdiction in Pierce County, Washington.

## 24. SEVERABILITY.

A. If, for any reason, any part, term or provision of this Agreement is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If it should appear that any provision hereof is in conflict with any statutory provision of the State of Washington, said provision which may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provisions.

25. ENTIRE AGREEMENT.

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. Both parties recognize time is of the essence in the performance of the provisions of this Agreement. It is also agreed by the parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provisions of this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed the day and year first hereinabove written.

CITY OF BONNEY LAKE

CONTRACTOR

\_\_\_\_\_  
Neil Johnson, Jr., Mayor

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

UBI Number: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit A – Scope of Work

Exhibit B – Contractor’s Proposal & Schedule of Prices

Exhibit C – Prevailing Wage Rates for Pierce County (Effective October 10, 2013)



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

<b>Department/Staff Contact:</b> Fin / Al Juarez	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-139
<b>Agenda Item Type:</b> Ordinance	<b>Ordinance/Resolution Number:</b> D13-139	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Ordinance D13-139 To Set The Amount Of The Annual Ad Valorem (Property Tax) Levy To Be Collected In 2014.

**Full Title/Motion:** An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting The Amount Of The Annual Ad Valorem Tax Levy For Fiscal Year 2014..

**Administrative Recommendation:**

**Background Summary:** Pursuant to Revised Code of WA (RCW) 84.52.020 the Mayor of the City of Bonney Lake must certify to the Pierce County Assessor-Treasurer and the Pierce County Council that the Bonney Lake City Council requests the following levy amounts be collected in year 2014 as provided in the City's budget and said property taxes will be adopted following a public hearing held on November 12, 2013.

As illustrated in the attached Pierce County "Preliminary Tax Levy Limit" worksheet, the regular levy limit is \$2,722,006.32, which consists of the lawful regular tax levy multiplied by the 1% limit factor (RCW 84.55.005) plus the current years assessed value of new construction and improvements.

As defined in the attachment title "Example of Ordinance" prepared by the Pierce County Assessor-Treasurer, the districts actual levy amount from the previous year was \$2,639,650.47 and the population of the district is more than 10,000. Now, therefore the governing body of the taxing district is authorized to enact the levy to be collected in the 2014 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$19,937.23, which is a percentage increase of .7553% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Key elements outlined in the 2014 proposed levy are: (a) the tax levy rate in 2013 per \$1,000 of property value was \$1.5595853 (rounded); the tax levy rate proposed for 2014 is \$1.5316089 per \$1,000 of property value. (b) The total City assessed value in 2013 was \$1,688,432,963 and in 2014 \$1,777,220,232, which is an increase of \$88,787,269 or 5.26%. (c) The total tax levy collected in 2013 was \$2,639,650.47. To derive the the proposed 2014 levy to be collected start with the previous year of \$2,639,650.47, add new construction and improvements over the year = \$62,418.62; add the allowed increase pursuant to RCW = \$19,937.23; and the net result for 2014 collection = \$2,722,006.32. (d) The percentage of New Construction and Improvements compared to total assessed value = .0035%.

**Attachments:** Yes

<b>BUDGET INFORMATION</b>			
<b>Budget Amount</b>	<b>Current Balance</b>	<b>Required Expenditure</b>	<b>Budget Balance</b>
<b>Budget Explanation:</b> Adopt Annual Ad Valorem tax to be collected in 2014.			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b> Finance Committee	<i>Approvals:</i>		Yes No

Date: 8 October 2013	Chair/Councilmember	Deputy Mayor Swatman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Councilmember	Mark Hamilton	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Councilmember	Randy McKibbin	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Forward to:	10/22/13 Council Meeting; 11/12/13 meeting; 11/19/13 meeting; Adopt @ 11/26/13 meeting.	<b>Consent Agenda:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>Commission/Board Review:</b>				
<b>Hearing Examiner Review:</b>				

<b>COUNCIL ACTION</b>			
Workshop Date(s):	11/5/13; 11/19/13	Public Hearing Date(s):	11/12/13
Meeting Date(s):	11/26/13	Tabled to Date:	

<b>APPROVALS</b>			
<b>Director:</b> <i>Al Juarez</i>	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> (if applicable):	Standard

**ORDINANCE NO. D13-139**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, SETTING THE AMOUNT OF THE ANNUAL AD VALOREM TAX LEVY NECESSARY FOR THE FISCAL YEAR 2014 FOR THE PURPOSES SET FORTH BELOW**

**WHEREAS**, the City Council of the City of Bonney Lake is meeting and discussing the biennial budget for the fiscal years 2013 and 2014; and

**WHEREAS**, the City Council held a public hearing on November 12, 2013 to discuss the feasibility of an increase in property tax revenues for collection in year 2014; and

**WHEREAS**, the City Council of the City of Bonney Lake after hearing and after duly considering all relevant evidence and testimony presented, determined that the City of Bonney Lake requires a regular levy in the amount of \$2,722,006.32, which includes an increase in property tax revenue from the previous year, and amounts resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the City and in its best interest;

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

**SECTION 1:** The City Council of the City of Bonney Lake, Washington, does hereby resolve the city's actual levy amount from the previous year was \$2,639,650.47; and, the population is more than 10,000; and now therefore, that an increase in the regular property tax levy is authorized for the levy to be collected in the 2014 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$19,937.23, which is a percentage increase of .7553% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

**SECTION 2:** That the taxes to be collected from the levies hereby fixed and made, together with the estimated revenues from sources other than taxation, which constitutes the appropriation of the City of Bonney Lake for the fiscal year 2014, are hereby approved.

**SECTION 3:** A certified copy of this Ordinance and original Ad Valorem Levy Certification shall be transmitted on or before November 30<sup>th</sup> of the year preceding the year in which the levy amounts are to be collected to the Pierce County Assessor-Treasurer (Attn: Levy Department; 2401 S. 35<sup>th</sup> St. Rm. 142; Tacoma, WA 98409); and,

the Pierce County Council (Attn: Clerk, Rm. 1046; County City Building; 930 Tacoma Ave. S.; Tacoma, WA 98402); and, any other governmental office as provided by law.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BONNEY LAKE**  
and approved by the Mayor this 26th day of November, 2013.

\_\_\_\_\_  
Mayor Neil Johnson, Jr.

AUTHENTICATED:

\_\_\_\_\_  
Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathleen Haggard, City Attorney



# Levy Certification

Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.

In accordance with RCW 84.52.020, I, Al Juarez,  
(Name)

Chief Financial Officer, for City of Bonney Lake, do hereby certify to  
(Title) (District Name)

the Pierce County legislative authority that the City Council  
(Name of County) (Commissioners, Council, Board, etc.)

of said district requests that the following levy amounts be collected in 2014 as provided in the district's  
(Year of Collection)

budget, which was adopted following a public hearing held on 11/12/13:  
(Date of Public Hearing)

Regular Levy: \$2,722,006.32  
(State the total dollar amount to be levied)

Excess Levy: \_\_\_\_\_  
(State the total dollar amount to be levied)

Refund Levy: \_\_\_\_\_  
(State the total dollar amount to be levied)

Signature: 

Date: 11/26/13

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 7056715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.



**Pierce County**

**Mike Lonergan, Assessor-Treasurer**

2401 South 35th Street  
Tacoma, WA 98409-7498  
(253) 798-6111 FAX (253) 798-3142  
ATLAS (253) 798-3333  
www.piercecountywa.org/atr

September 13, 2013

OFFICIAL NOTIFICATION TO: **BONNEY LAKE**

RE: 2013 PRELIMINARY ASSESSED VALUES

**FOR REGULAR LEVY**

Total Taxable Regular Value	1,777,220,232
Highest lawful regular levy amount since 1985	2,633,255.15
<b>Last year's actual levy amount</b>	<b>2,639,650.47</b>
Additional revenue from current year's NC&I	62,418.62
Additional revenue from annexations (RCW 84.55)	0.00
Additional revenue from administrative refunds (RCW 84.69)	0.00
<i>No additional revenue from administrative refunds will be allowed if you are limited by your statutory rate limit.</i>	
Last year's additional revenue from increase in state-assessed property	2,608.38

**FOR EXCESS LEVY**

Taxable Value	1,767,500,117
Timber Assessed Value	not available
Total Taxable Excess Value	1,767,500,117

2013 New Construction and Improvement Value 39,925,612

*If you need assistance or have any questions regarding this information, please contact Kim Flesham  
253.798.7114 kfleshm@co.pierce.wa.us.*



**Pierce County**

**Mike Lonergan, Assessor-Treasurer**

2401 South 35th Street  
Tacoma, WA 98409-7498  
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ATLAS (253) 798-3333  
www.piercecountywa.org/atr

**TAX LEVY LIMIT 2013 FOR 2014**

BONNEY LAKE  
> 10,000

**REGULAR TAX LEVY LIMIT:**

	2012
A. <u>Highest regular tax which could have been lawfully levied beginning with the 1985 levy</u> (refund levy not included) times limit factor (as defined in RCW 84.55.005).	2,633,255.15
	1.01
	2,659,587.70
B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).	39,925,612
	1.563372978285
	62,418.62
C. Current year's state assessed property value in original district if annexed less last year's state assessed property value. The remainder to be multiplied by last year's regular levy rate (or the rate that should have been levied).	24,037,284
	24,037,284
	0.00
	1.563372978285
	0.00
D. <b>REGULAR PROPERTY TAX LIMIT (A + B + C)</b>	2,722,006.32

**ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:**

E. To find rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.	2,722,006.32
	1,777,220,232
	1.531608899916
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00
	1.531608899916
	0.00
G. <b>NEW LEVY LIMIT FOR ANNEXATION (D + F)</b>	2,722,006.32

**LEVY FOR REFUNDS:**

H. RCW 84.55.070 provides that the levy limit will not apply to the levy for taxes refunded or to be refunded pursuant to Chapters 84.68 or 84.69 RCW. (D or G + refund if any)	2,722,006.32
	0.00
	2,722,006.32
I. <b>TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)</b>	2,722,006.32
J. Amount of levy under statutory rate limitation.	1,777,220,232
	1.600000000000
	2,843,552.37
K. <b>LESSER OF I OR J</b>	2,722,006.32

**EXAMPLE OF ORDINANCE/RESOLUTION  
REQUESTING HIGHEST LAWFUL LEVY**

**Ordinance/Resolution No. \_\_\_\_\_  
RCW 84.55.120**

**WHEREAS**, the \_\_\_\_\_ of BONNEY LAKE has met and considered  
(Governing body of the taxing district) (Name of the taxing district)  
its budget for the calendar year \_\_\_\_\_ ; and,

**WHEREAS**, the districts actual levy amount from the previous year was \$ 2,639,650.47 and,  
(Previous Year's Levy Amount)

**WHEREAS**, the population of this district is  more than or  less than 10,000; and now, therefore,  
(Check One)

**BE IT RESOLVED** by the governing body of the taxing district that an increase in the regular property tax levy  
is hereby authorized for the levy to be collected in the 2014 tax year.  
(Year of Collection)

The dollar amount of the increase over the actual levy amount from the previous year shall be \$19,937.23  
which is a percentage increase of 0.7553% from the previous year. This increase is exclusive of \_\_\_\_\_  
(Percentage Increase)

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines,  
any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**SAMPLE**

**If additional signatures are necessary, please attach additional page.**

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: <http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc>.

For tax assistance, visit <http://dor.wa.gov/content/taxes/property/default.aspx> or call (360) 570-5900. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users may call 1-800-451-7985.

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

<b>Department/Staff Contact:</b> PW / Dan Grigsby	<b>Meeting/Workshop Date:</b> 26 November 2013	<b>Agenda Bill Number:</b> AB13-105
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2322	<b>Councilmember Sponsor:</b> Deputy Mayor Swatman

**Agenda Subject:** A Sewer Development Financing Contract and Utility Latecomer Agreement with Kahne Properties, LLC Re: Eastown Southern Sewer Development

**Full Title/Motion:** A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Regarding Proposed Resolution 2322, To Establish The Eastown Southern Sewer Development Contract And Utility Latecomer Agreement.

**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. A total of eleven parcels would pay Latecomer Fees as a result of this ULA. Negotiations with KAHNE and discussion with City Finance Committee has resulted in a resolution that provides a KAHNE/City 75/25 cost sharing agreement to fund this ULA. Based on Preliminary Cost Estimates, KAHNE would contribute \$271,671 and the City \$90,557 of the ULA eligible costs. Also, KAHNE would pay 100% of the cost for the section of sewer line crossing his parcel. At the 19 November 2013 City Council workshop, City Council consensus was to include the Swift parcel in this ULA without a Latecomer Fee credit as described in the PW Director Point Paper.

**Attachments:** Resolution 2322, PW Director Point Paper, Morris Written Concerns with Staff Response, LANDMARK Development letter, Eastown Southern Sewer Utility Latecomer Agreement with KAHNE

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

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	Finance Committee	<i>Approvals:</i>	<b>Yes No</b>
	Date: 9 July 2013, 12 Nov 2013	Chair/Councilmember Dan Swatman	<input checked="" type="checkbox"/> <input type="checkbox"/>
		Councilmember Randy McKibbin	<input type="checkbox"/> <input checked="" type="checkbox"/>
		Councilmember Mark Hamilton	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Forward to: City Council Workshop	<b>Consent Agenda:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			

<b>COUNCIL ACTION</b>			
Workshop Date(s):	20AUG, 3SEP, 1OCT, 19 NOV	Public Hearing Date(s):	24 September 2013
Meeting Date(s):	26 November 2013	Tabled to Date:	

**APPROVALS**

**Director:**  
*Dan Grigsby, P.E.*

**Mayor:**  
*Neil Johnson Jr.*

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

**RESOLUTION NO. 2322**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING ESTABLISHMENT OF A SEWER DEVELOPMENT FINANCING CONTRACT AND UTILITY LATECOMER AGREEMENT FOR EASTOWN SEWERS WITH KAHNE PROPERTIES, LLC/ LANDMARK DEVELOPMENT.**

**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



**Memorandum From**  
Daniel L. Grigsby, P.E.  
Director, Public Works Department

October 15, 2013

To: Mayor and City Council

Subj: Easttown Southern Sewer ULA

- Encl: (1) Preliminary Latecomer Fee Assessment Roll with Swift Parcel Latecomer Fee Credit  
(2) SCJ profile map of sewer easement crossing the Shepard-Morris parcel  
(3) Shepard-Morris Parcel - Sewer Easement Location Plan  
(4) Easttown Parcels with No Sewer Service - Map

During the 1 October City Council Workshop, several questions were asked about this project. The answers are provided below:

1. Swift Parcel ULA Latecomer Fee Assessment. There are two ways to look at this issue:
  - a. **Pay Reduced ULA Latecomer Assessment**, with a credit from the LID assessment.
    - i. The Swift family paid a LID assessment (\$25,994) to Pierce County when the sewer line was extended south on 214<sup>th</sup> Ave. This was to build new infrastructure; it was not a fee to connect to the sewer system (Sewer SDC).
    - ii. Since the City purchased the Pierce County sewer rights and obligations, the City may want to pay this \$25,994 instead of the Swift family. The Swift family would only be assessed for the cost increase for the new sewer line in this ULA. The Swift Latecomer Fee Assessment (\$33,817), for their parcel in this ULA (**Enclosure (1)**), would be reduced to \$7,823. This \$25,994 would not be included in the Latecomer Fees assessed to other parcels in this ULA. It would not affect the 75/25 Kahne/City cost sharing calculation.
  - b. **Pay Full ULA Latecomer Assessment**. (Recommended by City Staff)
    - i. The parcel in this ULA is actually a “flag lot” with a 730 foot long, 20-foot wide “flag stick” (14,600 s.f. = 0.34 Ac) that is part of this 4.02 Acre (175,111 s.f.) parcel. This is one route where their future sewer line could connect to the City sewer system.
    - ii. If the Swift parcel connects to the new ULA sewer line, it would reduce their cost of building a sewer line (to 214<sup>th</sup> Ave.) approximately 1,050 feet long (to the mid-point of flag lot). Also, since 214<sup>th</sup> Ave is at a higher elevation than this parcel, a grinder pump would need to be paid for (ignoring the O&M costs).

- iii. The cost to build a sewer line to the middle of this parcel is approximately = 1,050 ft. x \$80/l.f. = \$84,000. By participating in this ULA and paying the \$33,817 Latecomer Fee, they would actually be reducing development costs of this parcel by approximately \$50,183.
  - iv. Additionally, by connecting to the new ULA sewer line, the Swifts could remove the “flag stick” from their eastern parcel and add it to their western parcel adjacent to 214<sup>th</sup> Avenue with a boundary line adjustment; thus, increasing the size and value of that parcel by 14,600 s.f.
- 2. Shepard-Morris Parcel - Stormwater Impact from Construction of the Sewer Line.
  - a. During design, the flow of stormwater onto this parcel will be addressed such that runoff onto this parcel will be no greater than it already is.
- 3. Shepard-Morris Parcel – Negative Impact on Ability to Develop this Parcel. As shown by the SCJ (Shea-Carr-Jewel)preliminary sewer profile plan, **Enclosure (2)**:
  - a. Permanent Sewer easement is 20 feet wide.
  - b. Temporary Construction Easement is 10 feet on each side (North and South) of the sewer easement.
  - c. The combined sewer utility and Southern temporary construction easements total 30 feet wide and extends along the southern parcel line. (**Enclosure (2)**)
  - d. Buffer/Setback/Fire Lane:
    - i. Varies by type of development on the adjacent parcels (multi-family housing versus commercial retail)
    - ii. Minimum of 7-foot buffer is required from the southern property line.
    - iii. Commercial Retail development on this parcel would require a fire lane around any buildings (20 feet wide).
    - iv. Minimum total buffer/set back/fire lane = 27 feet wide
  - e. During design of the contract to build this sewer line, the sewer temporary construction easement can all be on the north side of the permanent sewer easement.
  - f. **Conclusion:** There is no reduction in the property owner’s ability to develop this parcel.
- 4. Shepard-Morris Parcel - Connection to the City Sewer System.
  - a. When the sewer connection occurs, the developer must concurrently extend the City sewer line across that parcel in the location shown on **Enclosure (3)**.
  - b. **Conclusion:** Whether the Shepard-Morris or this ULA constructs the sewer line, the location and impact would be the same ... There is no adverse impact on the development potential for the Shepard-Morris parcel.

5. ULA Modified (with Kahne approval).
  - a. Added Latecomer Fee payment first to the City if development is not completed within 36 months of the ULA establishment.
  
6. Why is this sewer line not shown in the Comprehensive Plan?
  - a. The Easttown future sewer system has developed over time. As more analysis and details became available, the location of future city sewer lines has become clearer.
  
  - b. The Easttown **Northern** Sewer ULA design (2012) has determined the location of the sewer line serving future development for all parcels except for those eleven parcels included in the service area of this, the Easttown **Southern** Sewer ULA as shown by **Enclosure (4)**.
  
  - c. The current comprehensive plan was drafted in 2006, updated in 2008, and adopted in 2009. The next update to this comprehensive plan (~2015) will reflect the location of all of these sewer lines.

I look forward to answering any further questions on these or other issues.

Respectfully submitted,  
DAN

Here are so initial and preliminary problems that need to be address before we can determine the impact on our property of the sewage line.

As we continuing to develop our ideas for the highest and best use of our property other concerns ( e.g. setbacks from wetlands, location of stubouts and possible mitigating wetlands)as they arise will need to be address.

PW DIR (14 October 2013): When they purchased this property, these were all factors that should have been considered, nothing that the City will do should impact their ability to develop their parcel as explained below.

Concerns:

Sewer Main Construction: In order to install a sewer main, a significant amount of fill will be required. As the design indicates, there will be a significant amount of fill material required to cover the sewer line, creating a slope of approximately 50% on both the north and south sides of the easement.

PW DIR: There is no design done yet. We do have a preliminary drawing prepared for Kahne by SCJ. This drawing shows a plan view of where the sewer construction work would be. It does not show the finished product including the finish slopes.

Critical area regulations classify any slope over 30% as steep slopes and therefore subject to mitigation and restrictions.

PW DIR: When the design is done there will be no harm created to the adjacent properties.

Placing the easement approximately 10 feet from the south property line appears to be so fill materials could be placed without encroaching into the Swift property. This narrow strip of property becomes unusable to us.

PW DIR: SCJ showed a 10-foot temporary construction easement on both the North and South sides of the sewer easement. So, there is a 10-foot strip on the south side of the 20-foot sewer easement that would be unuseable after construction is over. This was done to keep all the construction work on the Shepard-Morris property. During design, we can determine whether this 10-foot temporary construction easement is needed on both sides of the sewer utility easement or just on the north side.

City standards do not allow the planting of trees and shrubs in the easement area but only grass or some form of groundcover, limiting the ability to use significant landscaping to help stabilize the slopes. Potential problems that might arise:

- The fill material may erode, exposing the sewer line;
- The fill material may slide further onto the Morris and/or Swift properties;
- The we may be held liable for any fill materials coming into the Swift property;

*PW DIR: As determined during the design, slope stability will be addressed. During design, the “No Harm Done” philosophy will be applied. Talking about what might happen is purely speculative and subjective at this point. Use of groundcover and some bushes is not precluded.*

Current area regulations impose building setbacks from the slopes, further restricting the use of the property.

*PW DIR: This issue has been addressed with the Community Development Department staff. The minimum setback is 7-feet. Depending on how adjacent properties are developed, there may be an additional buffer requirement.*

We don't want the construction of the sewer line extension to create any site conditions that would restrict our right to develop this property.

*PW DIR: When this property is developed, the sewer line must be extended across this property. The location of this sewer line would be the same whether the property owner builds it at some future date or this ULA builds it. There is no less ability to develop this property.*

Surface Water: .

When this sewer line is constructed, it will block that natural flow, creating a "ponding" of surface water at the Morris/Swift property line. Should this condition occur, we would be liable for that condition occurring and would be required to resolve the problem at our expense. The construction of the sewer main line should not create any adverse conditions that would harm the property.

*PW DIR: During design, this issue will be addressed. The construction of this sewer line will not cause any greater stormwater impact on the Shepard-Morris or Swift parcels than already exists.*

Potential Wetlands:

If required, the process for determining and mitigating wetlands can be expensive and time consuming. While we should not be responsible for the cost of undertaking the wetland studies, we should have the right to review any and all findings prior to submittal to the City. In addition, any mitigation measures proposed on our property that is not included in the easement should be approved us. We are requesting that if the City, undertakes a wetland study for the sewer project that it include the entire plot rather than just the easement area. Additional compensation should be considered should if anymore mitigation/restrictions are placed on the property.

*PW DIR: During design, any impact on wetlands will be addressed. At this time, there does not appear to be any wetland in the area where the sewer line would be built.*

**Utilities Connectivity Requirements:** The easement agreement should set a completion date for the actual construction of the sewer main extension. Should the any group not complete the work, the easement should revert back to us.

**PW DIR: Once the Utility Latecomer Agreement is signed, it becomes the City's responsibility to construct this sewer line. It will be built as quickly as possible after the City Council approves the ULA.**

**Right to Connect:** The easement agreement should include the provision that the Morris family have full rights to "hook-up" to the sewer main extension without incurring any latecomer's fee and assessments.

**PW DIR: This property has always had the right to hook up to the City Sewer System. When the Shepard-Morris parcel develops, that development would be required to pay for construction of the sewer line across the entire width of their parcel. This parcel cannot connect to the City sewer system without extending the sewer line to the next parcel.**

**It would be unfair to other property owners paying for this sewer line for the Shepard-Morris families not to pay their fair share of the sewer line extension cost.**

In addition, a sewer stubout(s) suitable for commercial use should be installed at the time of the sewer main construction, for use by the Morris property. It is important that the stubout be readily accessible and not impacted by critical area regulations and restrictions. It should be noted that at the time of hookup, we will be responsible for any city connection fees (not latecomer's fees).

**PW DIR: Stub outs are normally added if a sewer line crosses along the frontage of the property in the street. This is not the situation here. Since the sewer line crosses the Shepard-Morris parcel, no stub out is needed. When their property develops, it would tap the sewer line at the point where it makes the most sense to do so. Without development plans for this property, it would be impossible to say where the best place for a stubout would be.**

received

9-24-13

B. Morkit

September 18, 2013

John P. Vodopich, AICP  
Community Development Director/Building Official  
City of Bonney Lake  
8720 Main Street East  
P.O. Box 7380  
Bonney Lake, WA 98391-0944

RE: Easttown -Kahne Multifamily

Dear Mr. Vodopich:

I am writing to confirm that Landmark Development is committed to moving forward on the multifamily portion of the Kahne Easttown project with the Kahne Family, subject to the satisfactory resolution of the permanent sanitary sewer. The finalization of the partnership has been held in abeyance until there is certainty for permanent sewer service so that long term financing can be assured subject to market conditions.

We have had pre-application meetings with the City, vetted through several development issues with your staff that might have otherwise inhibited our potential development of the property. Anticipating the resolution of the condemnation for the permanent sanitary sewer, we have continued forward with architectural and engineering drawings for the property.

We look forward to the timely resolution of the sewer condemnation issue. If you have any questions or would like to discuss this further, please call me at (253) 333-7007.

Sincerely,

LANDMARK DEVELOPMENT GROUP, LLC

Brett M. Jacobsen

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 will cross one parcel to get to Kahne's first parcel and then continue through three parcels to get to Kahne's third parcel. All parcels have easements in place except the one parcel prior to Kahne. This will eliminate another "missing link" in the public sewer system on the South side of SR410 in Easttown; and

WHEREAS, Kahne and City staff have been unable to reach a successful agreement to acquire a sewer easement with either the Shepard-Morris or the Swift parcel owners to accommodate the sewer main construction across their properties, even though they would be compensated for the sale and installation of the sewer main and 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, 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 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 closeout. 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 benefitting property based on the Estimate that will be adjusted with actual costs at project closeout; 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.

Kahne shall complete construction of the multi-family residential project within thirty-six (36) months of the date construction of the sewer extension is accepted for final completion. Should Kahne fail to complete construction within this time limit, the City shall be entitled to keep 100% of the latecomer assessments collected from property owners in the assessment reimbursement area until such time as the City's financial contribution to the costs of the extension has been fully reimbursed. Thereafter, Kahne would receive 100% of the remaining Latecomer Fee payments.

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.
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 the amount calculated in Exhibit F, provided that the preliminary amounts calculated shall be adjusted to utilize actual costs. 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. Dedication of Sewer Easement. Kahne will dedicate to the City a twenty-foot utility easement across Pierce County Tax Parcel 0519026035, as needed to construct the sewer line built by this agreement. This utility easement dedication will be at no cost to the City and shall be provided and recorded prior to advertisement of the contract to build this sewer line.
11. 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.
12. 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 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.
13. 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.

14. 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.
15. 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.
16. 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.
17. 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.
18. 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.
19. 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.
20. 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.
21. Agreement runs with the land. The terms of this Agreement shall run with the land and bind subsequent owners of the properties affected.
22. 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.
23. 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.
24. 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.

25. Exhibits. All exhibits attached hereto are incorporated by reference.
26. 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.
27. 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.

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

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

### **Exhibit E**

(Latecomer assessment standard form.)

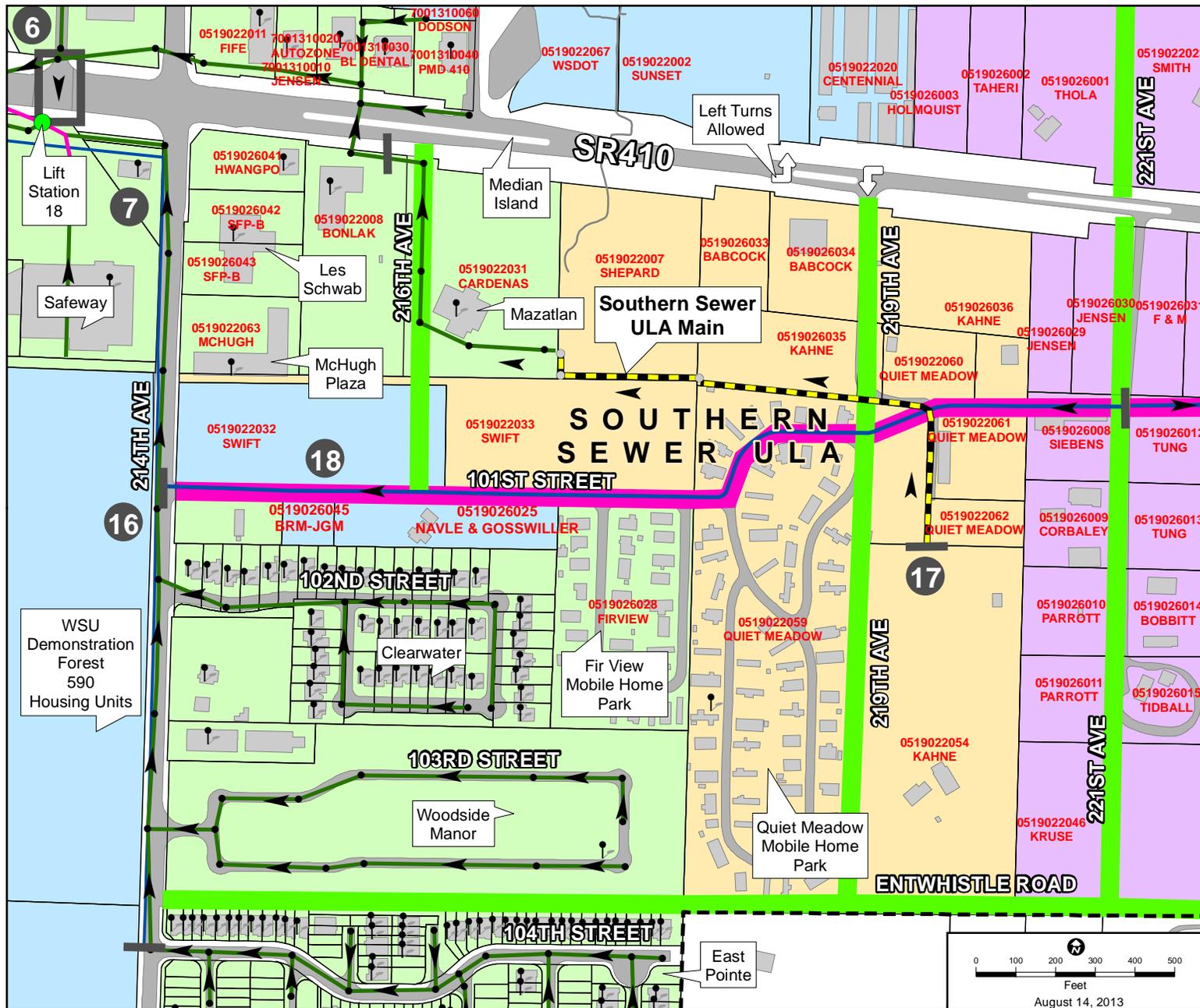
## **NOTICE OF ADDITIONAL SEWER CONNECTION CHARGES**

### **Exhibit F**

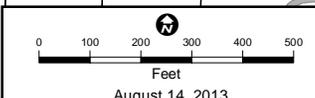
Pro-rata share of received Latecomer Fees to be distributed to Kahne.

# EASTOWN SOUTHERN UTILITY LATECOMERS AGREEMENT (ULA) PROPERTIES

Overlaid on Easttown Future Sewer Projects and Roads Base Map



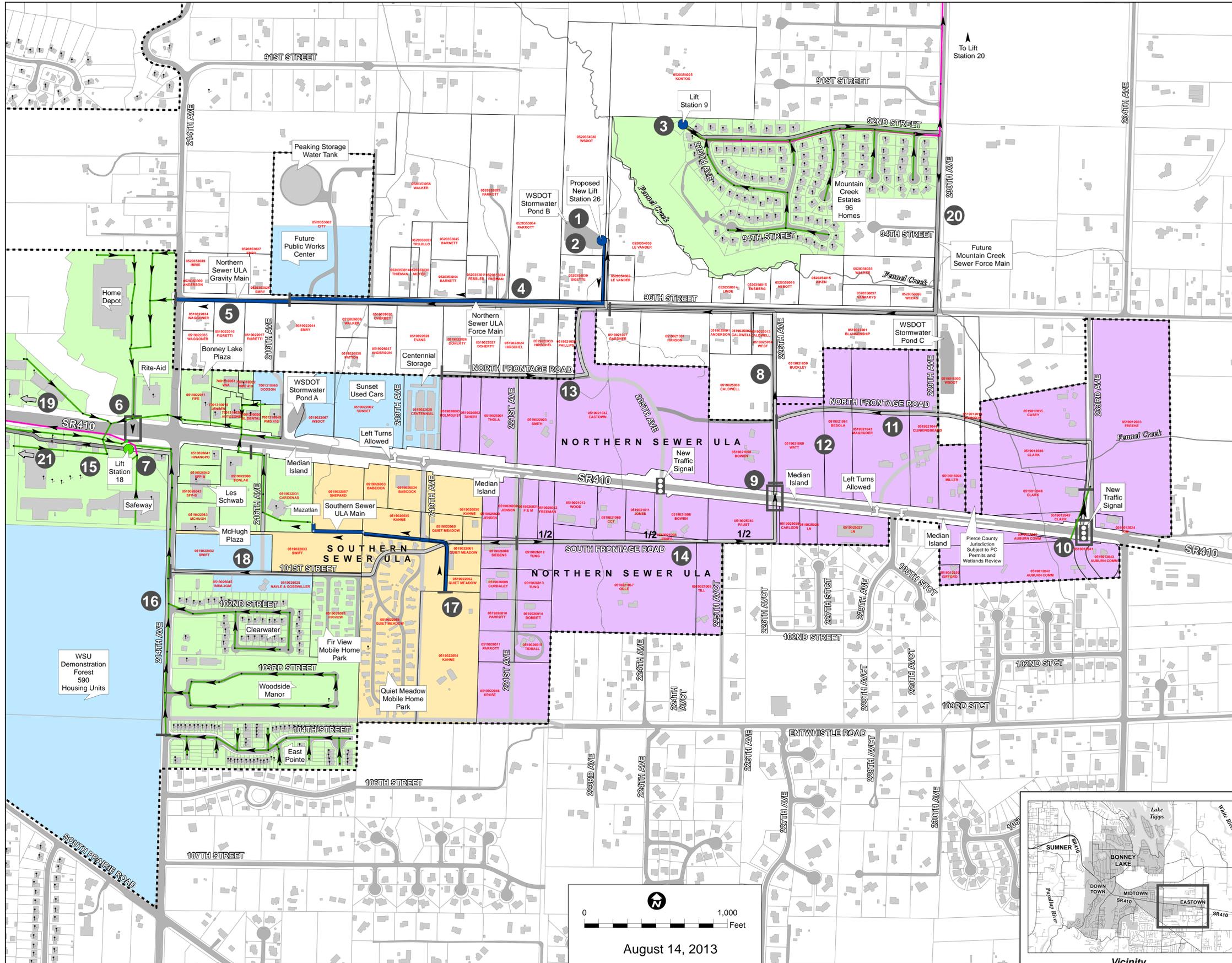
- EXISTING SEWER SERVICE**
- 1 Existing Bonney Lake Sewer Customer
  - Manhole
  - Lift Station
  - Sewer Force Main
  - Sewer Gravity Main
  - Tax Parcel
  - Bonney Lake Sewer Service Currently Provided to Existing Lift Station 18
  - Easttown Southern Sewer ULA (Utility Latecomers Agreement) No Bonney Lake Sewer Service Currently Available; Future Existing Lift Station 18 Service
  - Easttown 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 Rebuilt/Expanded Lift Station 18 Service
  - No Development Planned; Existing Septic System will be used in the Future
- FUTURE SEWER PROJECTS**
- Easttown Sewer ULA Main
  - 12 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
  - Bonney Lake City Limits



<b>EASTOWN - SOUTHERN SEWER ULA - ULA &amp; Latecomer Fee Cost Basis</b>					
		<u>Pipe Length</u>		<b>ULA Preliminary Cost Estimate</b>	<b>ULA Actual Cost</b>
<b><u>Easement Acquisition</u></b>				<b>\$150,000</b>	<b>TBD</b>
<b><u>Design</u></b>					
Design - Consultant TBD (15% of Engineers Estimate)				<b>\$37,353</b>	
Gravity sewer line - Shepard/Morris Parcel		<b>424</b>	29%	\$10,672	<b>TBD</b>
Gravity sewer lines - Kahne Parcel		<b>385</b>	26%	<b>\$9,691</b>	<b>TBD</b>
Gravity sewer line - Chan Parcels (x4)		<b>675</b>	45%	\$16,990	<b>TBD</b>
<b>Total Engineer's Estimate for Construction</b>		<b>1,484</b>			
<b><u>Construction</u></b>				<b>\$249,245</b>	
Gravity sewer line - Shepard/Morris Parcel		<b>424</b>	<b>29%</b>	\$71,232	<b>TBD</b>
Gravity sewer lines - Kahne Parcel		<b>385</b>	<b>26%</b>	<b>\$64,680</b>	<b>TBD</b>
Gravity sewer line - Chan Parcels (x4)		<b>675</b>	<b>45%</b>	\$113,333	<b>TBD</b>
		<b>1,484</b>			
<b>Total ULA Project Cost</b>				<b>\$436,598</b>	<b>TBD</b>
<b>Minus Kahne Parcel Design &amp; Construction</b>				<b>\$74,371</b>	
<b>NET ULA COST =</b>				<b>\$362,227</b>	<b>TBD</b>
<b>Developer/City Cost Share of NET ULA COST:</b>					
<b>KAHNE Cost Sharing Contribution to ULA (75%)</b>				<b>\$271,671</b>	
<b>City Cost Sharing Contribution to ULA (25%)</b>				<b>\$90,557</b>	
				<b>\$362,227</b>	
<b>Kahne Parcel Cost (No Cost Sharing)</b>				<b>\$74,371</b>	
<b>Kahne Total Contribution to ULA =</b>				<b>\$346,041</b>	

# EASTOWN PROPERTIES CURRENTLY WITHOUT BONNEY LAKE SEWER SERVICE

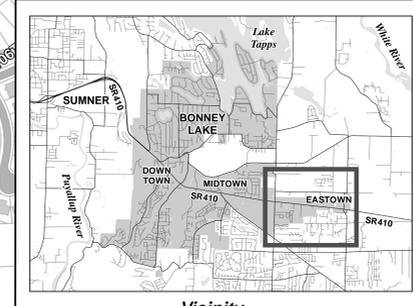
## Overlaid on Easttown Future Sewer Projects and Roads Base Map



- EXISTING SEWER SERVICE**
- Existing Bonney Lake Sewer Customer
  - Manhole
  - Lift Station
  - Sewer Force Main
  - Sewer Gravity Main
  - Easttown Tax Parcels
  - Bonney Lake Sewer Service Currently Provided to Existing Lift Station 18
  - Easttown Northern Sewer ULA (Utility Latecomers Agreement) No Bonney Lake Sewer Service Currently Available; Future Lift Station 26 Service
  - Easttown 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 Rebuilt/Expanded Lift Station 18 Service
  - No Development Planned; Existing Septic System will be used in the Future
- FUTURE SEWER PROJECTS**
- Easttown Sewer ULA Main
  - Lift Station
  - 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
  - Fennel Creek & Tributaries



August 14, 2013



# 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
<b>Benefitting Service Area Parcels</b>						
1	34	0519022007	4.73	\$39,790	\$41,779	SHEPARD JAMES H & OLIVA I TTEE ET AL
2	35	0519022033	4.02	\$33,817	\$35,508	SWIFT WARREN G & PATRICIA E
3	37	0519026033	1.58	\$13,291	\$13,956	BABCOCK AARON L & ARDIS E
4	38	0519026034	1.35	\$11,356	\$11,924	BABCOCK AARON L & ARDIS E
5	39	0519026036	2.89	\$24,310	\$25,526	KAHNE & KAHNE PROPERTIES LLC ( Note 4)
6	41	0519022060	1.15	\$9,674	\$10,158	CHAN BILL & SANDY
7	42	0519022059	14.06	\$118,275	\$124,188	CHAN BILL L & SANDY
8	43	0519022061	1.86	\$15,647	\$16,429	CHAN BILL & SANDY
9	44	0519022062	0.65	\$5,468	\$5,741	CHAN BILL & SANDY
10	45	0519022054	9.00	\$75,710	\$79,495	KAHNE & KAHNE PROPERTIES LLC ( Note 4)
11	40	0519026035	1.77	\$14,889	\$15,633	KAHNE & KAHNE PROPERTIES LLC ( Note 4)
			<b>43.06</b>	<b>\$362,227</b>	<b>\$380,338</b>	
				Notes 1 and 2	Note 3	
<b>Total ULA COST =</b>				<b>\$362,227</b>		
				<b>\$8,412</b>		<b>Preliminary Assessment Rate = \$/Acre</b>
				<b>\$0.193</b>		<b>Preliminary Assessment Rate = \$/square foot</b>

43,560  
s.f. per acre

**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)

4. KAHNE Latecomer Fee Summary:

Total Latecomer Fees due from all parcels =	\$362,227
Total Latecomer Fee Due from KAHNE parcels =	\$114,909
Net Latecomer Fee Payments due from other property owners =	<u>\$247,318</u>

Preliminary Amount contributed by KAHNE to establish ULA (75%) = \$271,671 (Includes KAHNE Latecomer Fee Payments)

Preliminary Amount contributed by CITY to establish ULA (25%) = \$90,557

Total ULA Cost = \$362,228

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



