

CITY COUNCIL MEETING

**April 23, 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

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: None.
 - 3. Presentations: None.
- D. Agenda Modifications

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

- A. Public Hearings: None.
- 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. 3 A. **Approval of Minutes:** March 30, 2013 Council Retreat, April 2, 2013 Council Workshop, and April 9, 2013 Council Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #65932-66025 (including wire transfers #20130402, 20130403 and 2013041601) in the amount of \$326,384.01.
- p. 19 C. **AB13-52 – Resolution 2295** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Mayor To Initiate Action To Convert The Water Supply Purchased From Cascade Water Alliance Into A Tacoma Water Supply.
- p. 35 D. **AB13-57 – Resolution 2298** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing D. R. Horton To Place A Monument Sign At The GMG Plat On The City’s Storm Pond Tract.
- p. 43 E. **AB13-60 – Resolution 2301** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting The Planning Commission Workplan For The 2013-2014 Biennium.
- p. 47 F. **AB13-61 – Resolution 2299** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Contract Amendment With RH2 Consultants For Services To Update The Eastown Sewer Improvement Design And Provide Services During Construction Of The Lift Station.

V. FINANCE COMMITTEE ISSUES: None.

VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES: None.

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

VIII. FULL COUNCIL ISSUES:

- p. 59 A. **AB13-63** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting A Public Hearing For May 14, 2013 At 7:00 P.M., Or As Soon Thereafter As Possible, To Consider The Surplus Of Real Property Located At XXX 192 Ave E (Corner Of 192nd Ave E And Sumner-Buckley Hwy, Parcel 0520338001).

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 COUNCIL SPECIAL
MEETING/RETREAT**

**March 30, 2013
9:00 A.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

Location: Hartstene Point Club House, 202 E Pointes Drive East, Shelton, Washington.

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the special meeting/retreat to order at 9:00 a.m.

II. ROLL CALL:

Elected officials in attendance were Mayor Johnson, 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 and Administrative Services Director/City Clerk Harwood Edvalson. Also participating was Consultant/Facilitator Martha N. Bryan.

III. AGENDA ITEMS:

A. Expectations and Ground Rules:

Ms. Bryan led a discussion with the City Council to identify individual expectations of the retreat and establish group ground rules for discussion of the issues.

B. Policy Questions:

Council Standing Committee Structure and Economic Development. City Administrator Morrison presented background on the topic for the Council discussion. Ms. Bryan led the Council in a discussion regarding whether economic development policy and issues should be handled within the framework of the Council Committees and what that structure would look like.

At the conclusion of discussion, there was apparent consensus to add economic development as a task to the Community Development Committee (CDC) and to allow Councilmembers with specific interest in CDC tasks to substitute in and out of the committee meetings. To give the CDC time to address this new task, there was consensus to have the CDC and staff funnel more of the routine administrative issues to the Finance Committee for consideration.

Establishing a Legislative Agenda and the Need for a Lobbyist. Ms. Bryan invited City Administrator Morrison to frame the topic for Council discussion. The City Council discussed whether there was a need for a lobbyist to promote the interests of the City. The Council reached general agreement that the City needs to bring pressure on the County, State and Federal governments in favor of the City's interests and that the Mayor's Office should continue to be engaged in the promotion of Bonney Lake. The

Council asked that Mayor Johnson analyze the City's staffing in this regard and make a proposal to Council for review and possible action in 2014.

Service Priorities and Assistance to Non-Profit Groups. The City Council discussed whether the City should be involved in supporting non-profit groups and to what extent City resources might be used to support the services these groups provide. There was general consensus from the Council to allow the Mayor's office to coordinate the City's dealings with non-profit groups and to bring issues to the Council's attention on an as-needed basis. However, as a general rule, the Council felt direct financial assistance would not be provided to community-based groups.

Sale of Real Property Surplus to City's Needs. Ms. Bryan led the City Council through a discussion regarding the potential sale of the City's 192nd Street property near Target which was originally purchased as a location for City Hall. At the conclusion of the discussion, Ms. Bryan helped the City Council reach a general consensus to allow the sale of the property. A majority also indicated the sale should not be for a price below the City's original expenditure for the property. The Council also indicated the proceeds of the sale should revert to the General Fund, at which time the Council would consider its allocation within the General Fund. Upon the sale of the property, there appeared to be general support for use of the money to cover the expenditures associated with moving additional staff into the Justice & Municipal Center.

The City Council also considered the sale of the City's parcel to the southeast of the Bonney Lake Library. City Administrator Morrison suggested this may be useful to assist the development of multi-family housing in the downtown area. Again, there was a general consensus to allow the administration to explore this sale and use of the property. Briefly discussed was the Reed property and how it may soon become surplus to the needs of the City's water utility. It was discussed how the proceeds of the future sale of the property would revert back to the City's utilities which funded the purchase.

Review and Update Various Council Vision Statements and Associated Goals. Ms. Bryan invited the Council to consider the Council's vision statements. These included an overall vision statement for the City, and individual vision statements for growth, economic development and public safety. After some discussion, the City Council concluded they were generally content with the direction of the vision statements. There was general consensus that they need to be updated and refined. The Council invited Councilmember Minton-Davis to work with City Administrator Morrison to tackle the proposed wording for a revised overall vision statement.

C. ADJOURNMENT:

At 2:10 p.m., the City Council concluded the special meeting/retreat by common consent.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

There were no additional items presented to the Council at the March 30, 2013 Special Council meeting/retreat.

CITY COUNCIL WORKSHOP

**April 2 2013
5:30 P.M.**

MINUTES



“Where Dreams Can Soar”

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

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

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the workshop to order at 5:34 p.m.

II. ROLL CALL:

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

Staff members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Community Development Director John Vodopich, Chief of Police Dana Powers, City Attorney Kathleen Haggard, Senior Planner Jason Sullivan, Facilities and Special Projects Manager Gary Leaf, Administrative Services Director/City Clerk Harwood Edvalson, and Administrative Specialist II Renee Cameron.

III. AGENDA ITEMS:

A. Council Open Discussion.

Gnome in Bonney Lake. Councilmember Watson said he had learned that gnomes are coming to our City parks and trails. Council were shown pictures proving the existence of “gnome homes” within City parks. Mayor Johnson encouraged getting kids involved by searching for the gnomes and welcome them to our community. Councilmember Watson said he hoped the gnomes’ existence within the City’s parks and trails may provide the opportunity for citizens to enjoy the City’s parks. He suggested that people notes for either the gnomes or others searching for them.

Absence from Dinner Retreat. Councilmember Rackley apologized for having to miss the dinner following the retreat on Saturday.

Road Hazard Concern. Councilmember Watson said one of his neighbors noticed that the roadbed was sinking on 183rd and he was concerned that they may be a leak there, but no leak was detected by Public Works. His neighbor updated him that he is concerned about damage that may occur to his or others vehicles from the sinkage of the road and he asked that the hole be filled to prevent any damage. Mayor Johnson asked that Public Works look at the site and determine whether fill needs to be added.

Fennel Creek Trail Groundbreaking Ceremony. Councilmember Hamilton asked about the parking situation for the groundbreaking ceremony that is scheduled for the Fennel Creek Trail on April 13th at 10:00 a.m. He also wanted to know if it would be considered a “Special Meeting” since most of the Council will be in attendance. City Administrator Morrison said Administrative Services Director/City Clerk Edvalson is having an agenda prepared for the Fennel Creek Trail “Safe Routes” Groundbreaking Ceremony. Councilmember Minton-

Davis suggested they use the Senior Center bus to transport Council and staff to the groundbreaking to help with parking.

Senator Patty Murray's Office Meeting. Mayor Johnson said he had provided Councilmembers with his update from his meeting with Senator Patty Murray's office.

Council Committee / Board Meetings Secretary. Mayor Johnson advised the Council that the Community Development Departments' Administrative Specialist II Debbie McDonald will be sitting in attendance at every Council Committee, Commission and Board meeting to take meeting notes.

B. Review of Council Minutes: March 19, 2013 Workshop and March 26, 2013 Council Meeting.

The March 19, 2013 Workshop, and March 26, 2013 Meeting minutes were forwarded to the April 9, 2013 Council Meeting for action, with no corrections.

C. Presentation: AB12-149 – Ordinance D12-149 – Landscaping Code

Senior Planner Jason Sullivan provided a brief summary of the agenda item which was recommended for approval by the Planning Commission. He said In June 2012, the Planning Commission held a public hearing and recommended that the City Council adopt Ordinance D12-149 which established a new Landscaping Code (Chapter 16.14 BLMC) enhancing the landscape buffering between incompatible uses. Following the action of the Planning Commission, the Ordinance was scheduled to be presented to the City Council at the November 6, 2012 City Council Work Session. The item was pulled from the agenda the day of the work session at the request of staff due to concerns regarding ambiguity. He said over the last 4 months, the Planning Commission have worked with staff to prepare this ordinance.

Councilmember Lewis said staff did a great job on this issue. Councilmember Watson asked whether staff discouraged the use of turf as a ground cover, and what staff would recommend instead. Senior Planner Sullivan said for landscaping islands more drought resistant plants should be used. He said using native ground cover can avoid a lot of issues.

This item was forwarded to the April 9, 2013 Council Meeting for action.

D. Presentation: AB13-40 – Ordinance D13-40 – Eastown Zoning

Senior Planner Jason Sullivan provided a brief summary of the agenda item which was recommended for approval by the Planning Commission. He said following the adoption of the 2012 Comprehensive Plan Amendments, the GIS Division began modifying the existing Future Land Use Map (FLUM) to reflect the modifications adopted by the City Council pursuant to Ordinance 1445. During the review of the revised FLUM, staff determined that when the City Council adopted the Eastown Subarea Plan and modified the Bonney Lake Municipal Code to delete the C2/C3 zone and add the Eastown zone, the City Council did not adopt an ordinance amending the land use designation on the FLUM to "Eastown" or change the zoning classification to "Eastown" on the Zoning Map. He said The Community Development Department has prepared an Ordinance that would officially amend the zoning map to change the zoning classification from C2/C3 to Eastown. He said staff will also prepare an ordinance to change the Land Use Map to reflect the change to Eastown, as part of the 2013 Comprehensive Plan Amendments.

Councilmember Lewis asked Senior Planner Sullivan to clarify that each parcel in Eastown will reflect this change in zoning. Senior Planner Sullivan confirmed it would. He explained that there was no ordinance that actually rezoned Eastown as this proposed ordinance does. Councilmember Hamilton asked if the Eastown properties' current zoning has allowed them to use the preexisting zoning that they have. Senior Planner Sullivan said staff have been applying this new zoning classification to the Eastown properties, so the zoning map reflects Eastown zoning and that is what has been being applied to these properties. This ordinance is a technical requirement to apply the zoning.

Councilmember Rackley asked if this technicality will affect the Eastown properties' taxes. City Attorney Haggard advised that it would not. She asked that the final ordinance reflect an effective date of five days after passage, approval and publication.

This item was forwarded to the April 9, 2013 Council Meeting for action, as amended by the City Attorney

E. Presentation: AB 13-41 – Ordinance D13-41 – Adoption of the Official Zoning Map

Senior Planner Sullivan provided a brief summary of the agenda item which was recommended for approval by the Planning Commission. He said this ordinance is an outgrowth of the work down on the Eastown Zoning Reclassification and he said that in order to find out what the official zoning map was the previously had to redraw the map. He said historically, zoning maps were paper documents prepared using ink, tape, and patterns. However, with the invention of geographic information system technology (GIS), zoning information is now stored in a digital electronic format that is not based on a single tangible document adopted by the City Council. The proposed ordinance would ensure that a true and correct copy of the official Zoning Map for the City can be easily identified without having to search through each of the individual ordinances that have amended the Zoning Map over time.

This item was forwarded to the April 9, 2013 Council Meeting for action.

F. Presentation: AB13-51 – Update regarding work on CUGA designations.

Senior Planner Sullivan provided a brief summary of the agenda item. He said the City has completed their application to the County to affiliate the County Urban Growth Area (CUGA) as part of the City of Bonney Lake Urban Growth Area (BLUGA) to allow it to be annexed. He said it cost the City approximately \$3,000 to file for the amendment. He said the City mailed approximately 2,500 notices to all properties within the area affected by the proposed Comprehensive Plan Amendment prior to submitting the application to the County. He said at the February 26, 2013 County Council meeting, the County Council voted to initiate the City's requested Comprehensive Plan Amendment. This decision means that the County staff will now begin the review of the amendment for compliance with the County's criteria to amend the County's Comprehensive Plan and complete a review of the amendment under the State Environmental Policy Act (SEPA). He said staff have talked with a number of individuals and homeowners associations affected by the proposed amendment and the possible annexation, and their biggest concerns were that the proposed amendment and/or the possible annexation would require them to hook up to sewers now, or that the City plans to form an Local Improvement District (LID) to assess each property owner for the construction of the sewer system. He said staff have been working to provide information to residents in the area in an effort to alleviate these concerns. He said he has also attending two homeowners' association meetings to answer any questions these property owners may have.

Senior Planner Sullivan said that as part of amendment process the City must also develop a joint planning agreement with the County to address transportation, infrastructure, and planning issues for the area to be included in the BLUGA which will be presented to the Community Development Committee some time in June. He said the County staff have indicated that its two main concerns with annexation are related to the how the mitigation agreement between the County and Tehaleh master planned community is impacted and ensuring that the conditions of approval established as part of the Plateau 465 zoning reclassification. He said he is working on addressing these concerns.

Senior Planner Sullivan said if the requested amendment is approved by the County, the City will be required to complete a door-to-door census of the area within 30 days of the annexation being approved by the voters and accepted by the City Council, and the City should expect the cost of the required census to be approximately \$30,000.

Senior Planner Sullivan said if the amendment is approved staff would recommend that an update be done to the City's 2008 annexation study, paying specific attention to the pavement mapping of the streets. He said this type of assessment will allow the City to determine how long the roads will last and the approximate cost the City can expect to incur to maintain the roads within the annexation area. The annexation study completed by AHBL in 2008 assigned either a "Good" or "Fair" condition to the roadways. This type of classification system does not provide quantitative information regarding the cost the City may incur if the area is annexed, and the City assumes responsibility for the road.

Councilmember Hamilton said as he remembers, one of the main stumbling blocks for Plateau 465 was the cost for mitigation, including County TIF, Parks, and Conservation Funds costs. He asked how the City will deal with the County and the money due the City. Senior Planner Sullivan said that would be the developer's responsibility due to their conditions of approval, however, the County will want to know how the City will deal with enforcement of the conditions of approval. Senior Planner Sullivan said all the details will be figured out through an Interlocal Agreement/Joint Planning Agreement between the City and the County. City Attorney Haggard said the Tehaleh project is vested like a subdivision, and payments are dependent on what the payments are for. If it is a payment toward roads that are located in the County, then those roads would always be in the County and those payments would not come to the City.

Councilmember Rackley asked about the status of annexing the Falling Waters and Prairie Ridge areas. City Administrator Morrison said there has not been any recent discussion. Senior Planner Sullivan said they have mentioned to the County that they would like to discuss all of those areas, however, the Joint Planning Agreement needs to get done first so the County can approve the amendment and then eventually work toward an agreement for the other areas.

Senior Planner Sullivan said the next step is to draft a Joint Planning Agreement and meet with the County. The item will then go to the Community Development Committee and then on to the full Council in hopes to have it wrapped up by June 2013.

G. Discussion: AB13-31 – Ordinance D13-31 – Boat Launch Fees.

Facilities and Special Projects Manager Gary Leaf said the Finance Committee asked to review and reconsider the City's boat launch fees at Allan Yorke Park. The proposed ordinance would increase fees by \$5.00 for residents and add a nonresident annual pass for \$200 a year. The nonresident annual pass is proposed as a pilot program.

Councilmember Rackley said he likes everything except the annual fee for non-residents. He said the City fees are only \$2.00 above what the County charges and he believes we will defeat the purpose of benefitting City residents. Deputy Mayor Swatman said he shares Councilmember Rackley's concerns. He said he was pushing for a higher amount for the non-resident pass, to limit use of the boat launch. He said City residents should get a benefit and saving \$100 is not a huge benefit. Councilmember Rackley said during the nice days in the summer the boat launch park is packed and if the City does this pilot programs for non-residents it will create more issues at the park.

Councilmember Minton-Davis asked how many passes we currently issued for City residents. Facilities and Special Projects Manager Leaf said he thought it was approximately 200 passes. Councilmember Hamilton said the Public Safety Committee looked at this issue and since it will be a test program he believes there will be a way to track the usage of the passes to see if it should continue. Councilmember Watson said the City needs to start somewhere and thinks this would be a good place to start.

Mayor Johnson asked how the passes are tracked and how many times the pass is used. Chief Financial Officer Juarez said the Finance Department has the means to track the usage.

This item was forwarded to the April 9, 2013 Council Meeting for action.

- H. Discussion:** AB13-53 – Ordinance D13-53 – Amending Section 2.08.010 of the Bonney Lake Municipal Code Relating to Appointive Officers.
- I. Discussion:** AB13-54 – Resolution 2296 – Establishing Policies Regarding the Recruitment and Selection of the Appointed Officers of the City.

Deputy Mayor Swatman said this proposed Ordinance and Resolution go together, and would authorize the City Council to establish policies and procedures for the recruitment of Appointive Officers of the City. He said the Administration has practiced what is being proposed for many years. However, when the Mayor proposes to promote an existing employee to an appointive position, and the Council concurs, the taxpayers, staff and potential applicants should be spared the expense of going through a recruitment. The resolution should be amended to reflect that. He said the proposed resolution is intended to implement Ordinance D13-53, which would authorize the City Council to establish policies and procedures for the recruitment of Appointive Officers of the City. He said it just makes sure that there is an open process. Councilmember Lewis said he noticed that this has not been reviewed since 1995 and he is glad to see these issues are being reviewed.

Mayor Johnson said the City's past recruitment process has been very stable but he doesn't think a unanimous vote is feasible and he thinks if there needs to be a vote it should be a majority vote and not unanimous. Councilmember Minton-Davis said she did not understand how the process would work if a recruitment is brought internally before it would be open to the public. She said if there is an internal qualified candidate that the Mayor has the right to do that, however, it will require Council approval. Councilmember Hamilton asked for clarification if Council does not choose an in-house candidate for approval do they have to provide an explanation for the decision. City Attorney Haggard said they do not. Deputy Mayor Swatman said as the author of the resolution, he is willing to change the language from unanimous to majority vote. Councilmember Hamilton said he believes it should be a majority vote and not unanimous, and understands the reasoning of the ordinance and

resolution before the Council. Councilmember Minton-Davis said she doesn't understand the process for internal candidates to apply for an open appointive officer position. Deputy Mayor Swatman said there would likely not be a big enough qualified pool for an appointive officer position within the current City employees. Councilmember Minton-Davis asked if the Council should interfere with the administrative process. Deputy Mayor Swatman said it is a public organization and he believes that everyone should be able to apply for the position, including the public and current employees. Mayor Johnson said he likes the purpose of the proposed ordinance and resolution. City Administrator Morrison said he personally went through a recruitment process at another city which cost that city over \$30,000, as well as the time that the applicants put into it, when the City already had a foregone conclusion of who they would hire. He said he hopes this ordinance and resolution would prevent that from occurring in Bonney Lake. Deputy Mayor Swatman and Councilmember Lewis spoke in favor of revising the language from "unanimous" to "majority."

Ordinance D13-53 and Resolution 2295 were forwarded to the April 9, 2013 Council meeting for action, as amended.

IV. Executive Session: None

V. ADJOURNMENT:

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

Motion to adjourn approved 7-0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council for the April 2nd Workshop: *None*

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

CITY COUNCIL MEETING

April 9, 2013
7:00 P.M.

MINUTES



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

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

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the meeting to order at 7:02 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 Randy McKibbin, Councilmember Katrina Minton-Davis, Councilmember Jim Rackley, and Councilmember Tom Watson. Councilmember Donn Lewis was absent.

Councilmember Rackley moved to excuse Councilmember Lewis from the Meeting. Councilmember Watson seconded the motion.

Motion approved 6 – 0.

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 Duis. Development Review Engineer Cole Elliot and Senior Planner Jason Sullivan were also in attendance.

C. Announcements, Appointments and Presentations:

- 1. Announcements:
 - a. Mayor Johnson said he received notification from the Arbor Day Foundation that the City of Bonney Lake was named “Tree City USA” again for 2012.
- 2. Appointments:
 - a. **AB13-58** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Confirming The Mayor’s Reappointment of Park Board Member Todd Haueter (#7) And Appointment Of Park Board Member Scott Anderson (#6) With Terms Ending April 6, 2016.

Councilmember Rackley moved to approve motion AB13-58. Councilmember Watson seconded the motion.

Mayor Johnson said these appointments bring the Park Board to full membership. He said Darren Proctor is stepping down and thanked him for his service.

Motion approved 6 – 0.

- b. **AB13-59** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Confirming The Mayor’s Reappointment Of Planning Commissioners Dennis Poulsen (#6) and L. Winona Jacobsen (#7); Reappointment Of Design Commissioner Thomas Kennedy (#3); and Appointment Of Design Commissioner Darci McConnell (#4), With Terms Ending April 6, 2016.

**Councilmember Watson moved to approve motion AB13-59.
Councilmember Rackley seconded the motion.**

Mayor Johnson said this action fills all the current commission vacancies.

Motion approved 6 – 0.

3. Presentations:

- a. **Proclamation:** Care-A-Lot Day for Bonney Lake – April 12, 2013.

Mayor Johnson said this proclamation is different from most, and explained that it came from talking to a member of the community whose daughter suggested Bonney Lake change its name to “Care-A-Lot”. Mayor Johnson proclaimed Friday, April 12, 2013 as “Grace Colbeth Care-A-Lot Day” for Bonney Lake. He invited everyone to celebrate service and participation in the community. David Colbeth, Grace’s father, explained how Grace came up with the idea, and said he hoped it would foster youth participation in the community.

D. Agenda Modifications: None.

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

A. Public Hearings: None.

B. Citizen Comments:

James Kelly McClimans, Sr, 19025 68th St E, Bonney Lake, congratulated the City on the great Easter Egg Hunt event on March 30th. He spoke about the proposed Metropolitan Parks District (MPD) on the April ballot. He said he has spent a lot of time and energy on this issue, and is opposed to the MPD. He said he does not want the City to take any more tax dollars or property from citizens. He said in 2004, the City seized the ‘Moriarty Property’ for a parks addition. He said it is wrong for the City to take property, and asked if the City had paid off the \$5 million bill for this acquisition. He said it is difficult to find information to answer his questions. He asked the Council to consider taking action to suspend the taking of property for park purposes. He said the pro-MPD side has accused his group of being paranoid for suggesting that the MPD could use eminent domain. He said the Moriarty Property seizure shows a history of this happening.

Mayor Johnson asked Mr. McClimans to provide any questions he has to the City Clerk.

Shawnta Mulligan, 11329 177th Ave E, Bonney Lake, said the Council’s decisions to take the Moriarty Property were costly to citizens and have not benefited the people of Bonney Lake. She said the Justice & Municipal Center is another example, as the City

took out a \$10 million bond which has not benefited people. She said the Council is willing to take out bonds without public input, but goes to a special election for parks issues or a recreation center. She said she believes the City's priority on building trails is not in line with what people in the community want most – ballfields. She noted that a new MPD would still need to take out bonds to complete big-ticket projects. Ms. Mulligan also questioned whether the Council should serve as the initial MPD board. She said it could cause a conflict if someone had a complaint about eminent domain being used for parks, and their councilmember representative is also a MPD board member. She said when the MPD fails, she hopes the Council will look for alternative ways to fund City parks.

Teresa McClimans, Bonney Lake, asked to cede her time to Kelly McClimans. The Mayor and City Attorney discussed the Council rules regarding citizen comment periods and time allowances. The City Attorney noted that someone representing a group as the sole speaker can speak for up to 10 minutes, and the assumption in this case is that both Mr. McClimans and Ms. Mulligan, who are on the MPD 'Con' Committee, represent their group. Mayor Johnson said other attendees could not 'give' their time to another speaker to provide them more time to speak beyond the 5 minutes for individuals or 10 minutes for a group.

Dave Hobley, 11204 193rd Av E, Bonney Lake, read aloud a portion of the Revised Code of Washington (RCW) about people holding more than one commission or council position and the receipt of per diem pay. He said the Council could pass a resolution allowing them to receive per diem pay as both a councilmember and as a park commissioner. He urged the Council to make a motion prohibiting Councilmembers from receiving per diem payments for both positions. He said the Council should not be paid twice for the same job.

Councilmember Rackley said the Council has not raised its salary for many years. Mr. Hobley said the Council should prohibit this possibility, otherwise it would be a breach of trust with citizens. He said he believes this is the main reason the MPD came forward.

Dan Decker, 20407 70th St E, Bonney Lake, spoke against the installation of more traffic lights on SR410, which would cause traffic jams. He also spoke about the Moriarty Property. He said he spoke to the Council years ago when this property was available for \$800,000 but the Council and Mayor at the time did not take action. He said eventually, the City took the property from the Schuur Brothers which cost the City \$5 million. He asked the City Clerk to provide him with public records showing whether this debt had been paid off. He also spoke against the proposed MPD, and said it would hurt people who cannot afford it.

Fred Jacobsen, 9100 189th Ave Ct E, Bonney Lake, said Councilmembers receive a \$400 per month salary for all the work they do and time they spend. He said he wanted to put this fact on the record due to the statements by other speakers.

Shawn Hoey, Master Builders Association of Pierce County, spoke on behalf of the Master Builders Association of Pierce County. He said the MBA supports proposed Ordinances D12-149 (landscaping code) and D13-50 (Traffic Impact Fees). He said the MBA also appreciates the Council's work to pass temporary fee reduction ordinances. Councilmember Rackley thanked him for his positive comments.

Jim Bouchard, 20303 108th St Ct E, Bonney Lake, is the current Park Board Chair and thanked the Council for filling the Park Board appointments. He said the Board reviewed proposed Ordinance D13-31 for boat launch fees, and asked that this item be pulled from the Consent Agenda for discussion. He noted that the ordinance does not include language about fees for lost resident cards. Further, he said the Park Board feels the \$200 fee for a non-residents card is exorbitant.

Mr. Bouchard thanked Public Works Director Grigsby for speaking to the Board about work to improve parking and traffic flow at the boat launch and Allan Yorke Park. Mr. Bouchard invited all to attend the groundbreaking ceremony on April 13th for the Fennel Creek Trail “Safe Routes” project. He said the Park Board has urged the City to use its electronic reader board to remind citizens to vote in the April elections. Finally, he referred to the gnome ‘sightings’ at City parks and suggested the City set up a geocaching project around City parks as a community activity.

City Attorney Haggard said she had reviewed the proposed boat launch fee ordinance and recommended it be pulled from the agenda as the language regarding fees for lost cards needed to be revised.

C. Correspondence:

Mayor Johnson said he received letters from the State Auditor recognizing Accountant Terrina Marchant and Accounting Specialist Mona Musgrave for their work on the audit. He thanked staff for doing a great job.

III. COUNCIL COMMITTEE REPORTS

- A. Finance Committee: Deputy Mayor Swatman said the committee met at 5:30 p.m. earlier in the evening. They discussed personnel updates and hiring of a new Senior Accountant. He noted that in the Council Retreat, a decision was made to funnel more routine project items to the Finance Committee rather than sending them to the CDC. He said the Finance Committee reviewed a motion for a replacement sign at the GMG Plat; reviewed Accounts Receivables and collections; bond refinancing options; and the funding sources used for the Moriarty Property acquisition.
- B. Community Development Committee: Councilmember McKibbin said the committee met on April 2, 2013 and forwarded one item to the current agenda.
- C. Public Safety Committee: Councilmember Hamilton said the committee met on April 1, 2013. East Pierce Fire & Rescue Chief Jim McDonald provided a brief on the City’s sprinkler requirements. Councilmember Hamilton asked other Councilmembers to keep his Committee informed of issues related to sprinkler systems, as this is a public safety issue. Chief McDonald explained the upcoming election to annex the City of Milton into the EPFR district. EPFR is also still working on options to add address or identification markers for lakeshore homes to assist in emergency response on the lake. Police Chief Powers discussed water safety programs to the Committee, including April Pools Day on April 6th and upcoming ‘Splashtacular’ events on Lake Tapps in July and August.
- D. Other Reports:

Swimsafe: Mayor Johnson said a Swimsafe community meeting is scheduled on May 22,

2013 at 6:00 p.m. at North Tapps Middle School. He said the group is finalizing informational materials to provide to the public. He said the Police and Fire Departments are doing swim safety courses at area elementary schools during April and May. He said upgrades at Allan Yorke Park, including a safety phone and memorial, are being worked on now. He said students are working on a potential LED sign that will show the water temperature in Lake Tapps.

Community Updates: Councilmember Watson said he and Special Event Coordinator David Wells attended the Communities for Families meeting on April 4, 2013. Sumner Councilmember Nancy Dumas gave a presentation on a grant-funded transportation service available through June to seniors, disabled persons, and youth who qualify. He said a 'Project Homeless' event is scheduled on May 17th in Sumner, and a parenting workshop on April 20th. He said the Communities for Families 20th annual event went very well and they are asking for feedback from attendees.

Park Board: Councilmember Watson said he attended the Park Board meeting on April 9, 2013. Board members had concerns about changes to boat launch card fees. They received information on the Dike 13 improvements project at Allan Yorke Park, and the re-submitted bids for the Safe Routes Trail. The Board heard a presentation from Director Grigsby about strategies to improve traffic flow and parking at the park.

IV. CONSENT AGENDA:

- A. **Approval of Minutes:** March 19, 2013 Council Workshop and March 26, 2013 Council Meeting Minutes.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** ~~Accounts Payable checks/vouchers #65841 in the amount of \$978.00. Accounts Payable check/voucher #65842-65928 (including wire transfers #20130211, 20130315) in the amount of \$770,716.37. Accounts Payable checks/vouchers #65929-65931 in the amount of \$5,281.28 for accounts receivable deposit refunds. For a grand total of \$776,975.62. VOIDS: Check #65652 — replaced with check #65930; Check #65257 — replaced with check #65929; Check #65685 — replaced with check #65841; Check #65255 — replaced with check #65925. Moved to Full Council Issues, Item B.~~
- C. **Approval of Payroll:** Payroll for March 16th – 31st 2013 for checks #31021-31049 including Direct Deposits and Electronic Transfers in the amount of \$ 684,961.01.
- D. **AB12-149 – Ordinance 1454 [D12-149]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting New Landscaping Standards, Amending Bonney Lake Municipal Code Sections 18.33.040 And 18.39.040, Adding A New Section To Chapter 18.35 Of The Bonney Lake Municipal Code, And Repealing All Or Portions Of Ordinances 1171, 1230, 1348, And 1416
- E. ~~**AB13-31 – Ordinance D13-31** – An Ordinance Of The City Of Bonney Lake, Pierce County, Washington, Amending Chapter 12.12 Of The Bonney Lake Municipal Code And Corresponding Portions Of Ordinance Nos. 1338, 1232, 1037, 826, And 669 Relating To Boat Launch Fees. Moved to Full Council Issues, Item C.~~
- F. **AB13-40 – Ordinance 1455 [D13-40]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington Changing The Zoning Classification Of Properties Within The Eastown Neighborhood.

- G. **AB13-41 – Ordinance 1456 [D13-41]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington Adding A New Chapter To Title 18 Of The Bonney Lake Municipal Code Entitled “Map” Adopting The Official Zoning Map For The City Of Bonney Lake
- H. **AB13-53 – Ordinance 1458 [D13-53]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Section 2.08.010 Of The Bonney Lake Municipal Code Relating To Appointive Officers.
- I. **AB13-54 – Resolution 2296** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Establishing Policies Regarding The Recruitment And Selection Of The Appointed Officers Of The City.

Councilmember Watson asked that Item B. and E. be pulled to Full Council Issues.

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

**Consent Agenda approved
as amended 6 – 0.**

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

VI. **COMMUNITY DEVELOPMENT ISSUES:**

- A. **AB13-50 – Ordinance 1457 [D13-50]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Chapter 19.04 Of The Bonney Lake Municipal Code And Ordinance Nos. 984, 1282, 1316, 1318, And 1424 Relating To Traffic Impact Fees.

Councilmember Rackley moved to approve Ordinance 1457. Councilmember Watson seconded the motion.

In response to a question from Councilmember Hamilton, Community Development Director Vodopich provided clarification on how the rate levels are determined. He also noted that rate reductions are currently in effect through August 2014. Councilmember Hamilton said he did not vote for reductions in the past, and does not support this ordinance.

Mayor Johnson said the previous fee reduction ordinances were reviewed by the Attorney’s office. City Attorney Haggard said while she did not personally review the ordinances, she assumed they went through her office and were reviewed for form and to ensure they are consistent with State law.

**Ordinance 1457 approved 4 – 2.
Deputy Mayor Swatman and
Councilmember Hamilton voted no.**

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

VIII. FULL COUNCIL ISSUES:

- A. **AB13-39 – Resolution 2286** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Professional Services Agreement For The SR 410 Sidewalk Improvements From Angeline Bridge To 192nd Avenue East Project To Shea, Carr, Jewell Alliance.

Councilmember Watson moved to approve Resolution 2286. Councilmember Rackley seconded the motion.

Councilmember Watson said he not comfortable moving this project to the top of the priority list. He asked whether the City had considered adding a walking route on Sumner-Buckley Hwy / Veterans Memorial Hwy from 192nd St E to downtown. Mayor Johnson said the Council can re-prioritize projects based on its goals and objectives. He added that the route on Sumner-Buckley Hwy may be more difficult as right-of-way would need to be acquired to add sidewalks. Councilmember McKibbin suggested the Public Safety Committee discuss walking routes from Midtown to Downtown.

Public Works Director Grigsby explained that the City has received a \$450,000 grant from the Transportation Improvement Board, which requires a matching amount from the City. He said it is good to use this type of grant funding when it is available. He noted that the City's non-motorized transportation plan includes priorities for sidewalks such as this. Deputy Mayor Swatman said the City will not receive the grant funds unless they're used for this project and it is a good opportunity. He said he understands other councilmembers' concerns about moving other projects lower on the priority list, but now is a good time to get this project started.

**Resolution 2286 approved 5 – 1.
Councilmember Watson voted no.**

- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #65841 in the amount of \$978.00. Accounts Payable check/voucher #65842-65928 (including wire transfers #20130211, 20130315) in the amount of \$770,716.37. Accounts Payable checks/vouchers #65929-65931 in the amount of \$5,281.28 for accounts receivable deposit refunds. For a grand total of \$776,975.62. VOIDS: Check #65652 – replaced with check #65930; Check #65257 – replaced with check #65929; Check #65685 – replaced with check #65841; Check #65255 – replaced with check #65925. *Moved from Consent Agenda Issues, Item B.*

Councilmember Watson said he had questions for staff on expenses related to the Justice & Municipal Center and repair costs. He also asked why the City is paying homeowner's association dues to the Victor Falls HOA. Mayor Johnson said staff are working with the original builder of the JMC building on remedies for some of the issues. Director Grigsby explained that the City owns property in the Victor Falls HOA, and the dues are used to maintain a gravel road to access the City's and other properties close to the Victor Falls Springs water source. He said the City pays its share, which is one tenth of the total maintenance costs, and he personally attends the regular HOA meetings.

Deputy Mayor Swatman moved to approve the Accounts Payable and Utility Refund Checks/Vouchers. Councilmember Watson seconded the motion.

Motion approved 6 – 0.

- C. **AB13-31 – Ordinance D13-31** – An Ordinance Of The City Of Bonney Lake, Pierce County, Washington, Amending Chapter 12.12 Of The Bonney Lake Municipal Code And Corresponding Portions Of Ordinance Nos. 1338, 1232, 1037, 826, And 669 Relating To Boat Launch Fees. *Moved from Consent Agenda Issues, Item E.*

Councilmember Rackley moved to table Ordinance D13-31 to the next Workshop. Councilmember Watson seconded the motion.

Motion to table Ordinance D13-31 approved 6 – 0.

IX. EXECUTIVE SESSION:

Pursuant to RCW 42.30.110(1)(b), the Council adjourned to an Executive Session with the City Attorney at 8:20 p.m. for 20 minutes to discuss property acquisition. The Executive Session was extended for 5 minutes at 8:44 p.m. The Council returned to Chambers at 8:48 p.m. No action was taken.

X. ADJOURNMENT:

At 8:48 p.m., Councilmember Rackley moved to adjourn the Council Meeting. Councilmember Hamilton seconded the motion.

Motion to adjourn approved 6 – 0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council at the April 9, 2013 Meeting: None.

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

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

Department/Staff Contact: Public Works / Dan Grigsby	Meeting/Workshop Date: 23 April 2013	Agenda Bill Number: AB13-52
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2295	Councilmember Sponsor:

Agenda Subject: Conversion of Water Supply Purchase from Cascade Water Alliance to Tacoma Public Utility

Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Mayor To Initiate Action To Convert Water Supply Purchased From Cascade Water Alliance (Cascade) To Tacoma Public Utility (Tacoma Water) .

Administrative Recommendation: Recommend Approval

Background Summary: In December 2012 Cascade and Tacoma Water finalized an agreement that allows Bonney Lake to purchase water directly from Tacoma Water as a wholesale customer. In 2010, Cascade entered into an agreement to sale Tacoma Water that it had paid SDCs on (in 2005) to the cities of Bonney Lake, Auburn, Sumner and Buckley. The SDC cost paid by the City of Bonney Lake will be less than the SDC that Cascade paid Tacoma Water. This is a substantial savings for Bonney Lake compared to paying SDCs directly to Tacoma Water. Bonney Lake has also been offered, by Tacoma Water, an opportunity to convert a four month 2 MGD water supply into a 12 month water supply for one payment of \$391,222 (in 2019), an offer the City should not hesitate to accept! The first step in this conversion process is for the Mayor to sign a Confirmation Notice (NLT 23 July 2013) sent to Cascade requesting a SDC Credit. See attached PW Director memo for additional details. Rather than having Cascade be a middle man, it is more efficient to purchase water directly from Tacoma Water in the future.

Attachments: Resolution 2295, PW Director Memo, Cascade-Tacoma Water ltr of 11 February 2013, Terms for 4 Cities Substitute Supply Offer, Cascade ltr of 29 March 2011, Confirmation Notice to Cascade

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
n/a		0	
Budget Explanation:			

COMMITTEE, BOARD & COMMISSION REVIEW			
Council Committee Review:	Community Development Date: 2 April 2013	<i>Approvals:</i>	Yes No
		Chair/Councilmember Randy McKibbin	<input type="checkbox"/> <input type="checkbox"/>
		Councilmember James Rackley	<input type="checkbox"/> <input type="checkbox"/>
		Councilmember Katrina Minton-Davis	<input type="checkbox"/> <input type="checkbox"/>
	Forward to:	Consent Agenda:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Commission/Board Review:			
Hearing Examiner Review:			

COUNCIL ACTION	
Workshop Date(s): 16 April 2013	Public Hearing Date(s):
Meeting Date(s): 23 April 2013	Tabled to Date:

APPROVALS		
Director: <i>D. L. Grigsby, P.E.</i>	Mayor:	Date Reviewed by City Attorney: (if applicable):

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RESOLUTION NO. 2295

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BONNEY LAKE, PIERCE COUNTY, WASHINGTON,
AUTHORIZING THE MAYOR TO INITIATE ACTION TO
CONVERT THE WATER SUPPLY PURCHASED FROM CASCADE
WATER ALLIANCE INTO A TACOMA WATER SUPPLY**

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

WHEREAS, this Cascade water supply was purchased from Tacoma Water in 2005; 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 lower System Development Charge (SDC) than 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, finding an additional 2 MGD year round water right in the White River drainage basin has not been successful;

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 Confirmation Notice to be delivered to Cascade Water Alliance. Further, the City Council authorizes the Mayor to negotiate agreements with Tacoma Water and Cascade Water Alliance that provide a 2 MGD (year round) water supply from Tacoma Water’s transmission line #1.

PASSED by the City Council this 23rd day of April, 2013.

Neil Johnson Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

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 23rd day of April, 2013:

By: _____

Neil Johnson, Mayor



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

April 4, 2013

To: Mayor and City Council

Subject: Conversion from Cascade Water Alliance (Cascade) to Tacoma Water Supply

This memo will summarize the background and benefits to changing the 2 MGD water supply we have “contracted for” from Cascade into a Tacoma Water supply. Both Cascade and Tacoma Water are recommending we do this in order to make future water supply use and payment more efficient. There is no need to have Cascade in the middle when we are taking water from the Tacoma Water system. This conversion to the substitute supply offered by Tacoma Water will result in the same amount of SDC charges Bonney Lake has already negotiated to pay Cascade. This is a win-win for all parties.

1. February 1, 2005. City of Bonney Lake Resolution 1379, authorized Mayor to purchase 2 MGD (year round) water supply from Tacoma Water.
Cost = Principal + Interest (Prime minus 2%) = \$5,776,598 + \$925,000 = **\$6,701,598**.
TPU current loan balance is \$924,255. The remaining two payments in 2014 and 2015 (\$462,128 plus interest TBD) will close out this loan.
2. October 28, 2008. City of Bonney Lake Resolution 1841, authorized Mayor to purchase 4 MGD (year round) water supply from Tacoma Water. Cost = **\$11,548,000** (\$5,774,000 for 2 MGD) plus loan interest (~\$1,850,000). The Tacoma Public Utility Board declined this offer.
3. January 26, 2010. City of Bonney Lake Resolution 2009, authorized Mayor to sign the 2010 Lake Tapps Area Water Resources Agreement (“Cascade-Four City Agreement”).
4. February 1, 2010. Cascade–Four City Agreement Signed. Provided various water supply and water right purchase options to the Four Cities.
5. February 5, 2010. Four City letter to Cascade allocating water supply needs of each city and allocation of water offered in the Cascade-Four City Agreement. Bonney Lake indicated desire to purchase 2 MGD (Peak, June through September) from Cascade TPU supply.
6. March 29, 2011. Cascade confirmed wholesale purchase requested by Bonney Lake for 2 MGD (Peak Season Only). SDC payment to Cascade would be **\$2,747, 334**. Installment payments (without interest) would occur as follows:
 - a. \$200,000 annually in 2011 and 2012
 - b. \$391,222 annually in 2013 through 2018
 - c. Water supply would not be available for use by the city until the total SDC is paid.

8720 Main Street E.
P.O. Box 7380
Bonney Lake, WA 98391-0944

Page 1 of 2

(253) 447-4347
FAX (253)826-1921
grigsbyd@ci.bonney-lake.wa.us

7. December 31, 2012. Amendment to the 2005 Cascade Water Alliance and Tacoma Water Wholesale Agreement was signed. Reached agreement on sale of Substitute Water Supply from Tacoma Water to the Four Cities.
8. February 11, 2013 joint letter from Cascade and Tacoma Water.
 - a. Notified Four Cities of the process and timing for Cities to convert Cascade water supply purchases to a substitute supply for Wholesale Water from Tacoma Water. A 120-day window was established for the Four Cities to submit a Confirmation Notice to accept this supply. Each city using the substitute Tacoma Water supply would need to conclude a Wholesale Water Agreement with Tacoma Water and a Purchase and Sale Agreement with Cascade by March 1, 2018.
 - b. A Special Agreement is offered to the City of Bonney Lake only due to the city's "contract" to purchase a 2 MGD (peak season only; four months) water supply from Cascade. Tacoma Water offers, for a 90-day period, to sale the remainder of the year (8 months) 2 MGD water supply to Bonney Lake for \$391,222 to be paid in 2019 to Cascade.
9. March 25, 2013. Cascade, Tacoma Water, and Four Cities met to discuss the February 11 letter. All agreed that this was a win-win proposal.
 - a. This meeting started the 120-day window (ending July 23, 2013) for each city to submit a Confirmation Notice to Cascade. This notice will allow the cities to reimburse Cascade for SDCs paid to Tacoma Water in 2005. Cascade offers 9.3 MGD Average Annual Demand supply and a Peak Supply of 11.3 MGD. This is offered as a year round supply with a peak ratio of up to 1.33.
 - b. The SDC charged to the Cities by Cascade would be 75% of the SDC originally paid by Cascade to Tacoma Water during this 120-day window. The incentive for Cascade is to close out the agreement with the Four Cities.
 - c. **1 MGD Annual with a 1.33 peaking factor. Cost to all Four Cities = \$3,090,750.**
 Cost for 1 MGD Annual with no peak season supply (8 months) = \$2,377,500.
 Cascade Financing Available at payment of 20% with 3.3% interest for five years.
 - d. **Special Agreement with City of Bonney Lake:**
 - i. 2 MGD Peak Season (June-September) with 0.7 MGD Annual Capacity.
 Cost = **\$2,747, 334.**
 - ii. 2 MGD (Peak Season) with 1.5 MGD Annual Capacity.
 Cost Increase = **\$391,222 paid in 2019.**
 - iii. **Total 2 MGD (peak demand) with Year Round Supply = \$3,138,556.**
 - iv. No interest is charged for the annual installment payments presented in paragraph five above.
 - v. A one-time good deal with a 90-day window (starting approximately 23 April 2013) for the City to take advantage of.

As said in the Godfather movies several years ago, "Cascade Is Making An Offer You Can't Refuse" ☺



March 29, 2011

Daniel L. Grigsby, PE
Public Works Director
City of Bonney Lake
8720 Main Street E
PO Box 7380
Bonney Lake, WA 98391

Board of Directors

Chair
Lloyd Warren
Commissioner,
Sammamish Plateau
Water & Sewer District

Vice Chair
John Marchione
Mayor, City of Redmond

Secretary/Treasurer
Jim Haggerton
Mayor, City of Tukwila

Grant Degginger
Councilmember, City of
Bellevue

David Knight
Commissioner,
Covington Water District

John Traeger
Council President, City of
Issaquah

Penny Sweet
Deputy Mayor, City of
Kirkland

Jon Ault
Commissioner, Skyway
Water & Sewer District

Chief Executive Officer

Chuck Clarke

Dear Dan:

Thank you for your recent correspondence and discussion concerning the City of Bonney Lake's (the City) desire to purchase wholesale water from Cascade in accordance with section 3.a of the 2010 Lake Tapps Area Water Resources Agreement among the Cities of Auburn, Bonney Lake, Buckley and Sumner and the Cascade Water Alliance (the 2010 Water Resources Agreement). This letter is to confirm the wholesale purchase requested by the City and to propose the next steps that would lead to the development of the agreements necessary to implement such wholesale purchase, including agreements between Bonney Lake, Cascade, and Tacoma.

Cascade understands that the City would like to enter into agreements that provide for:

- The City to purchase 2.0 MGD Peak Season capacity from the Permanent Supply available to Cascade pursuant to Cascade's 2005 Agreement for the Sale of Wholesale Water between Cascade and the City of Tacoma (the Tacoma Wholesale Agreement)
- Payment to Cascade, by the City, of an amount equal to the System Development Charge (SDC) paid by Cascade to Tacoma pursuant to the Tacoma Wholesale Agreement, adjusted to reflect the Peak Season only purchase, in the amount of \$2,747,334 (\$1,373,667 per Peak Season MGD purchased)
- The adjusted SDC would be paid in the following installments -
 - \$200,000 annually in 2011 and 2012
 - \$391,222 annually in 2013 through 2018
 - Annual payments due on or before June 1 of each year
- Wholesale water to be available for use by the City on June 1, 2018, unless the City and Cascade agree on an earlier availability date and an installment schedule that provides for full payment of the adjusted SDC prior to the earlier availability date.

Cascade is preparing draft agreements to implement this purchase, including a draft water sales agreement between Bonney Lake and Cascade. Since the City does

Mr. Dan Grigsby
March 29, 2011
Page 2 of 2

not anticipate utilizing water under this purchase until June 2018, this sales agreement will not contain detailed operational provisions necessary prior to delivery of water. Those more specific operational terms will be included in one of the subsequent agreements necessary to implement the wholesale purchase. The sales agreement will however specify the following general operational parameters, and provide for addition of operating provisions prior to the availability date:

- Delivery of wholesale water at the City's booster pump station with service off Tacoma Pipeline 1;
- Direct coordination on delivery schedule and other operational matters between the City and Tacoma;
- Payment for wholesale water actually delivered to the City at the rate established in section 9.1 of the Tacoma Wholesale Agreement (the Tacoma wholesale water service rate plus the readiness to serve charge);

Cascade anticipates having a complete draft water sales agreement within the next two weeks and will forward the draft to the City for review. We will be available to meet with the City to discuss any issues related to the drafts and to develop a schedule for finalization of the agreement and obtaining necessary approvals.

If you have any questions please contact me or Michael Gagliardo, Director of Planning at 425-453-1503.

Sincerely,



Chuck Clarke
Chief Executive Officer

CC: Michael Gagliardo
Ed Cebren
Scott Hardin
Adam Gravley



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

Confirmation Notice

To Be Delivered to Cascade Water Alliance 120 days From the First Meeting of Tacoma,
Cascade and The Four Cities

The City of _____ (“City”) confirms receipt of the letter, dated _____, 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 provision of a Notice of Confirmation of System Development Charge (“SDC”) Credit to Tacoma Water.

Now, therefore, the City of _____ 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: _____
 - 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 _____ on
this _____ day of _____, 2013:

By _____

[Name]

Mayor

TERMS FOR 4 CITIES SUBSTITUTE SUPPLY OFFER

- I. This offer is structured to fulfill Cascade's obligations to make available Tacoma water as described in the existing "4 Cities Agreement". Availability of the terms of this offer is contingent upon written acceptance of the substitution of this supply offer for the commitment defined in Section 3.a of that 4 Cities Agreement specifically:
 - a. Paragraph 3A, providing options for purchase of Cascade's contracted Tacoma supply capacity, is replaced by the substitute capacity offer defined in this proposal.
 - b. Paragraph 3A is confirmed in writing to be fully satisfied by acceptance of this substitute capacity offer.
 - c. Upon expiration of the substitute capacity offer on December 31, 2017, all Cascade obligations to make Tacoma water available are deemed fulfilled and terminated.
 - d. The substitute capacity offer must be accepted and executed no later than 120 days from the first meeting of Tacoma, Cascade and the Four Cities and the offer is withdrawn after expiration date. [Actual commitment to purchase water under those terms, once accepted, can occur anytime through 2017 as further delineated in section II.c below.]
- II. **Substitute Capacity Offer**
 - a. The following capacity is made available:
 - i. 9.3 mgd of average supply and a peak supply of 11.3 mgd. [This is the remaining available capacity of Cascade's purchases from Tacoma.]
 - ii. Cascade offers all capacity as firm and permanent. Cascade will be responsible for any transactions needed to convert reserve capacity to permanent capacity.
 - iii. All capacity will be offered as year-round capacity with the following structure: for each 1 mgd of year-round capacity, a peak season ratio of up to 1.33 will be available for purchase. The peak: annual ratio of 1.33:1.0 is based on the Tacoma capacity owned by Cascade, which originally totaled 10 mgd annual average and 13.3 mgd peak season. Cities may elect peak ratios ranging from 1.0 to 1.33, subject to total capacity limits defined in the attached table.
 - iv. Tacoma will provide wholesale service contingent on execution of a wholesale supply agreement defining terms for service and related charges. A sample agreement form is provided.
 - b. The following price and financial terms are offered:
 - i. Capacity will be offered at a price of 75% of the SDC (\$3.17 per gallon * 75% = \$2.3775 per gallon) originally paid by Cascade. This charge will apply to annual capacity and to incremental peak season capacity.
 1. For example, for a purchase of 1 mgd annual / 1.3 mgd peak season, the cost will be 1 mgd * \$2.3775 million + 0.3 mgd * \$2.3775 million = \$3,090,750. A purchase of 1 mgd annual with no peak season increment would cost \$2,377,500.

- ii. Payments for capacity purchase will be to Cascade; when the purchase involves conversion of reserve capacity, Cascade may opt to direct all or part of the payment to Tacoma.
 - iii. For each purchase, the following financing terms are available:
 - 1. Full payment of purchase price upon execution of purchase; or
 - 2. Payment of 20% of purchase price upon execution; remainder financed on a note over 5 years at 3.3% interest with level annual payments due upon each anniversary date. Purchaser would be free to pay off note at any time.
 - iv. Wholesale rates for service and delivery are as defined by agreement with Tacoma (see also below).
- c. The following schedule applies to the substitute offer:
- i. The substitute capacity offer must be accepted and executed no later than 120 days after the first meeting of Tacoma, Cascade and the Four Cities and the offer is withdrawn after expiration date. If not accepted during this period, then the existing terms of paragraph 3.a would remain in effect.
 - ii. During the period from execution of this substitute offer until December 31, 2015, each City may elect to purchase its related share of capacity at any time. Shares of capacity can also be re-assigned upon notice provided to Cascade by both parties of such intent.
 - iii. Beginning January 1, 2016 and extending through December 31, 2017, any City may offer to purchase any or all capacity remaining available on a first come, first serve basis. Cascade will notify the Cities of available capacity early in 2016.
 - iv. After December 31, 2017, no substitute supply capacity will be available.
 - v. Participants in this substitute capacity offer are free to transfer rights to purchase to other participants, but only to other participants, provided that Cascade receives clear and binding direction to this effect from both parties.
- III. **Special Situation:** Bonney Lake previously acquired 2 mgd of peak season (June-September) capacity, with no right of service in the off-peak period. This is equivalent in quantity to 2.0 mgd peak and 0.7 mgd average annual. This leaves related off-peak capacity with no corresponding right of service in the peak period.
- 1. Bonney Lake is offered revision of this capacity right to 2 mgd peak together with 1.50 mgd annual capacity.
 - 2. This offer to revise the capacity structure is made available for 90 days after the effective date of Bonney Lake's acceptance of the substitute capacity offer.
 - 3. Purchase Price for this revision is the extension of existing payments by one year (to include 2019), a net cost addition of \$391,222.
 - 4. If Bonney Lake does not approve this extension prior to the expiration date, then other parties are free to acquire the related off-peak capacity

as a part of a year-round capacity purchase at an incremental price of \$391,222.

- IV. Integration of Cascade and Tacoma obligations under this substitute capacity offer:
- a. As defined in the revised agreement between Cascade and Tacoma, it is the intent of Cascade and Tacoma that any purchases under this offer is subject to execution of an agreement for wholesale service with Tacoma. Cascade would have no ongoing role in delivering wholesale water after execution of such agreement with Tacoma.
 - b. Tacoma will commit to supply water purchased under this agreement, subject to execution of a wholesale water agreement acceptable to Tacoma and generally defined in a draft wholesale agreement.
 - i. Tacoma will work with the purchaser to establish a mutually acceptable delivery point or points, to be defined in the wholesale water agreement.
 - ii. No SDCs will be due to Tacoma for water capacity purchased under this agreement.
 - iii. The purchaser will be subject to Tacoma wholesale rates.

Substitute Offer of Available Tacoma Supply Capacity					
	Total	Auburn	Bonney Lake	Buckley	Sumner
Capacity Availability Previously Requested by the 4 Cities	9.2 mgd average / 13.33 mgd peak	7.0 mgd average / 10.0 mgd peak	1.5 mgd average / 2.0 mgd peak	0.7 mgd average / 1.33 mgd peak	0.0 mgd average / 0.0 mgd peak
Additional Capacity in Substitute Offer	0.8 mgd average / 0.00 mgd peak	0.5 mgd average / 0.0 mgd peak	0.0 mgd average / 0.0 mgd peak	0.3 mgd average / 0.0 mgd peak.	0.0 mgd average / 0.0 mgd peak
Previous Purchases			0.7 mgd average / 2.0 mgd peak [2.0 mgd peak season with no off-peak supply requires an annual average of 0.7 mgd to be delivered]		
Remaining Available Capacity for Purchase	10.0 mgd average / 13.33 mgd peak	7.5 mgd average / 10.0 mgd peak	0.8 mgd average / 0.0 mgd peak	1.0 mgd average / 1.33 mgd peak	0.0 mgd average / 0.0 mgd peak

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

Department/Staff Contact: Community Development/ John P. Vodopich, AICP	Meeting/Workshop Date: April 23, 2013	Agenda Bill Number: AB13-57
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2298	Councilmember Sponsor:

Agenda Subject: Monument and Landscaping easement at the GMG Plat on the City's storm pond tract.

Full Title/Motion: Authorize D.R. Horton to place a monument sign at the GMG Plat on the City's storm pond tract.

Administrative Recommendation: Approve.

Background Summary: As part of the development of the GMG Plat (now named The Ridge at Lake Tapps), a storm water detention pond was dedicated to the City. The Developer of the Plat is desirous of placing a monument and landscaping sign near the entrance of the Plat, outside the fence of the storm pond on City property. Public Work's operations staff have reviewed the proposed placement of the monument sign and have determined that it will not be in conflict with the operation and maintenance of the storm water detention facility. The homeowners association will be responsible for the maintenance and repair of the monument sign and landscaping. The City is not responsible for any damage to the monument sign and can terminate the easement with sixty-day notice.

Attachments: Resolution 2298, Monument and Landscape Easement.

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

COMMITTEE, BOARD & COMMISSION REVIEW											
Council Committee Review:	Finance Date: April 9, 2013	<i>Approvals:</i> Chair/Councilmember Dan Swatman Councilmember Mark Hamilton Councilmember Randy McKibbin	<table border="1" style="border-collapse: collapse;"> <tr> <th style="width: 50%;">Yes</th> <th style="width: 50%;">No</th> </tr> <tr> <td style="text-align: center;">X</td> <td style="text-align: center;"></td> </tr> <tr> <td style="text-align: center;">X</td> <td style="text-align: center;"></td> </tr> <tr> <td style="text-align: center;">X</td> <td style="text-align: center;"></td> </tr> </table>	Yes	No	X		X		X	
Yes	No										
X											
X											
X											
	Forward to:	Consent Agenda:	X Yes <input type="checkbox"/> No								
Commission/Board Review:											
Hearing Examiner Review:											

COUNCIL ACTION	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 4/23/13	Tabled to Date:

APPROVALS		
Director: <i>John P. Vodopich, AICP</i>	Mayor: <i>NHJ</i>	Date Reviewed by City Attorney: April 2, 2013 (if applicable):

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RESOLUTION NO. 2298

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BONNEY LAKE, PIERCE COUNTY, WASHINGTON,
AUTHORIZING D.R. HORTON TO PLACE A MONUMENT SIGN
AT THE GMG PLAT ON THE CITY'S STORM POND TRACT**

WHEREAS, as part of the development of the GMG Plat (now named The Ridge at Lake Tapps), a storm water detention pond was dedicated to the City; and

WHEREAS, the developer of the Plat is desirous of placing a monument sign and landscaping near the entrance of the Plat, outside the fence of the storm pond on City property; and

WHEREAS, the City has determined that the placement of a monument sign at this location will not interfere with the operation and maintenance of the storm pond;

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 Monument and Landscape Easement agreement with D.R. Horton.

PASSED BY THE CITY COUNCIL this 23rd day of April, 2013.

Neil Johnson, Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

Filed at Request of:

SSHI, LLC
dba D.R. Horton
12931 NE 126th Place, Building B1
Kirkland, Washington 98034
Attn: Raelyn Hulquist

DOCUMENT TITLE	Monument and Landscape Easement
REFERENCE NO. OF DOCUMENTS ASSIGNED/ RELEASED	N/A
GRANTOR	City of Bonney Lake
GRANTEE	The Ridge at Lake Tapps Homeowners Association
LEGAL DESCRIPTION	A portion of Tract A of GMG Plat, recorded under Pierce County File number 201208075005
ASSESSOR'S PARCEL NO.	0520273026

MONUMENT AND LANDSCAPE EASEMENT

WHEREAS, City of Bonney Lake (“Grantor”), is the owner of the property legally described as:

TRACT A OF THE GMG PLAT, RECORDED UNDER PIERCE COUNTY AUDITORS FILE NUMBER 201208075005, IN PIERCE COUNTY, WASHINGTON (the “Property”).

WHEREAS, the Property was dedicated to the Grantor for use as a storm water detention pond; and

WHEREAS, The Ridge at Lake Tapps Homeowners Association (“Grantee”) is the homeowners association that governs the lots and common areas of the GMG Plat, of which the Property is a part; and

WHEREAS, Grantor wishes to grant to Grantee an easement over a portion of the Property for the uses and purposes described herein.

NOW, THEREFORE, in consideration of the mutual benefit and burdens contained herein, and subject to the conditions set forth herein, Grantor hereby grants and conveys to Grantee the perpetual non-exclusive easement over the portion of the Property described on Exhibit A and depicted on Exhibit B (the “Easement Area”), both of which are attached hereto and incorporated herein, subject to the terms and conditions set forth herein.

1. **Purpose, Use and Maintenance of Easement Area** Grantee may enter upon and use the Easement Area for installation, use, maintenance and repair of an entry monument and

landscaping for The Ridge at Lake Tapps community (aka the GMG Plat). All maintenance and repair of the monument and the landscaping located within the Easement Area shall be the sole responsibility of the Grantee. Grantee shall maintain the landscaping and entry monument located in the Easement Area in a good, neat and clean condition. Grantor reserves the right to use the Easement Area for any purpose that is not inconsistent with purposes of the Easement granted herein.

2. **Duration and Termination** This Monument and Landscape Easement is a perpetual appurtenant easement and shall run with the land and shall be binding upon the owners thereof, their successors, heirs and assigns. Grantee may terminate this Monument and Landscape Easement by executing and recording a release of Monument and Landscape Easement in the real property records of Pierce County. Grantor may terminate this easement with sixty (60) days notice to Grantee, and without compensation to Grantee, if Grantor needs to use the easement area for a municipal purpose that is inconsistent with Grantee's use of the easement. If this Monument and Landscape Easement is terminated, then all improvements, including but not limited to the entry monument, and landscaping located within the Easement Area shall become the property of the Grantor, provided, that the Grantee shall remove the monument and/or landscaping at the request of the Grantee.

3. **Attorney Fees and Costs** In the event Grantee or Grantor retains an attorney to enforce the provisions or the terms of this agreement, the prevailing party shall be entitled to reimbursement for its attorney fees and costs incurred, whether or not said fees and costs are incurred in arbitration, litigation, mediation, declaratory action, bankruptcy, pre- or post-judgment or otherwise.

4. **City not responsible for damage to property of Grantee.** The Grantee shall hold the City harmless for any damage to property of the Grantee that may occur during the term of this easement, including but not limited to flooding of the Property.

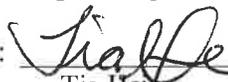
Dated this 21st day of March, 2013.

GRANTOR: City of Bonney Lake

By: _____
Its: _____

GRANTEE: SSHI, LLC, dba D.R. Horton,
a Delaware limited liability company

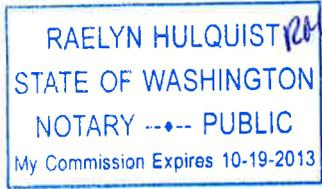
By: SHLR of Washington, Inc., a
Washington corporation, its manager

By:  _____
Tia Hein
Vice President

REPRESENTATIVE ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that, Tia Heim is the person who appeared before me, and said person acknowledged that (she) signed this instrument, on oath stated that (she) was authorized to execute the instrument and acknowledged it as the Vice President of SSHI, LLC dba D.R. Horton to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: March 21, 2013.
Raelyn Hulquist
Print Name Raelyn Hulquist
NOTARY PUBLIC in and for Washington State,
residing at Everett, WA
My appointment expires 10-19-2013

REPRESENTATIVE ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

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

Dated: _____

Print Name _____
NOTARY PUBLIC in and for Washington State,
residing at _____
My appointment expires _____

EXHIBIT A

That portion of Tract A of the plat of "GMG Plat", recorded under Recording No. 201208075005, situate in the southwest quarter of Section 27, Township 20 North, Range 5 East, Willamette Meridian, Pierce County, Washington, being more particularly described as follows:

COMMENCING at the northwesterly corner of said Tract A;

THENCE along the northerly line of said tract, S 89°30'53" E, 115.31 feet to the TRUE POINT OF BEGINNING;

THENCE continuing along said northerly line, S 89°30'53" E, 17.27 feet to the westerly margin of 202nd Avenue East and a point of curvature;

THENCE along said westerly margin southeasterly 24.24 feet along the arc of a non-tangent curve to the right, having a radius of 20.00 feet, the radius point of which bears S 29°07'37" W, through a central angle of 69°27'08" to a point of tangency;

THENCE continuing along said westerly margin, S 08°34'45" W, 8.40 feet;

THENCE N 81°25'15" W, 6.06 feet;

THENCE N 08°30'54" E, 9.04 feet; THENCE N 39°30'46" W, 20.02 feet;

THENCE S 86°25'16" W, 8.72 feet;

THENCE N 00°29'07" E, 4.16 feet to the said northerly line of said tract and the TRUE POINT OF BEGINNING;

Containing 298 square feet, more or less.

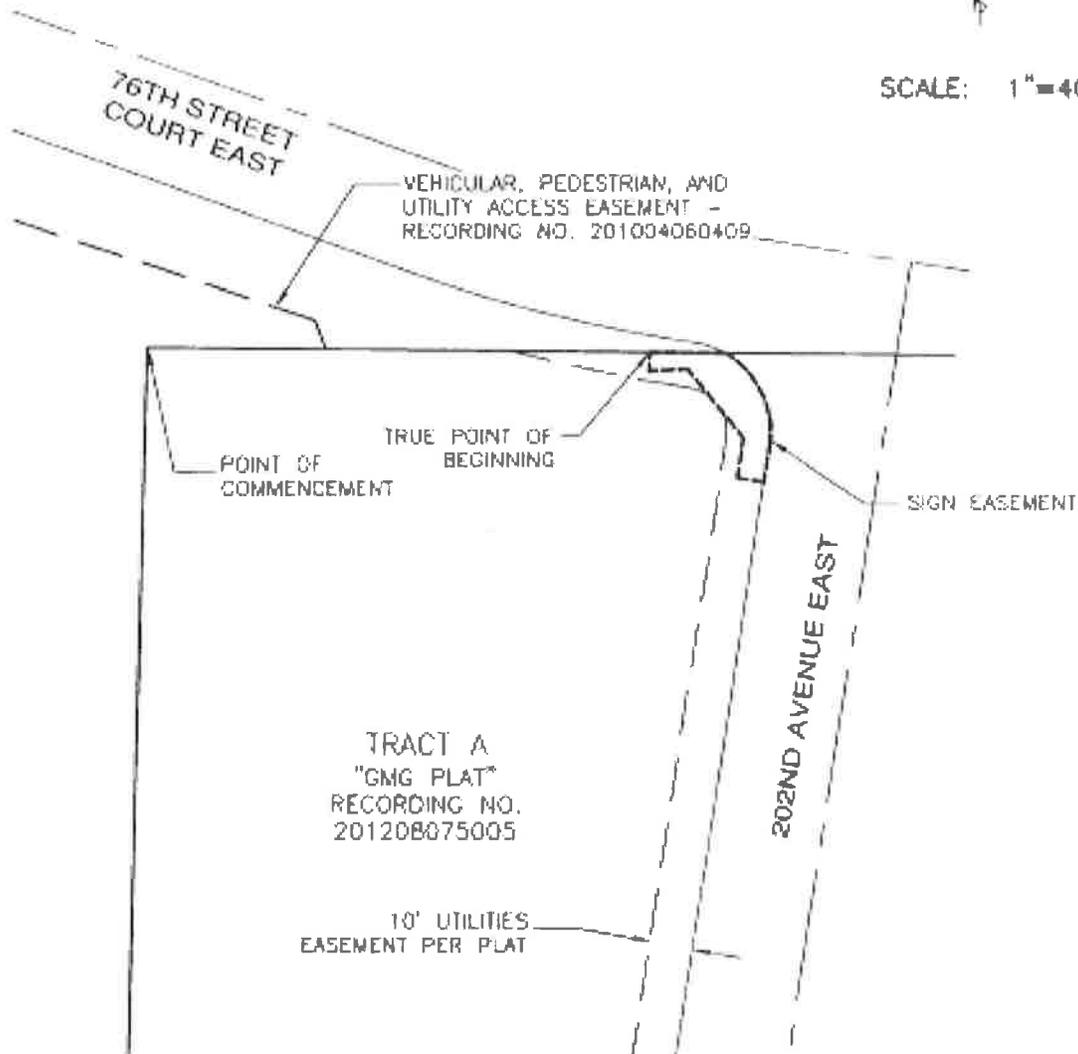
EXHIBIT B

TO ACCOMPANY LEGAL DESCRIPTION FOR ENTRY MONUMENT EASEMENT

A PORTION OF THE SE 1/4 OF THE SW 1/4 OF SECTION 27
TWP. 20 N., RGE. 5 E., W.M., CITY OF BONNEY LAKE
PIERCE COUNTY, WASHINGTON



SCALE: 1"=40'



ESM	CONSULTING ENGINEERS LLC		
	37400 8th Ave S, Suite 205 Federal Way, WA 98003		
www.esmcivil.com		FEDERAL WAY (253) 836-6113 EXETER (425) 261-9800	
Civil Engineering Public Works	Land Surveying Project Management	Land Planning Landscape Architecture	

JOB NO. 1497-001-013
DRAWING NAME : SA-CB
DATE : 2013-02-20
DRAWN : DLR
SHEET 1 OF 1

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

Department/Staff Contact: Community Development / Jason Sullivan - Senior Planner	Meeting/Workshop Date: 23 April 2013	Agenda Bill Number: AB13-60
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2301	Councilmember Sponsor:

Agenda Subject: Planning Commission Workplan.

Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington Adopting The Planning Commission Workplan For The 2013-2014 Biennium.

Administrative Recommendation: Approve.

Background Summary: On April 16, 2013, the City Council and the Planning Commission held a joint meeting as required by BLMC 02.04.1040 to discuss the Workplan for the Planning Commission for the 2013 - 2014 Biennium. Resoultion 2301 will officially adopted the Planning Commission's Workplan for this biennium as required by Resolution Number 2089.
Attachments: Resoultion 2301.

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

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

COUNCIL ACTION	
Workshop Date(s): 16 April 2013	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

APPROVALS		
Director: JPV	Mayor: NHJ	Date Reviewed by City Attorney: (if applicable):

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RESOLUTION NO. 2301

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ADOPTING THE PLANNING COMMISSION WORKPLAN FOR THE 2013-2014 BIENNIUM.

WHEREAS, the City Council adopted Resolution 2089 to establish a policy for establishing and maintaining a Workplan for the Planning Commission to facilitate comprehensive planning and the development of land use regulation of the City pursuant to RCW 35.63; and

WHEREAS, the intention of Resolution 2089 is that the Workplan is adopted for during either the last two months of the previous biennium or the first two months of the new biennium; and

WHEREAS, the City Council and Planning Commission met in joint session on April 16, 2013 to review and discuss the proposed work plan for the current biennium;

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

Section 1. 2013-2014 Biennial Workplan Adopted. The Planning Commission Workplan for the 2013-2014 biennium, attached hereto as Attachment "A", is hereby adopted.

Section 2. Changes to the Workplan. Modifications to the Workplan will be made consistent with the process provided in Resolution 2089 Section 4.

PASSED by the City Council and approved by the Mayor this 23rd day of April, 2013.

Neil Johnson, Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

ATTACHMENT A

City of Bonney Lake 2013 - 2014 Biennium Planning Commission Workplan

	Description	Department	PC Review Completion Date	Note	Initiated By	Date Added	Date Completed
2013	Finalize SMP Update	CD	2013 Q2	The City was awarded a grant by DOE in 2008 to facilitate the required update to the City's 1975 SMP; work on the update began in 2009. While the update was supposed to be completed by 2011, the City has been able to extend the deadline until June 30, 2013. The delay has been caused by a number of issues which include the departure of the previous planning manager.	Staff	5/12/2009	
	Amend the City's Wetland Regulations	CD	2013 Q2	As part of the SMP, DOE is requiring that the wetland buffers be increased for wetlands associated with Lake Tapps and Fennel Creek downstream of Victor Falls in order to comply with current guidance. The City has two options to comply with DOE's requirement: (1) adopt separate wetland buffers for shoreline areas or (2) amend the CAO modifying buffers for wetlands throughout the City.	Staff	3/1/2013	
	Add "proposed UGA" to Zoning Map	CD	2013 Q4	City Administrator clarified that Falling Water needed to be added to the zoning map as well. The change as been made to the Future Land Use Map in 2012, but was not added to the Zoning Map	Exec	6/7/2011	
	New Landscaping Code	CD	2013 Q1	Update of Title 16.14 BLMC to enhance landscape buffering between incompatible uses.	PC	6/7/2011	4/9/2013
	Develop Joint Planning Agreement with Pierce County	CD	2013 Q3	This joint planning agreement is required by Pierce County for the areas within the CUGA.	Staff	1/16/2013	
	Modification Eastown Future Roads Map	CD/PW	2013 Q3	Requested by the Public Works Director	Staff	1/18/2013	
	20 year update to City of Bonney Lake Comprehensive Plan.	CD/PW	2015 Q1	This update involves reviewing and updating, as necessary, each element of the existing Comprehensive Plan. The update must be complete by June 30, 2015. During 2013, staff plans to complete the review of the Transportation, Economic Development, and Shoreline Elements. In 2014 the staff plans to complete a review of the Natural Environment (critical areas), Land Use, Housing, Community Character/Downtown, Midtown, and Eastown Elements. In 2015 the Utilities, Parks, Capital Facilities, and Cultural Resources Elements would be updated as necessary.	Staff	1/18/2013	
Modify R-2 to add Single Family as a Permitted Use	CD	2013 Q4	The R-2 is intended to be a higher density residential zone and has been applied to the CUGA proposed to be annexed into the City. However, the R-2 does not allow SFR which means upon annexation the entire area would be non-conforming.	Staff	4/8/2013		
2014	Add the parcels adjacent to 96th Avenue between 214th Ave. E and 223rd Ave. E; the parcels on the west side of 214th Ave. E. behind Home Depot, the Fennel Corridor (the area commonly referred to as the thumb), and Lakeridge Junior High as "proposed UGA" to Zoning Map and FLUM	CD	2014 Q3	The areas were once part of the BLUGA, but were moved in 2004 due to a hearings board decision and were never added back as proposed UGA with a preferred land use designation.	Staff	1/18/2013	
	Develop Joint Planning Agreement with Pierce County	CD	2014 Q3	This joint planning agreement is required by Pierce County for the areas within the Bonney Lake Urban Growth Area (BLUGA) and the City's proposed UGA. The agreement can be seen as a roadmap for annexation and collaborate planning for the areas until annexation.	Staff	1/16/2013	
	20 year update to City of Bonney Lake Comprehensive Plan.	CD/PW	2015 Q1	This updated involves reviewing and updating, as necessary each element of the existing 1995 Comprehensive Plan. The update must be complete by June 30, 2015. In 2014 the staff plans to complete a review of the Natural Environment (critical areas), Land Use, Housing, Community Character/Downtown, Midtown, and Eastown Elements. In 2015 the Utilities, Parks, Capital Facilities, and Cultural Resources Elements would be updated as necessary. The City will also need to complete the complete the SEPA work.	Staff	1/18/2013	

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

Department/Staff Contact: PW / Douglas Budzynski	Meeting/Workshop Date: 23 April 2013	Agenda Bill Number: AB13-61
Agenda Item Type: Resolution	Ordinance/Resolution Number: 2299	Councilmember Sponsor: Deputy Mayor Swatman

Agenda Subject: Award contract amendment No. 1 to RH2 for services to complete the updates to the Eastown Sewer Improvement Design and provide services during construction of the lift station.

Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Contract Amendment No. 1 With RH2 For Services To Update The Eastown Sewer Improvement Design And Services During Construction

Administrative Recommendation: Approve.

Background Summary: In June of 2012, RH2 completed the design of the Eastown Sewer Infrastructure improvements. Since that time the City has been working on modifications to the City's standard construction contracts. Also, the City has been working on changes to the City's Lift Station Design Standard that will replace out of date communications systems with current technology. These changes will be updated in the construction contract documents with this contract. Because RH2 has designed the communications for the station, the Public Works group has concluded that it would be in the City's best interest to include, in the RH2 contract, the programming effort of the PLCs that will be used in the lift station. Finally, this contract amendment will include construction services that are typically in a separate contract and presented to council during the award of the construction contract.

Attachments: Resolution 2299, Contract Amendment No. 1, Area Map.

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
\$1,230,000	\$1,229,150	\$94,700	\$1,134,450
Budget Explanation: Revenue - Sewer SDCs and Eastown ULA 402.022.035.594.35.63.05 - Eastown Lift Station and Pressure Line.			

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

COUNCIL ACTION			
Workshop Date(s):	April 16, 2013	Public Hearing Date(s):	
Meeting Date(s):	April 23, 2013	Tabled to Date:	

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

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RESOLUTION NO. 2299

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING A CONTRACT AMENDMENT WITH RH2 CONSULTANTS FOR SERVICES TO UPDATE THE EASTOWN SEWER IMPROVEMENT DESIGN AND PROVIDE SERVICES DURING CONSTRUCTION OF THE LIFT STATION.

WHEREAS, the City Council passed Resolution 2058 on September 10, 2010 for RH2 Consultants to complete a design of the Eastown Sewer infrastructure; and

WHEREAS, the RH2 completed the design of the Eastown infrastructure in June of 2012; and

WHEREAS, the City Council passed Resolution 2265 on February 12, 2013 authorizing establishment of the Eastown Utility Latecomer Agreement; and

WHEREAS, the City will construct the Eastown Lift Station and the Downstream Infrastructure as part of the Eastown ULA Agreement; and

WHEREAS, the City is currently adopting modifications to the City's construction contract forms and modifications to the City's lift station design standards; 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 amendment No. 1 with RH2 in the amount of \$94,700.

PASSED BY THE CITY COUNCIL this 23th day of April, 2013.

Neil Johnson, Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

Contract Amendment No. 1
Eastown Lift Station and Downstream Sewer

RH2 Project No. BON 510.080

In accordance with our Professional Services Agreement for the **Eastown Lift Station and Lift Station 18** dated September 14, 2010, this is an authorization to revise the project Scope of Work as described below. The work will be performed and invoiced using the terms and conditions listed in the Original Agreement, plus previous amendments and/or agreements.

Add the following items to the Scope of Work:

Reference attached **Exhibit A, Exhibit B, and Exhibit C.**

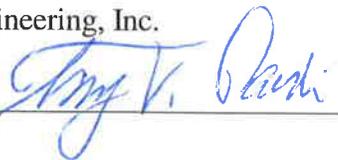
The engineering fee for this amendment authorization is \$94,700.

Please sign this authorization in the space provided below and mail or fax to RH2 Engineering, Inc., 22722 29th Drive SE, Suite 210, Bothell, WA 98021. FAX 425-951-5401.

RH2 Engineering, Inc.

City of Bonney Lake

Signature



Signature

Tony V. Pardi

Print Name

Print Name

Vice President

Title

Title

Date

4/3/13

Date

Exhibit A
SCOPE OF WORK
City of Bonney Lake
Easttown Lift Station and Downstream Sewer
Amendment No. 1
Services During Bidding and Construction and
Telemetry and Control Development
Professional Engineering Services
April 2013

BACKGROUND

The first phase of this project included the design of the lift stations and downstream conveyance system improvements necessary to accommodate the City of Bonney Lake's (City) Easttown development. The second phase included the design of the core upstream elements necessary to construct the backbone collection system to serve the main areas of Easttown. During this phase RH2 Engineering, Inc., (RH2) will assist the City with the bidding and services during construction efforts required for the Easttown lift station and the downstream sewer improvements.

The major elements of this Scope of Work are summarized in the following tasks.

PHASE 3 – SERVICES DURING BIDDING AND CONSTRUCTION

Task 1: Services During Bidding

Objective:

This Scope of Work identifies the services and tasks the City has requested RH2 to provide during the final preparation of bid sets for this project. This project was placed on hold due to funding issues. Since then, several recent updates need to be included in the final design plans. It is anticipated that RH2 will assist the City in the following activities.

- Update design plans and specifications to reflect current telemetry and control standards.
- Revise the specifications to include Washington State Department of Transportation (WSDOT) Division 1.
- Conduct final review of the design of the State Route 410 (SR 410) crossing.
- Finalize design plans for bidding.
- Support during bidding.

Assumptions:

This Scope of Work and related Fee Estimate are based on the assumption that City staff has secured all necessary permits and will place bid advertisements, keep the list of bidders, attend and conduct the bid opening, prepare the bid tab, check the low bidder's references, and prepare the notice of award and construction contract documents.

Approach:

- 1.1. **Telemetry and Controls** – The City is currently updating its telemetry and control system panel and instrumentation standards. RH2 will update the design plans and specifications per the recently developed standards.

- 1.2. **WSDOT Division 1** – The City would like to include Division 1 of the WSDOT Standard Specifications in the technical specifications for this project. RH2 will review and modify the existing General Requirements section of the current specifications to minimize duplications and contradictions with Division 1.
- 1.3. **SR 410 Crossing** – RH2 already updated the design of the SR 410 crossing to minimize conflicts with the Safeway property. The City will review the proposed plan and provide comments and feedback. RH2 will provide up to eight (8) hours to incorporate these comments.
- 1.4. **Final Bid Sets** – RH2 will coordinate with the City in providing final plan sets to bidders. RH2 will prepare final plan sets for the City review and make limited changes based on review comments. It is assumed that five (5) sets of documents will be produced for each project (lift station and downstream sewer), with three (3) sets of each being for City staff, and two (2) sets of each for RH2. Bidders will receive electronic PDF versions only. Provide PDF version of plans and specifications to the City.
- 1.5. **Bidder Questions and Addendum** – Assist the City in responding to questions from bidders and suppliers during the bidding process. Prepare an addendum through the City when determined necessary to clarify, revise, or change construction plans, technical specifications, or bid documents during the bidding process. It is assumed that one (1) addendum will be issued during the bidding process. RH2 will provide up to ten (10) hours of assistance in providing design clarifications on an on-call basis as reflected in the attached Estimate of Time and Expense (**Exhibit B**). In the event that additional assistance is needed, the City will provide specific authorization to RH2.
- 1.6. **Coordination Meetings** – Meet with City staff once during the project as needed to provide project updates and to obtain feedback comments. It is anticipated that only one (1) coordination meeting will take place during this phase of the project.

Task 2: Services During Construction

Objective:

This Scope of Work identifies the services and tasks the City has requested RH2 to provide during the construction phase of this project. It is intended that the City will be the main point of contact for the contractor with regard to design and technical issues. The City will provide day-to-day on-site inspection, take the lead on submittal reviews and requests for information (RFI) responses, and give final approval for all costs and major decisions that deviate from the plans and specifications. It is anticipated that RH2 will assist the City in the following activities.

- Limited submittal reviews.
- Limited RFI assistance.
- Periodic on-site inspections during major construction activities.
- Assistance during startup and testing.
- Pre-construction Conference.
- Provide record drawings.

Approach:

- 2.1. **Submittal Reviews** – The City will take the lead for submittal reviews. When requested by the City, RH2 will perform submittal review up to the amount budgeted in the attached **Exhibit B**. In the event that additional submittal review assistance is needed, the City will provide specific authorization to RH2. The attached **Exhibit B** anticipates that RH2 will only review the following two (2) electrical and telemetry submittals.
 - Automatic controls; and
 - Pump control panel.
- 2.2. **Requests for Information** – During the construction phase of the project, the City will take the lead on responding to RFIs and provide design clarifications. RH2 will provide up to twenty-four (24) hours of assistance in providing design clarifications on an on-call basis as reflected in the attached **Exhibit B**. In the event that additional assistance is needed, the City will provide specific authorization to RH2.
- 2.3. **On-site Observations** – RH2 will provide only two (2) on-site observation visits during this project (not including the startup and testing visit include in Task 2.4 or the control and instrumentation inspections included in Task 3). One (1) visit will be for inspection of the subgrade and other items required by the Revised Code of Washington (RCW) for a licensed Geologist or Engineering Geologist. The other visit will be for general mechanical work. A written report for the visit will be prepared by RH2 that records observations, progress, and discussions that took place.
- 2.4. **Startup and Testing Services** – The City will coordinate with RH2 and the manufacturer’s representative for testing and startup activities. The City will review the testing protocols developed by the contractor and manufacturer’s representative. RH2 will assist with the functional start-up troubleshooting process, up to the amount budgeted in the attached **Exhibit B**. **Exhibit B** assumes up to be only one (1) day of on-site support during startups.
- 2.5. **Pre-construction Conference** – The City will prepare the pre-construction meeting agenda and pre-construction meeting minutes. RH2 will create additional construction plans and specifications for the contractor. RH2 will attend this meeting.
- 2.6. **Record Drawings** – The City will coordinate with the contractor in obtaining field records. The City will review field records and RH2 will revise contract drawings to prepare as-built records.

Task 3: Telemetry and Control Software Development

Objective:

This Scope of Work identifies the services and tasks the City has requested RH2 to provide during the construction phase of this project for telemetry and control system software development of the lift station telemetry panel. It is anticipated that RH2 will assist the City in the following activities.

- Coordinate with the City’s master telemetry and human machine interface (HMI) control system integrator for modifying and incorporating the lift station telemetry system into the City’s existing control system.
- Provide software development of the lift station programmable logic controller (PLC).

- Provide software development of the lift station operator interface (OI).
- Perform factory testing of the lift station telemetry panel.
- Provide field testing and startup services for the lift station telemetry panel.
- Provide the City with training and operations and maintenance (O&M) documentation for the lift station telemetry software.

Assumptions:

The City's master telemetry and HMI computer system integrator, Parametrix, will be responsible for software modifications at the City's master telemetry panel and HMI computer system for integrating the lift station into the City's existing supervisory control and data acquisition (SCADA) system. Facility data point definitions will be provided by RH2 to Parametrix at least one month in advance of Task 3.5: Control System Field Testing and Startup.

Approach

- 3.1 **Coordination with the City's Master Telemetry and HMI Integrator** – Provide the City and the City's master telemetry and HMI integrator, Parametrix, with data point definition for control components in the design. This data will be used by RH2 for software development purposes. This data will be used by the Parametrix for integrating the facility controller with the City's HMI computer systems. RH2 will meet with the City and Parametrix up to two (2) times for control system coordination.
- 3.2 **PLC Software Development** – Perform PLC software development for the lift station telemetry panel. The PLC will be an Allen-Bradley L1 Series CompactLogix controller.
- 3.3 **Operator Interface Software Development** – Perform OI software development for the lift station telemetry panel. RH2 will provide OI screen layouts to the City in the early phases of software development for review and comment by the City. The OI will be an Allen-Bradley PanelView Plus 600 Compact Version operator interface.
- 3.4 **Control System Factory Testing** – Perform control system factory testing of telemetry panel hardware and software and the pump control panel in the control system integrator's panel shop. The City will be invited to attend a demonstration by RH2 of the control system software in the panel shop. RH2 will revise the PLC and OI software based on comments provided by the City at the factory testing demonstration.
- 3.5 **Control System Field Testing and Startup** – Perform control system field testing and startup services for the PLC and OI software.
- 3.6 **Training and Operations and Maintenance Documents** – Provide software training and O&M material for the PLC and OI software. PLC and OI code will be provided to the City on a CD-ROM as part of the O&M material.

EXHIBIT B

City of Bonney Lake

Easttown Lift Station and Downstream Sewer

Amendment No. 1

Services During Bidding and Construction And Telemetry and Control Development

Estimate of Time and Expense

Description	Principal	Project Manager	Software Development Project Manager	Electrical Engineer	Project Engineer	Staff Engineer	Electrical Staff Engineer	Engr. Geologist	Word Processor	Total Hours	Total Labor	Total Expense	Total Cost
	Professional VIII	Professional V	Professional VII	Professional VI	Professional III	Professional I	Professional II	Professional VI	Administrative III				
Task 1 SERVICES DURING BIDDING													
1.1 Update Telemetry and Control Design	-	-	-	8	4	-	16	-	-	28	\$ 4,160	\$ 480	\$ 4,640
1.2 Revise Specs to Include WSDOT Div. 1	6	12	-	-	12	-	-	-	8	38	\$ 5,608	\$ 272	\$ 5,880
1.3 Conduct Final Review of SR 410 Crossing	2	-	-	-	4	2	-	-	-	8	\$ 1,228	\$ 142	\$ 1,370
1.4 Finalize Plans for Bidding	2	2	-	2	4	8	2	-	8	28	\$ 3,592	\$ 2,118	\$ 5,710
1.5 Respond to Bidder Questions and Prepare Addendum	1	2	-	2	4	-	-	-	1	10	\$ 1,549	\$ 81	\$ 1,630
1.6 Participate in Coordination Meetings	5	6	-	6	6	4	-	-	2	29	\$ 4,580	\$ 220	\$ 4,800
Subtotal	16	22	-	18	34	14	18	-	19	141	\$ 20,717	\$ 3,312	\$ 24,030
Task 2 SERVICES DURING CONSTRUCTION													
2.1 Prepare Submittal Reviews	2	2	-	6	4	4	10	-	4	32	\$ 4,552	\$ 358	\$ 4,910
2.2 Respond to Requests for Information	2	6	-	6	8	-	-	-	2	24	\$ 3,782	\$ 168	\$ 3,950
2.3 Provide On-site Observations	2	8	-	4	12	-	12	4	4	46	\$ 6,848	\$ 512	\$ 7,360
2.4 Provide Startup and Testing Services	2	8	-	8	10	-	8	4	4	44	\$ 6,712	\$ 378	\$ 7,090
2.5 Attend Pre-Construction Conference	-	-	-	-	2	2	-	-	1	5	\$ 623	\$ 1,477	\$ 2,100
2.6 Prepare Record Drawings	-	4	-	2	4	24	8	-	4	46	\$ 5,998	\$ 1,382	\$ 7,380
Subtotal	8	28	-	26	40	30	38	8	19	197	\$ 26,515	\$ 4,274	\$ 32,790
Task 3 TELEMETRY AND CONTROL SOFTWARE DEVELOPMENT													
3.1 Coordinate with the City's Master Telemetry and HMI Integrator	-	-	12	12	-	-	-	-	-	24	\$ 4,380	\$ 120	\$ 4,500
3.2 Develop Programmable Logic Controller Software	-	-	8	8	-	-	24	-	-	40	\$ 6,184	\$ 168	\$ 6,350
3.3 Develop Operator Interface Software	-	-	12	-	-	-	-	-	-	12	\$ 2,280	\$ 80	\$ 2,360
3.4 Perform Control System Factory Testing	-	-	16	16	-	-	24	-	-	56	\$ 9,104	\$ 306	\$ 9,410
3.5 Perform Control System Field Testing and Startup	-	-	16	24	-	-	32	-	-	72	\$ 11,592	\$ 478	\$ 12,070
3.6 Prepare Training and Operations and Maintenance Documents	-	-	8	8	-	-	-	-	2	18	\$ 3,088	\$ 104	\$ 3,190
Subtotal	-	-	72	68	-	-	80	-	2	222	\$ 36,626	\$ 1,255	\$ 37,880
PROJECT TOTAL	24	50	72	112	74	44	136	8	40	560	\$ 85,858	\$ 8,841	\$ 94,700

EXHIBIT C
RH2 Engineering, Inc.
SCHEDULE OF RATES AND CHARGES

2013 HOURLY RATES

CLASSIFICATION		RATE	CLASSIFICATION		RATE
Professional	IX	\$198.00	Technician	IV	\$126.00
Professional	VIII	\$198.00	Technician	III	\$118.00
Professional	VII	\$190.00	Technician	II	\$87.00
			Technician	I	\$82.00
Professional	VI	\$175.00			
Professional	V	\$167.00	Administrative	V	\$117.00
Professional	IV	\$157.00	Administrative	IV	\$97.00
			Administrative	III	\$83.00
Professional	III	\$146.00	Administrative	II	\$68.00
Professional	II	\$136.00	Administrative	I	\$56.00
Professional	I	\$124.00			

IN-HOUSE SERVICES

In-house copies (each)	8.5" X 11"	\$0.09	CAD Plots	Large	\$25.00
In-house copies (each)	8.5" X 14"	\$0.14	CAD Plots	Full Size	\$10.00
In-house copies (each)	11" X 17"	\$0.20	CAD Plots	Half Size	\$2.50
In-house copies (color) (each)	8.5" X 11"	\$0.90	CAD System	Per Hour	\$27.50
In-house copies (color) (each)	8.5" X 14"	\$1.20	GIS System	Per Hour	\$27.50
In-house copies (color) (each)	11 X 17"	\$2.00	Technology Charge		2.5% of Direct Labor
			Mileage		Current IRS Rate

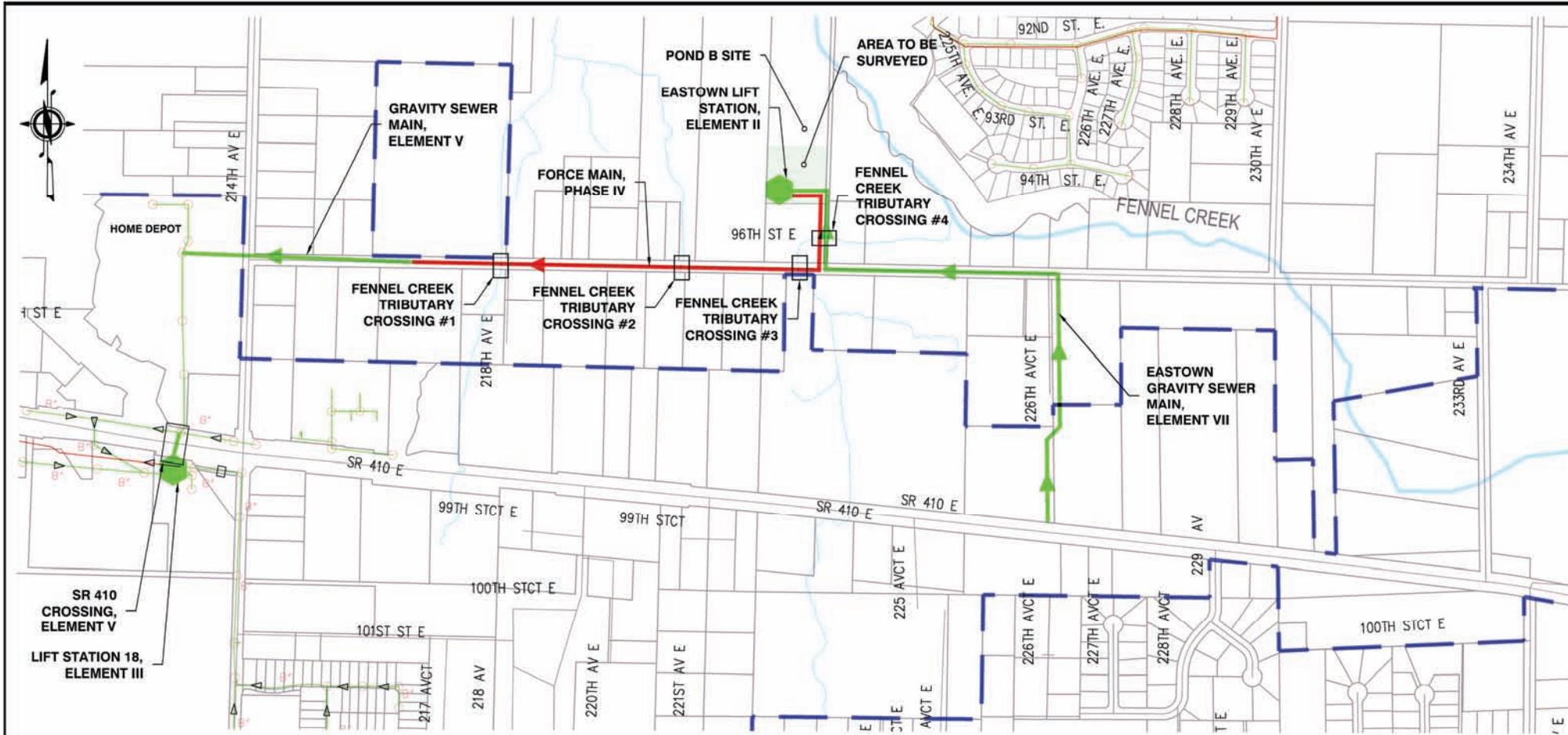
OUTSIDE SERVICES

Outside direct costs for permit fees, reports, maps, data, reprographics, couriers, postage, and non-mileage related travel expenses that are necessary for the execution of the project and are not specifically identified elsewhere in the contract will be invoiced at cost.

All Subconsultant services are billed at cost plus 15%.

CHANGES IN RATES

Rates listed here are adjusted annually. The current schedule of rates and charges is used for billing purposes. Payment for work accomplished shall be based on the hourly rates and expenses in effect at the time of billing as stated in this Exhibit.



LEGEND

- PROPOSED GRAVITY SEWER
- PROPOSED FORCE MAIN
- LIFT STATION
- FENNEL CREEK TRIBUTARY CROSSING
- BONNEY LAKE CITY LIMITS
- BONNEY LAKE SEWER SERVICE AREA

0 1" 2"

DRAWING IS NOT TO SCALE
IF BAR IS NOT 2" LONG

EXHIBIT D
PROPOSED EASTOWN SEWER SYSTEM
1" = 500'



J:\DATA\BON-EXHIBIT D

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

Department/Staff Contact: Executive / Don Morrison	Meeting/Workshop Date: 23 April 2013	Agenda Bill Number: AB13-63
Agenda Item Type: Motion	Ordinance/Resolution Number:	Councilmember Sponsor:

Agenda Subject: Set A Public Hearing on A Proposed Surplus of Real Property

Full Title/Motion: A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting A Public Hearing For May 14, 2013 At 7:00 P.M., Or As Soon Thereafter As Possible, To Consider The Surplus Of Real Property Located At XXX 192 Ave E (Corner Of 192nd Ave E And Sumner-Buckley Highway).

Administrative Recommendation: Approve.

Background Summary: In the adopted 2013-2014 biennial budget, the Mayor proposed to surplus and sell the property at XXX 192nd Ave E (corner of 192nd Ave E and Sumner-Buckley Hwy E). This is known at the "former new city hall site" that was purchased in 2004 as the potential site of a new city hall. RCW 39.33.020 requires that a municipality intending to surplus real property with an estimated value of \$50,000 or more must first hold a public hearing on the proposed surplus. BLMC 2.70.100(C-4) further requires an independent fee appraisal of the property after it is declared surplus, but before it is sold. At the recent Council retreat, the Council agreed to proceed with surplussing the property.

Attachments: Site information from PC Assessor-Treasurer.

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

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

COUNCIL ACTION	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): March 30, 2013	Tabled to Date:

APPROVALS		
Director: DM	Mayor: NHJ	Date Reviewed by City Attorney: (if applicable):



Assessor-Treasurer electronic Property Information Profile

Parcel Map for 0520338001

04/15/2013 11:02 AM

Property Details		Taxpayer Details	
Parcel Number:	0520338001	Taxpayer Name:	CITY OF BONNEY LAKE
Site Address:	XXX 192ND AVE E	Mailing Address:	PO BOX 7380 BONNEY LAKE WA 98391-0944
Account Type:	Real Property		
Category:	Land and Improvements		
Use Code:	9170-COMM VAC LAND		



Assessor-Treasurer electronic Property Information Profile

Parcel Summary for 0520338001

04/15/2013 11:02 AM

Property Details		Taxpayer Details	
Parcel Number:	0520338001	Taxpayer Name:	CITY OF BONNEY LAKE
Site Address:	XXX 192ND AVE E	Mailing Address:	PO BOX 7380 BONNEY LAKE WA 98391-0944
Account Type:	Real Property		
Category:	Land and Improvements		
Use Code:	9170-COMM VAC LAND		
Appraisal Details		Tax/Assessment	
Value Area:	PI1	Current Tax Year:	2013
Appr Acct Type:	Commercial	Taxable Value:	0
Business Name:	BONNEY LAKE TOWN CENTER (VACANT)	Assessed Value:	1,615,100
Last Inspection:	06/01/2005 - Other		

Related Parcels

Group Account Number: n/a
 Mobile/MFG Home and Personal Property n/a
 parcel(s) located on this parcel:
 Real parcel on which this parcel is located: n/a

Tax Description:
 Section 33 Township 20 Range 05 Quarter 42 L 1 OF S P 2004-10-08-5002 TOG/W EASE & RESTRICTIONS OF REC OUT OF 4-028 SEG 2005-1421 JU 4/6/05JU

I acknowledge and agree to the prohibitions listed in RCW 42.56.070(9) against releasing and/or using lists of individuals for commercial purposes. Neither Pierce County nor the Assessor-Treasurer warrants the accuracy, reliability or timeliness of any information in this system, and shall not be held liable for losses caused by using this information. Portions of this information may not be current or accurate. Any person or entity who relies on any information obtained from this system does so at their own risk. **All critical information should be independently verified.**

Pierce County Assessor-Treasurer
Mike Lonergan
 2401 South 35th St Room 142
 Tacoma, Washington 98409
 (253)798-6111 or Fax (253)798-3142
www.piercecountywa.org/atr

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WEBSITE INFORMATION

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Assessor-Treasurer electronic Property Information Profile

Land Characteristics for 0520338001

04/15/2013 11:03 AM

Property Details		Taxpayer Details	
Parcel Number:	0520338001	Taxpayer Name:	CITY OF BONNEY LAKE
Site Address:	XXX 192ND AVE E	Mailing Address:	PO BOX 7380 BONNEY LAKE WA 98391-0944
Account Type:	Real Property		
Category:	Land and Improvements		
Use Code:	9170-COMM VAC LAND		
Location:		Size	
LEA:	201	SF:	270,507
RTSQQ:	05-20-33-42	Acres:	6.21
		Front Ft:	0
Amenities		Utilities	
WF Type:	n/a	Electric:	Power Available
View Quality:	n/a	Sewer:	Sewer/Septic Installed
Street Type:	Paved	Water:	Water Installed

Warning: Appraisal data provided is for informational purposes only and is incomplete for determination of value.

I acknowledge and agree to the prohibitions listed in RCW 42.56.070(9) against releasing and/or using lists of individuals for commercial purposes. Neither Pierce County nor the Assessor-Treasurer warrants the accuracy, reliability or timeliness of any information in this system, and shall not be held liable for losses caused by using this information. Portions of this information may not be current or accurate. Any person or entity who relies on any information obtained from this system does so at their own risk. **All critical information should be independently verified.**

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