

**CITY COUNCIL MEETING**

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

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

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

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

A. Flag Salute

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

C. Announcements, Appointments and Presentations:

1. Announcements: None.

2. Appointments:

Pg. 5 a. **AB13-92** – A Motion Of The Bonney Lake City Council Ratifying The Appointment Of Shannon Thompson To Position #7 On The Bonney Lake Design Commission With A Term Expiring April 6, 2015.

3. Presentations: None.

D. Agenda Modifications

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

A. Public Hearings:

Pg. 9 1. **AB13-84** – A Public Hearing To Consider Proposed Resolution 2311, Adopting The 2014-2019 Six-Year Transportation Improvement Plan (2014-2019).

Pg. 27 2. **AB13-88** – A Public Hearing To Review Community Development And Housing Needs, Inform Citizens Of The Potential Availability Of Planning Grant Funds For The State Community Development Block Grant (CDBG) Program, And Receive Public Input On Proposed Activities, Particularly From Lower And Middle Income Persons.

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.*

- Pg. 29 A. **Approval of Minutes:** June 4, 2013 Workshop, June 11, 2013 Meeting, and July 9, 2013 Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #66529-66597 (including wire transfers #20130703, and 20130702) in the amount of \$804,113.04. Accounts Payable checks/voucher #66598 for Accounts Receivable deposit refund in the amount of \$364.67. Accounts Payable checks/vouchers #66599-66605 for Utility account refunds in the amount of \$431.76. Accounts Payable checks/vouchers #66606 in the amount of \$116,106.83. Accounts Payable checks/vouchers #66607-66609 in the amount of \$2,535.00. VOIDS: Check #59242 replaced with check #66597; Check #59285 replaced with check #66548; Check #63532 replaced with check #66601; Check #66069 replaced with check #66568; Check #65702 replaced with check #66568.
- C. **Approval of Payroll:** Payroll for July 1 – 15th 2013 for checks #31215-31239 including Direct Deposits and Electronic Transfers is \$ 462,197.05.
- Pg. 43 D. **AB13-86 – Resolution 2312** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Deposit And Withdrawal Of Governmental Entity Monies In The Local Government Investment Pool (LGIP) In The Manner Prescribed By Law, Rule, And Applicable Policies And Procedures For The LGIP.
- Pg. 49 E. **AB13-90 – Resolution 2314** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Professional Services Agreement For The Church Lake Road Overlay To Parametrix Engineering.
- Pg. 63 F. **AB13-69** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Ratify Accounts Receivable Policy 200.030.
- Pg. 75 G. **AB13-89** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Accept As Complete The Allan Yorke & West Tapps Hwy Improvements Project With Hoffman Construction, Inc.

**V. FINANCE COMMITTEE ISSUES:** None.**VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES:**

- Pg. 87 A. **AB13-85 – Resolution 2311** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting A Six-Year Transportation Improvement Program (2014-2019).

Pg. 105 B. **AB13-87 – Resolution 2313** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Eastown Sanitary Sewer Main (Phase 1 – Core Downstream System) To Pape And Sons Construction.

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

**VIII. FULL COUNCIL ISSUES:**

Pg. 111 A. **AB13-94 – Ordinance D13-94** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Issuance And Sale Of Limited Tax General Obligation And Refunding Bonds Of The City In The Aggregate Principal Amount Of Not To Exceed \$9,800,000 To Refund Certain Outstanding Obligations Of The City And To Pay Costs Of Further Development Of The City's Civic Campus; Delegating Authority To The City Administrator And Chief Financial Officer To Approve Final Terms Of The Bonds; Providing For The Disposition Of The Bond Proceeds; Appointing An Escrow Agent And Execution Of An Escrow Agreement To Accomplish The Refunding; And Providing For The Annual Levy Of Taxes To Pay The Principal Of And Interest On The Bonds.

**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**

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

<b>Department/Staff Contact:</b> Admin Srvcs / HT Edvalson	<b>Meeting/Workshop Date:</b> 23 July 2013	<b>Agenda Bill Number:</b> AB13-92
<b>Agenda Item Type:</b> Motion	<b>Ordinance/Resolution Number:</b>	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Council Ratification of the Appointment of Shannon Thompson to the Design Commission.

**Full Title/Motion:** A Motion Of The Bonney Lake City Council Ratifying The Appointment Of Shannon Thompson To Position #7 On The Bonney Lake Design Commission With A Term Expiring April 6, 2015.

**Administrative Recommendation:** Approve.

**Background Summary:** Design Commissioner Raymond Bunk III recently resigned his position on the Bonney Lake Design Commission. After reviewing applications, Mayor Johnson has appointed Shannon Thompson to the vacancy. Ms. Thompson is a 6.5 year resident of the City and is currently employed at Idea Spectrum. She also has experience as a school teach and employment with large corporations. She is interested in helping Bonney Lake grow and become a wonderful place for people to live and visit. Although this appointment does not require Council action, Mayor Johnson has chosen to ask the City Council to ratify his appointments.

**Attachments:** Application.

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
<b>Budget Explanation:</b> There is no budget impact to the proposed action.			

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

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 23 July 2013	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> <i>HTE</i>	<b>Mayor:</b> <i>NHJ</i>	<b>Date Reviewed by City Attorney:</b> N/A (if applicable):

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APPLICATION FOR MEMBERSHIP

Design Commission

Name of City Board, Commission or Council

(Please print or type)

Full Name Shannon Thompson Home Phone

Address 20213 Church Lake Dr E Cell / Other

City Bonney Lake State Wa Zip 98391 E-mail dugtea@comcast.net

City Resident? [ ] NO [x] YES - How Long? 6.5 years Registered Voter? [x] YES [ ] NO

Name of Employer Idea Spectrum

Employer Address 18321 Veterans Memorial Drive, Suite C Bonney Lake WA 98391

Education Background AA Visual Communications

Professional Experience I am head of sales and marketing of a small software company in Bonney Lake. I taught at Kent school district for many years and have worked at large companies including Boeing, Microsoft and Hewlett Packard.

Organization Affiliations Northwest Horticultural Society, King County Master Gardeners

Why Are You Seeking Appointment? I want to help Bonney Lake grow and become a wonderful town that people are happy to live in and other people want to visit.

General Remarks I enjoy living in Bonney Lake. I think we have an amazing city and would love to help it have a

Shannon Thompson Applicant's Signature

3-5-13 Date

Submit completed form to: Bonney Lake City Clerk, P.O. Box 7380, Bonney Lake, WA 98391-0944 19306 Bonney Lake Blvd • Phone (253) 862-8602 • Fax (253) 862-8538

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

<b>Department/Staff Contact:</b> PW / John Woodcock	<b>Meeting/Workshop Date:</b> 23 July 2013	<b>Agenda Bill Number:</b> AB13-84
<b>Agenda Item Type:</b> Public Hearing	<b>Ordinance/Resolution Number:</b>	<b>Councilmember Sponsor:</b> Randy McKibben

**Agenda Subject:** Public Hearing for the 2014-2019 Six Year Transportation Improvement Program

**Full Title/Motion:** n/a .

**Administrative Recommendation:**

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

**Attachments:**

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

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Community Development Date: 18 June 2013	<b>Approvals:</b> Chair/Councilmember Randy McKibben Councilmember James Rackley Councilmember Katrina Minton-Davis	<table style="width: 100%; border: none;"> <tr> <td style="text-align: right;"><b>Yes</b></td> <td style="text-align: left;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Yes</b>	<b>No</b>										
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	Forward to:	<b>Consent Agenda:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No								
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

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

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

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**RESOLUTION NO. 2311**

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

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

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

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

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

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

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Neil Johnson Jr., Mayor

ATTEST:

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Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

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Kathleen Haggard, City Attorney

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# CITY OF BONNEY LAKE

Public Works Department

## **Six Year Transportation Improvement Program (2014-2019)**

List project categories

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

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

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

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

The project phases are as follows:

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

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

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

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

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

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

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

## Six Year Transportation Improvement Program

### Category "A" – Intersection Improvements

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

## Six Year Transportation Improvement Program

### Category "B" Roadway Major Improvements

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

## Six Year Transportation Improvement Program

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

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

**Category "C" Total**

**\$ 3,821,000**

## Six Year Transportation Improvement Program

### Category "D" Transportation Studies

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

### Category "E" Multimodal Projects

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

**TOTAL PROGRAM COST** **\$32,807,300**

# Six Year Transportation Improvement Program

## SR410 E at Veterans Memorial Dr E (Ph 2)



City of Bonney Lake

### Map 1

- SR410 E at Veterans Memorial Dr E (Phase 2)  
Dev/TIF \$ 750,000  
(signal upgrade and additional turn lanes with project B-1)
- SR410 E and Veterans Memorial Dr E  
Dev/TIF/Grant \$4,150,000  
(Phase 2 - additional turn lanes on SR 410 and widen to 5 lanes on VMD with project A-1)



100

Feet



June 19, 2012

# Six Year Transportation Improvement Program

SR410 E at 225th AVCT E



City of Bonney Lake

## Map 2

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

--- Bonney Lake City Limits



300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

199th Ave E at 109th St E



City of Bonney Lake

## Map 3

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

--- Bonney Lake City Limits



500

Feet



June 19, 2012

# Six Year Transportation Improvement Program

## Veterans Memorial Dr E at Angeline Rd E

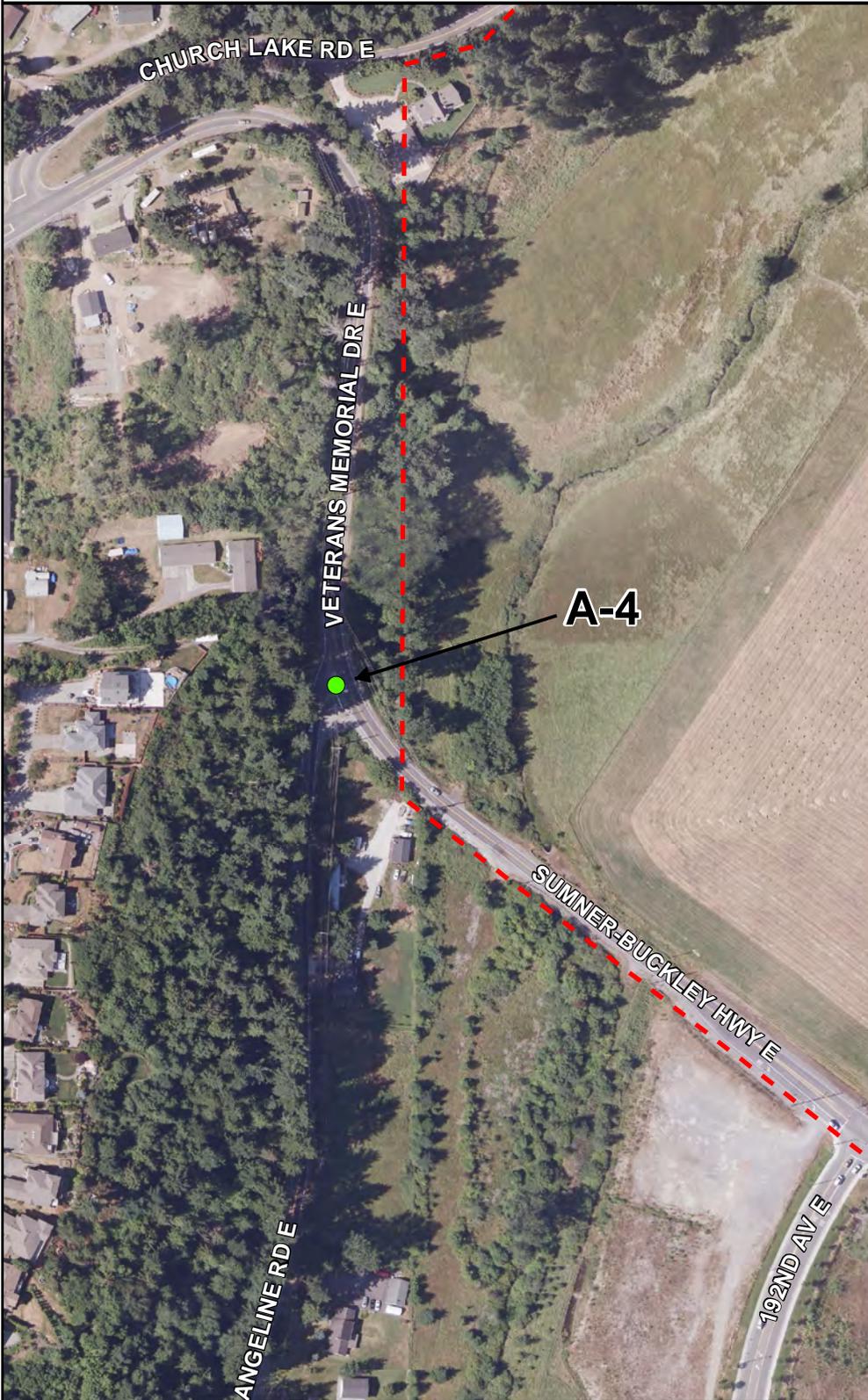


City of Bonney Lake

### Map 4

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

--- Bonney Lake City Limits



300

Feet



June 19, 2012

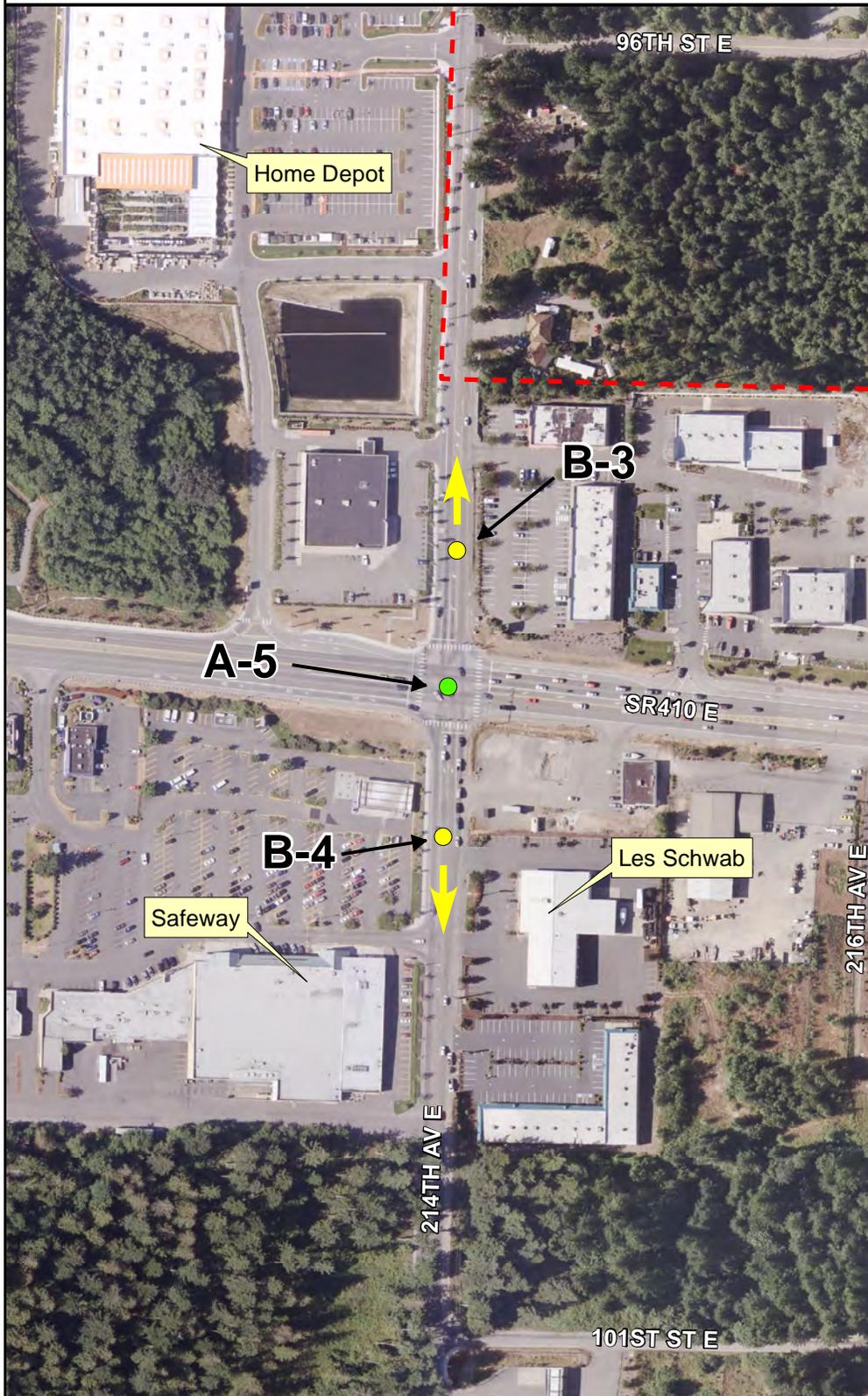
# Six Year Transportation Improvement Program

## SR410 E at 214th Ave E



City of Bonney Lake

### Map 5



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

--- Bonney Lake City Limits

300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

Church Lake Rd E at West Tapps HWY E



City of Bonney Lake

## Map 6

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



300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

## SR410 E at 192nd Ave E Phase 1-A



City of Bonney Lake

### Map 7

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



300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

## Myers Rd E from SR410 E to 81st St E



City of Bonney Lake

### Map 8

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



1,000 ft  
Soldier Pile  
Retainign Wall

B-2

Stor-N-Lok

Hillcrest Estates

Text

Lakes Place  
Office Building

300  
Feet



June 19, 2012

# Six Year Transportation Improvement Program

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



## Map 9



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

300

Feet



June 5, 2013

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

<b>Department/Staff Contact:</b> Executive / Don Morrison	<b>Meeting/Workshop Date:</b> 23 July 2013	<b>Agenda Bill Number:</b> AB13-88
<b>Agenda Item Type:</b> Public Hearing	<b>Ordinance/Resolution Number:</b>	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Public Hearing on Potential HUD CDBG Planning Grant

**Full Title/Motion:** n/a A Public Hearing To Review Community Development And Housing Needs, Inform Citizens Of The Potential Availability Of Planning Grant Funds For The State Community Development Block Grant (C.D.B.G.) Program, And Receive Public Input On Proposed Activities, Particularly From Lower And Middle Income Persons.

**Administrative Recommendation:** Set Public Hearing

**Background Summary:** The Administration is exploring the possibility of applying for a state CDBG grant to develop a plan for new food and clothing bank building, especially given the condition and issues surrounding the existing food bank structure. CDBG regulations require a public hearing on the CDBG program options and proposed activities prior to submitting an application.  
**Attachments:** No

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

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

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s): 7/23/2013
Meeting Date(s): 7/9/2013	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> D.M.	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> N/A (if applicable):

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## CITY COUNCIL WORKSHOP

June 4, 2013  
5:30 P.M.

### MINUTES



“Where Dreams Can Soar”

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

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

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

**I. CALL TO ORDER** – Mayor Neil Johnson, Jr. called the workshop to order at 5:33 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 Donn Lewis, Councilmember Randy McKibbin, Councilmember Katrina Minton-Davis, Councilmember James Rackley, and Councilmember Tom Watson. Councilmember Mark Hamilton was absent.

**Councilmember Rackley moved to approve Councilmember Hamilton's absence. Councilmember Lewis seconded the motion.**

**Motion approved 6 – 0.**

Staff members in attendance were City Administrator Don Morrison, Chief Financial Officer Al Juarez, Chief of Police Dana Powers, City Attorney Kathleen Haggard, Administrative Services Director/City Clerk Harwood Edvalson, and Records and Information Specialist Susan Duis.

**III. AGENDA ITEMS:**

**A. Council Open Discussion**

Relay for Life: Councilmember Minton-Davis said the annual Relay for Life event is coming up on June 28-29, 2013. She noted this is directly after the AWC Conference which most of the Council plans to attend. She welcomed all to participate and join one of the two 'Team Bonney Lake' teams. Mayor Johnson also encouraged attendance but noted it is optional to participate in the charity event. Councilmember Watson thanked Councilmember Lewis for his support of the Senior Center team. Councilmember Minton-Davis said success for the event is based both on the amount of money raised and the number of people who participate.

Food Bank: Councilmember Rackley said the Bonney Lake Food Bank is raising funds to get matching donations from Century Link. Donations can be dropped off at the Justice & Municipal Center. City Administrator Morrison said Food Bank Director Stu Bowen will pick up a load of donated peanut butter and jelly from each City building on June 5<sup>th</sup> and plans to serve roasted corn as a 'thank you' to staff members who participated.

Elections: Councilmember Rackley said he and Mayor Johnson met together with editors at the Tacoma News Tribune for an interview.

Public Safety Committee: Councilmember Lewis said he attended the Public Safety Committee meeting in place of Councilmember Hamilton on June 3, 2013. He said the City's new Probation Officer has been hired, and the Committee forwarded a proposed software agreement for the probation program. He said the City is also working to get a van and trailer for the Probation Officer. He said the Public Safety Committee has been

involved in this process and he wanted the Council to be informed. The Probation Officer plans to attend a future Council Workshop to introduce himself and the new program.

Traffic Safety: Councilmember Watson requested information on how many traffic accidents have occurred due to increased development, particularly at the intersection of SR410 and 192<sup>nd</sup> Avenue East. He said this information would be helpful as the Council considers future developments. Mayor Johnson said he is not certain if exact information for certain intersections is available, but staff can pull information or perform traffic counts as needed. Councilmember McKibbin noted that WSDOT keeps statistics on SR 410.

Newspaper Editorial: Councilmember Minton-Davis referred to an editorial by past Councilmember Laurie Carter in the Courier Herald Newspaper. She said she wanted to clarify that the Community Development Committee heard a presentation on a proposed traffic signal on SR410 for the WSU Forest area, and the Committee recommended that the presentation be presented to the full council at a workshop. She again proposed to schedule the presentation for a future agenda. Councilmembers Lewis and Watson said they are also interested in hearing the presentation. Mayor Johnson said he requested additional information before the item came to a Workshop for discussion, so all concerns could be addressed at that time. He said once the information is ready he will work with the Committee chair to bring the item forward for the Full Council. He noted that although WSDOT has said they do not support a traffic signal at the proposed location, a lot depends on the specific project, funding, and the City's stance on the issue.

**B. Review of Council Minutes:** May 21, 2013 Workshop, and May 28, 2013 Council Meeting Minutes.

The minutes were forwarded to the June 11, 2013 Meeting for action with no corrections.

**C. Discussion:** AB13-69 – Motion Ratifying Administrative Policy No. 200.030 – Accounts Receivable.

City Administrator Morrison said the Finance Committee has been working on the proposed policy for about a year. He said the Government Finance Officers Association recommends that this type of policy be in place, and it has been a focus of the State Auditor's Office (SAO) in past audits. He said the goal is to get outstanding receivables off the balance sheet. He said though this is an administrative policy, it is coming before the Council as it dictates which amounts can be written off by staff, versus which must come before the Council. The proposed policy has three levels for write-offs: balances under \$150 could be written-off administratively by the Chief Financial Officer (CFO); balances from \$150 to \$10,000 would come before the Finance Committee for approval or forwarding to the full Council, and amounts over \$10,000 would come before the full Council for a motion to approve the write-off. He said the City has not written any debts off for over ten years. Councilmember Watson asked how the potential write-offs might impact the City's financials. City Administrator Morrison said staff can run an aging report for the Council.

Councilmember Lewis asked how the proposed policy compares with other cities and whether the SAO provided guidance. CFO Juarez said he received input from the SAO including a checklist of accounts receivable items to consider. He said the SAO's guidance is fairly broad, stating only that the governing body should review accounts receivables on a periodic basis.

Councilmembers discussed the proposed levels for write-off authorizations. Consensus of the Council was that the CFO should be authorized to write off a higher amount than \$150, given that proper review is done.

Councilmember Rackley expressed concern that not all write-offs will be reviewed by Councilmembers and/or the Finance Committee. He said the Finance Committee should at least receive a regular aging report and a report of all write-offs approved by the CFO. City Administrator Morrison suggested that the policy include a direction to provide a report of lower-level write-offs to the Finance Committee.

CFO Juarez said that the policy is not in its final form as the City Attorney has suggested additional revisions, but he wanted to bring it forward to the Council to determine whether it might move forward. Deputy Mayor Swatman said the proposed policy has been discussed many times by the Finance Committee. CFO Juarez said the City should also consider how it issues credit, and suggested a credit policy should also be drafted.

Councilmembers discussed the proposed levels for write-offs and whether to use the Finance Committee for an intermediary level. Consensus of the Council was to amend the first tier of write-off authority for the CFO up to \$500, with higher amounts brought before the Finance Committee and/or Full Council for approval. The proposed policy was forwarded to the July 9, 2013 Meeting for action.

**D. Discussion: AB13-76 – Reed Property Residence.**

Councilmembers discussed the city-owned property known as the Reed Property at 7109 Barkubein Road. City Administrator Morrison said the residence has deteriorated and staff proposes making repairs and leasing the property. He said an existing tenant who lives on City-owned property (the Renwood parcel) is interested in leasing the Reed property and doing some of the repairs. City Administrator Morrison said that according to the County Assessor's office, much of the value of this property is in the house. He noted that two large subdivisions are planned to the north and south of the property, and in a couple of decades this property could be included in the CUGA and be very useful to the City. He noted that the parcel could be short-platted in the future, separating the house from the farm.

Councilmembers discussed the projected costs for repairs and rehabilitation of the house and whether it should be leased to a tenant. Councilmember Watson said he does not support additional spending to repair the house. Councilmember Minton-Davis said the utility bill for the property is quite high, and questioned whether the proposed repairs would make it more efficient. Councilmember Rackley suggested the City request the property be valued to determine the cost/benefit for repairing or demolishing the home. Mayor Johnson said he would like to keep the house, but has concerns that it will be too expensive to maintain in the long-term.

Councilmember Lewis said he does not support repairing and leasing the house. Councilmember McKibbin said he would support leasing the property if it looked like it would pay the City back. He said part of the house may be worth saving, but his long-term interest is to use the property for Public Works, and he would not vote in favor of rehabilitating the house. Councilmember Rackley said the City did not buy the property for the house; he said the house was incidental to the property purchased for the utility, and it has become costly.

Council consensus was that the Reed Property house not be rehabilitated or repaired, and instead removed.

- E. Discussion:** AB13-77 – Proposed Cancellations of June 25, 2013 Council Meeting and August 6, 2013 Council Workshop.

Councilmembers discussed that the June meeting has traditionally been cancelled to allow for attendance at the annual Association of Washington Cities Conference, and the August workshop has been cancelled in the past to allow for participation in National Night Out celebrations.

- IV. EXECUTIVE SESSION:** None.

- V. ADJOURNMENT:**

**At 6:27 p.m., Councilmember Lewis moved to adjourn the Council Workshop. Councilmember Watson seconded the motion.**

**Motion to adjourn approved 6 – 0.**

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Harwood Edvalson, MMC  
City Clerk

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Neil Johnson, Jr.  
Mayor

Items presented to Council for the June 4, 2013 City Council Workshop: None.

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

CITY COUNCIL MEETING

June 11, 2013  
7:00 P.M.

MINUTES



“Where Dreams Can Soar”

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

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

**I. CALL TO ORDER** – Mayor Neil Johnson, Jr. called the meeting to order at 7:02p.m.

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

**Councilmember Rackley moved to excuse Councilmember Watson's absence. Councilmember Lewis 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.

C. Announcements, Appointments and Presentations:

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

D. Agenda Modifications: None.

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

A. Public Hearings: None.

B. Citizen Comments:

Shawnta Mulligan, 11329 177<sup>th</sup> Ave, Bonney Lake, said the Lions for Kids House is holding a garage sale on June 15<sup>th</sup>. She also suggested that before the City demolishes the house on the Reed Property at 7109 Barkubein Rd, any antique hardware or other items of value be removed and donated to a community group such as Lions for Kids.

- C. Correspondence: None.

### III. COUNCIL COMMITTEE REPORTS

- A. Finance Committee: Deputy Mayor Swatman said the Committee met at 5:30 p.m. earlier in the evening and forwarded a developer's extension agreement to a future meeting; forwarded agreements for street striping and chip seal projects to the current agenda; reviewed meeting notes; and discussed revisions to the draft Accounts Receivable policy.
- B. Community Development Committee / Economic Development Focus Group: Councilmember McKibbin said the Community Development Committee has not met since the last Council Meeting.

Councilmember Minton-Davis said the Economic Development Focus Group met on June 4, 2013 and discussed the City's Vision Statement. They have scheduled a special Committee meeting for July 30, 2013 to focus specifically on completing the Vision Statement. She said the Committee has invited local business owners to attend the next EDFG meeting to give feedback on doing business in Bonney Lake. Director Vodopich said he sent invitations to select business owners on June 10<sup>th</sup>.

- C. Public Safety Committee: Councilmember Lewis said the committee met on June 3, 2013. The Committee received and reviewed the Police Department's 2012 Annual Report, and discussed the new Probation Officer position and a contract for case management software, which is on the current agenda.
- D. Other Reports: None.

### IV. CONSENT AGENDA:

- A. **Approval of Minutes**: May 21, 2013 Workshop and May 28, 2013 Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers**: Accounts Payable checks/vouchers #66228-66306 (including wire transfers #11304006, 20130515, 20130513, and 20130516) in the amount of \$406,338.62. Accounts Payable checks/vouchers #66307-66325 for Utility refunds in the amount of \$1,902.35. Accounts Payable checks/vouchers #66326-66304 for Accounts Receivable deposit refunds in the amount of \$47,764.39. Accounts Payable wire transfer #2013051701 for P-Card purchases in the amount of \$43,567.49. VOIDS: None.
- C. **Approval of Payroll**: Payroll for May 16<sup>th</sup> - 31<sup>st</sup>, 2013 for checks #31128 - 31153 including Direct Deposits and Electronic Transfers in the amount of \$ 680,123.27.
- D. **AB13-70 – Resolution 2305** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Evergreen Point Watermain Contract To Hoffman Construction Incorporated.
- E. **AB13-77** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Cancelling The Regular Council Meeting and Finance Committee Meeting Of June 25, 2013 And The Regular Council Workshop and Community Development Committee Meeting Of August 6, 2013.

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

**Consent Agenda approved 6 – 0.**

**V. FINANCE COMMITTEE ISSUES:**

- A. **AB13-72 – Ordinance 1462 [D13-72]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Title 15 Of The Bonney Lake Municipal Code, Relating To Adoption Of Revised International Codes.

**Councilmember Lewis moved to approve Ordinance 1462. Councilmember Rackley seconded the motion.**

Director Vodopich said the proposed ordinance was provided to the Master Builders Association. Their comment was addressed by East Pierce Fire & Rescue Chief Jerry Thorson, and the City received no other feedback on the item.

**Ordinance1462 approved 6 – 0.**

- B. **AB13-78 – Resolution 2308** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Professional Services Agreement With Stripe Rite, Inc. For The 2013 Street Striping And Pavement Markings Project.

**Councilmember Lewis moved to approve Resolution 2308. Deputy Mayor Swatman seconded the motion.**

Mayor Johnson said this is an annual practice to keep City roads in good condition.

**Resolution 2308 approved 6 – 0.**

- C. **AB13-79 – Resolution 2309** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Contractor Agreement With Doolittle Construction, LLC For The 2013 Chip Seal Application.

**Councilmember Lewis moved to approve Resolution 2309. Councilmember Rackley seconded the motion.**

Mayor Johnson said staff do a good job of cleaning streets after the chip seal application. Councilmember Rackley requested that the chip seal map be posted online and provided to the Councilmembers.

**Resolution 2309 approved 6 – 0.**

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

**VII. PUBLIC SAFETY COMMITTEE ISSUES:**

- A. **AB13-80 – Resolution 2310** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Mayor To Sign A Contract

For Services Between The City Of Bonney Lake, Washington And Caseload Pro For The Probation Division.

**Councilmember Lewis moved to approve Resolution 2310. Councilmember Rackley seconded the motion.**

*Mayor Johnson noted that this item was listed under Community Development Committee Issues on the Meeting agenda in error, as it was actually forwarded by the Public Safety Committee.*

Councilmember Lewis said he discussed this item with the Full Council at the June 4, 2013 Workshop. He said the Probation Officer needs this software for the City's new probation program. Councilmember Hamilton asked whether the service contract was budgeted along with the Probation Officer's salary. City Administrator Morrison and Court Administrator Kathy Seymour, who was in attendance in the audience, confirmed that the proposed service contract was budgeted along with the salary, equipment and supplies for the Probation Officer.

**Resolution 2310 approved 6 – 0.**

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

**IX. EXECUTIVE SESSION:** None.

**X. ADJOURNMENT:**

**At 7:14 p.m., Councilmember Rackley moved to adjourn the Council Meeting. Councilmember Lewis seconded the motion.**

**Motion to adjourn approved 6 – 0.**

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Harwood Edvalson, MMC  
City Clerk

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Neil Johnson, Jr.  
Mayor

Items presented to Council at the June 11, 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 COUNCIL MEETING

July 9, 2013  
7:00 P.M.

MINUTES



“Where Dreams Can Soar”

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

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

**I. CALL TO ORDER** – “Mayor For A Day” Felix Revelee called the meeting to order at 7:00 p.m.

- A. Flag Salute: “Mayor For A Day” Revelee 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 For A Day” Revelee, elected officials attending were Mayor Neil Johnson, Jr., 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 Watson moved to excuse Councilmember Lewis’ absence. Councilmember Hamilton seconded the motion.**

Councilmember Watson said that Councilmember Lewis was out of town.

**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.

C. Announcements, Appointments and Presentations:

- 1. Announcements: None.
- 2. Appointments: None.
- 3. Presentations:
  - a. **Mayor For A Day** – Felix Revelee.

Mayor Johnson presented Felix with a certificate for his experience as “Mayor For A Day” and welcomed him to sit at the dais and help conduct the meeting.

D. Agenda Modifications: None.

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

- A. Public Hearings: None.

B. Citizen Comments:

Amanda Bowen, 7602 208<sup>th</sup> Ave E, Bonney Lake, said she is proud of Felix for his interest in local government and she is glad to see him sitting at the dais for the Meeting.

C. Correspondence: None.**III. COUNCIL COMMITTEE REPORTS**

A. Finance Committee: Deputy Mayor Swatman said the Committee met at 5:30 p.m. earlier in the evening and discussed personnel updates, including new hires. The Committee forwarded the following items to the next Council Meeting for action: Resolution 2313 (Eastown Sewer Phase 1), Resolution 2314 (Professional Services Agreement with Parametrix), a motion to accept as complete the Dike 13 improvements project, Resolution 2312 (a Local Government Investment Pool agreement), and the proposed Accounts Receivable Policy. The Committee also reviewed its meeting notes and discussed debt refinancing options with the City's bond consultant, Jim Nelson. A proposed bond refinancing ordinance will be discussed at the next Workshop.

B. Community Development Committee / Economic Development Focus Group: Councilmember McKibbin said the Community Development Committee met on June 18, 2013, and forwarded two items to the current agenda. Councilmember Watson said the Economic Development Focus Group met on July 2, 2013 and spoke with members of the Chamber of Commerce about how the City and businesses can better work together. He said the Focus Group will hold a special meeting on July 30, 2013 to finalize the Economic Development Focus and Vision statements of the Comprehensive Plan.

C. Public Safety Committee: Councilmember Hamilton said the committee has not met since the last Council Meeting.

D. Other Reports:

Park Board Updates: Councilmember Watson said he attended the July 8, 2013 Park Board Meeting. Residents in attendance discussed the historic WSU Forest master plan. Marian Betzer provided a history of the Fennel Creek area and proposed trails. The Board discussed park usage fees and the current Fennel Creek Trail / Safe Routes trail project. He reported that Facilities & Special Projects Manager Gary Leaf spoke about the ongoing 'gnome home' geocaching activity, and that volunteers from the Senior Center will paint new doors.

**IV. CONSENT AGENDA:**

A. **Approval of Accounts Payable and Utility Refund Checks/Vouchers:** Accounts Payable checks/vouchers #66341-66409 (including wire transfers #20130603, 20130604, and 20130605) in the amount of \$931,138.42.  
Accounts Payable checks/vouchers #66410-66411 for Accounts Receivable deposit refunds in the amount of \$3,635.00.  
Accounts Payable wire transfer #2013061701 in the amount of \$36,672.80.  
Accounts Payable checks/vouchers #66412-66495 (including wire transfer #'s 11419239, 20130617, 2013061201) in the amount of \$2,349,557.23.

Accounts Payable checks/vouchers #22496-66497 for Accounts Receivable deposit refunds in the amount of \$896.37.

Accounts Payable checks/vouchers #66498-66521 for Utility account refunds in the amount of \$3,227.62.

Accounts Payable checks/vouchers #66522-66523 in the amount of \$4,599.50.

**CORRECTION FROM PREVIOUS MEETING:** At the 6/11/2013 Council meeting, there was a typo in the line for approving the Accounts Receivable deposit refunds. It originally stated: "Accounts Payable checks/vouchers #66326-66304 for Accounts Receivable deposit refunds in the amount of \$47,764.39". The correct numbers are: "Accounts Payable checks/vouchers #66326-66340 for Accounts Receivable deposit refunds in the amount of \$47,764.39".

- B. **Approval of Payroll:** Payroll for June 1 – 15th 2013 for checks #31154 - 31181 including Direct Deposits and Electronic Transfers is \$ 464,859.78  
Payroll for June 16th – 30th 2013 for checks #31182-31213 including Direct Deposits and Electronic Transfers is \$699,747.95.
- C. ~~**AB13-75 – Resolution 2307** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Water Developer Extension Agreement And Latecomer’s Agreement With Kelly Farms, LLC For Kelly Farms.~~  
*Moved to Full Council Issues, Item C.*
- D. **AB13-84** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting A Public Hearing For July 23, 2013 At 7:00 P.M. Or As Soon Thereafter As Possible, For The 2014-2019 Six Year Transportation Improvement Program (Proposed Resolution 2311).

Mayor Johnson said Councilmember Watson had requested that Item C. Resolution 2307 be moved to Full Council Issues, Item C.

**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. **AB13-81 – Ordinance 1463 [13-81]** – An Ordinance Of The City Of Bonney Lake, Pierce County, Washington, Amending Section 15.14.070 Of The Bonney Lake Municipal Code And The Corresponding Portions Of Ordinance No. 1394 Related To Appeals Of Stormwater Charges.

**Councilmember Rackley moved to approve Ordinance 1463. Councilmember Watson seconded the motion.**

**Ordinance 1463 approved 6 – 0.**

**VII. PUBLIC SAFETY COMMITTEE ISSUES: None.****VIII. FULL COUNCIL ISSUES:**

- A. **AB13-17 – Resolution 2271** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Increasing The City Of Bonney Lake Justice Center Tenant Improvement Phase 2 Project Contract To JB Construction Consulting, Inc. To Remedy Previous Defects.

**Councilmember Watson moved to approve Resolution 2271. Deputy Mayor Swatman seconded the motion.**

Mayor Johnson said this resolution has been in progress for some time, and this action should take care of the remaining issues.

**Resolution 2271 approved 6 – 0.**

- B. **AB13-88** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting A Public Hearing For July 23, 2013 At 7:00 P.M. Or As Soon Thereafter As Possible, To Review Community Development And Housing Needs, Inform Citizens Of The Potential Availability Of Planning Grant Funds For The State Community Development Block Grant (CDBG) Program, And Receive Public Input On Proposed Activities, Particularly From Lower And Middle Income Persons.

**Councilmember Rackley moved to approve motion AB13-88. Councilmember Watson seconded the motion.**

City Administrator Morrison said the City held a public hearing in November 2012 before applying for a CDBG construction grant. The City did not receive an award, but a different pool of funds is available for smaller planning grants. Staff feel that additional planning could help strengthen the City's construction grant application, and they plan to submit a planning grant application, and then reapply for a construction grant in 2014.

**Motion AB13-88 approved 5 – 1.  
Councilmember McKibbin voted no.**

- C. **AB13-75 – Resolution 2307** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Water Developer Extension Agreement And Latecomer's Agreement With Kelly Farms, LLC For Kelly Farms.  
*Moved from Consent Agenda, Item C.*

**Councilmember Rackley moved to approve Resolution 2307. Deputy Mayor Swatman seconded the motion.**

Councilmember Rackley asked if there are any risks in the agreement with Mr. Corliss. Community Development Director Vodopich said the agreement uses the standard City language, with no amendments. Councilmember Watson asked why the agreement is required, and expressed concern that this agreement would make it easier to develop the property. Director Vodopich said this agreement is specifically for fire suppression, as the site does not have sufficient water supply for the required sprinkler system.

Councilmember Hamilton said the Kelly Farm barn is used for events and there is a public safety concern if sufficient fire flow is not available for the sprinkler system. Mayor Johnson confirmed that this agreement will not allow additional development. He said in order to develop the property, the owners must request a zoning change and additional water service, which would be a separate process.

Councilmember McKibbin noted that the property is owned by Canyon Creek and Kelly Creek LLC. Director Vodopich confirmed this information and said the paperwork was signed by Mr. Corliss, who is the managing director for both companies.

**Resolution 2307 approved 5 – 1.  
Councilmember Watson voted no.**

**IX. EXECUTIVE SESSION:**

Pursuant to RCW 42.30.110(1)(c), the Council adjourned to an Executive Session with the City Attorney at 7:21 p.m. for 15 minutes to discuss property sale negotiations. The Council returned to Chambers at 7:39 p.m. No action was taken.

**X. ADJOURNMENT:**

**At 7:39 p.m., Councilmember Rackley moved to adjourn the Council Meeting.  
Councilmember Watson seconded the motion.**

**Motion to adjourn approved 6 – 0.**

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Harwood Edvalson, MMC  
City Clerk

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Neil Johnson, Jr.  
Mayor

Items presented to Council at the July 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.*

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

<b>Department/Staff Contact:</b> Finance / Al Juarez	<b>Meeting/Workshop Date:</b> July 23, 2013	<b>Agenda Bill Number:</b> AB13-86
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2312	<b>Councilmember Sponsor:</b>

**Agenda Subject:** A resolution authorizing the city to invest in the Local Government Investment Pool (LGIP).

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

**Administrative Recommendation:** Approve

**Background Summary:** The attached Resolution and Transaction Authorization are renewal forms meant to update the City’s account, which has been established and active for numerous years. In an endeavor to assist local officials in their fiduciary responsibility to prudently manage the funds under their care, the Legislature, in 1986, created a trust fund to be known as the public funds investment account.

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

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

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

The LGIP Portfolio is managed in a manner generally consistent with SEC regulated Rule 2a-7 funds. Detailed investment guidelines are spelled out in the LGIP Investment Policy, which can be reviewed at the WA State Treasurers website [www.wa.gov/lgip/index.shtml](http://www.wa.gov/lgip/index.shtml). Detailed questions may be directed to the WA State Treasurers Office, toll free number 1-800-331-3284.

**Attachments:** Yes

**BUDGET INFORMATION**

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

**COMMITTEE, BOARD & COMMISSION REVIEW**

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

Forward to: 7/23/13 Council Meeting      **Consent**  Yes  No  
**Agenda:**  Yes  No

**Commission/Board Review:**

**Hearing Examiner Review:**

**COUNCIL ACTION**

Workshop Date(s):

Public Hearing Date(s):

Meeting Date(s):

Tabled to Date:

**APPROVALS**

**Director:**

*Al Juarez*

**Mayor:**

**Date Reviewed**

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

**RESOLUTION NO. 2312**

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

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

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

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

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

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

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

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

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

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

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

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

**PASSED** by the City Council this 23<sup>rd</sup> day of July, 2013.

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Neil Johnson Jr., Mayor

ATTEST:

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Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

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Kathleen Haggard, City Attorney

LOCAL GOVERNMENT INVESTMENT POOL  
TRANSACTION AUTHORIZATION FORM

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

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

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

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

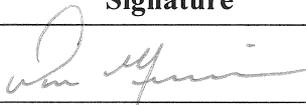
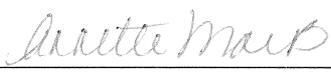
**YES**, please fax statements                       **No**, please send statements via U.S. mail

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

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

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

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

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

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

	City Administrator	7/17/2013
<i>(Authorized Signature)</i>	<i>(Title)</i>	<i>(Date)</i>
Don Morrison	morrisond@ci.bonney-lake.wa.us	253/447-4307
<i>(Print Authorized Signature)</i>	<i>(E-mail Address)</i>	<i>(Telephone number)</i>

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

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

<b>Date Received:</b> ____ / ____ / ____
<b>Fund Number:</b> _____
<i>(for LGIP use only)</i>

State of Washington    )  
County of \_\_\_\_\_) ss.  
Signed or attested before me by \_\_\_\_\_.  
Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
*Signature of Notary*

SEAL OR STAMP

\_\_\_\_\_  
*Typed or printed name of Notary*  
Notary Public in and for the State of Wash.

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

<b>Name of Entity:</b> <b>City of Bonney Lake</b>
--

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

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

- |   |   |
|---|---|
| 1. <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete <input type="checkbox"/> Update <input type="checkbox"/> No Change<br>LGIP: <input checked="" type="checkbox"/> Full Access <input type="checkbox"/> View only    Rev Dist: <input type="checkbox"/> View only | 2. <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete <input type="checkbox"/> Update <input type="checkbox"/> No Change<br>LGIP: <input checked="" type="checkbox"/> Full Access <input type="checkbox"/> View only    Rev Dist: <input type="checkbox"/> View only |
|---|---|

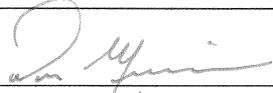
Name: Don Morrison	Name: Al Juarez
Title: <b>City Administrator</b>	Title: <b>Chief Financial Officer</b>
E-mail address: morrisond@ci.bonney-lake.wa.us	E-mail address: juareza@ci.bonney-lake.wa.us
Phone: <b>253/447-4307</b>	Phone: <b>253/447-4314</b>
OST Appr Date:                      UserID:	OST Appr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

- |   |   |
|---|---|
| 3. <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete <input type="checkbox"/> Update <input type="checkbox"/> No Change<br>LGIP: <input checked="" type="checkbox"/> Full Access <input type="checkbox"/> View only    Rev Dist: <input type="checkbox"/> View only | 4. <input type="checkbox"/> Add <input type="checkbox"/> Delete <input type="checkbox"/> Update <input type="checkbox"/> No Change<br>LGIP: <input type="checkbox"/> Full Access <input type="checkbox"/> View only    Rev Dist: <input type="checkbox"/> View only |
|---|---|

Name: Annette Maib	Name:
Title: <b>Financial Operations Supervisor</b>	Title:
E-mail address: maiba@ci.bonney-lake.wa.us	E-mail address:
Phone: <b>253/447-4321</b>	Phone:
OST Appr Date:                      UserID:	OST Appr Date:                      UserID:

=====

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

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

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

OFFICE OF THE STATE TREASURER  
 LOCAL GOVERNMENT INVESTMENT POOL  
 LEGISLATIVE BUILDING  
 P. O. BOX 40200  
 OLYMPIA WA 98504-0200  
 Fax: 360/902-9044

<b>Date Received:</b> ____ / ____ / ____
<b>Fund Number:</b> _____
<b>OK'd by:</b> _____
<i>(For OST use only)</i> <b>02/22/13</b>

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

<b>Department/Staff Contact:</b> PW / John Woodcock	<b>Meeting/Workshop Date:</b> 23 July 2013	<b>Agenda Bill Number:</b> AB13-90
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2314	<b>Councilmember Sponsor:</b> Dan Swatman

**Agenda Subject:** Authorize the contract with Parametrix for the design effort of the Church Lake Road Overlay.

**Full Title/Motion:** A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Authorize The Contract With Parametrix For The Design Effort Of The Church Lake Road Overlay..

**Administrative Recommendation:**

**Background Summary:** The Public Works Department (PWD) applied for and received an Arterial Preservation Grant for \$406,000 from the Transportation Improvement Board (TIB#3-P-136(001)-1)) in the latter half of 2012 to overlay Church Lake Road from approximately the 19500 block of Church Lake Road to Kelly lake Road at 214th Avenue E. This grant requires a 15% match (\$70k) on the city's behalf. Recently Council signed both the Fuel Tax Grant Agreement and the Project Funding Status Form (Res. 2264) as TIB requirements before funding can be processed as well as its placement on the State Transportation Improvement Plan (STIP). The project will also include an analysis of entering sight distance for left turn movements from southbound West Tapps Highway to eastbound Church Lake Road and it will include dry line sanitary sewer line installation in Kelly Lake Road from the intersection of Church Lake Road to 209th Avenue Court East.

**Attachments:** Resolution 2314; Contract; Map

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
\$0	\$0	\$66,572.89	\$-66,572.89
<b>Budget Explanation:</b> The current Budget Balance deficit will be addressed through the mid-Biennial budget amendment as well as the use of the TIB Grant dollars received. Revenue: TIB grant \$406,000 & matching funds (15%) from City.			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Finance Committee Date: 9 July 2013	<i>Approvals:</i> Chair/Councilmember Dan Swatman Councilmember Mark Hamilton Councilmember Randy McKibbin	<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="padding: 0 10px;"><b>Yes</b></td> <td style="padding: 0 10px;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Yes</b>	<b>No</b>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<b>Commission/Board Review:</b>	Forward to: <span style="float: right;"><b>Consent Agenda:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</span>										
<b>Hearing Examiner Review:</b>											

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

**APPROVALS**

**Director:**

*Dan Grigsby, P. E.*

**Mayor:**

*Neil Johnson Jr.*

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

**RESOLUTION NO. 2314**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AWARDED THE PROFESSIONAL SERVICES AGREEMENT FOR THE CHURCH LAKE ROAD OVERLAY TO PARAMETRIX ENGINEERING.**

**WHEREAS**, the City of Bonney Lake submitted an application for the Arterial Preservation Grant from the Transportation Improvement Board (TIB#3-P-136(001)-1) to overlay Church Lake Road from approximately the 19500 block of Church Lake Road to Kelly Lake Road at 214th Avenue E.; and

**WHEREAS**, the City of Bonney Lake was awarded the Transportation Improvement Board grant for the sum of \$406,000 which requires a 15% matching effort by the City to overlay this section of our infrastructure; and

**WHEREAS**, the Council approved the TIB grant process by authorizing the signing of the Fuel Tax Grant Distribution agreement and the Project Funding Status Form per Resolution 2264 on January 22, 2013; and

**NOW, THEREFORE, BE IT RESOLVED** that the City of Bonney Lake Council does hereby authorize the Mayor to sign the Parametrix Professional Services Agreement to design and prepare the documents and contract for advertisement in the amount of \$66,572.89 which includes tax.

**PASSED** by the City Council this 23<sup>rd</sup> day of July, 2013.

---

Neil Johnson, Jr., Mayor

ATTEST:

---

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

---

Kathleen Haggard, City Attorney

## PROFESSIONAL SERVICES AGREEMENT

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

The parties hereby agree as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## 12. Indemnification / Hold Harmless

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

### Insurance

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

#### A. Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

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

#### B. Minimum Amounts of Insurance

Consultant shall maintain the following insurance limits:

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

### C. Other Insurance Provisions

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

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

### D. Acceptability of Insurers

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

### E. Verification of Coverage

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

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

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

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

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

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

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

CITY OF BONNEY LAKE

CONSULTANT

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

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

**Attachments:**

Exhibit A: Scope of Work/Deliverables/Fee

Exhibit B: Rates

## EXHIBIT A: SCOPE OF WORK

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

Client: City of Bonney Lake  
 Project: Church Lake Road Overlay  
 Project No:

	Sr Consultant	Engineer I	Engineer IV	Survey Supervisor	Surveyor III	Surveyor II	Surveyor II	Project Controls Specialist	Word Processing Specialist				
	\$205.00	\$110.00	\$145.00	\$150.00	\$105.00	\$85.00	\$85.00	\$110.00	\$95.00				

Burdened Rates:

Phase	Task	Description	Labor Dollars	Labor Hours									
1		Design	\$65,378.39	567	52	324	10	8	40	40	28	20	42
	1	Project Management & QA/QC	\$5,678.39	39	12	8	10					4	2
		Progress Reports	\$1,708.39	13	4							4	2
		Meetings (3)	\$2,520.00	16	8	8							
		QA/QC	\$1,450.00	10		10							
	2	Survey	\$11,180.00	116				8	40	40	28		
		Field Work	\$7,900.00	82				2	40	40			
		Prepare Base Map	\$2,000.00	22				2			20		
		DNR Permits	\$1,280.00	12				4			8		
		Preliminary Design	\$21,350.00	182	14	168							
		Cover Sheet & Legend (2)	\$880.00	8		8							
		Horizontal Control Plan (2)	\$440.00	4		4							
		Typical Sections (1)	\$1,320.00	12		12							
		Overlay Plans (7)	\$9,620.00	84	4	80							
		Dry Line Sewer Plan & Profile (2)	\$3,050.00	26	2	24							
		Detail Sheets (4)	\$1,730.00	14	2	12							
		Opinion of Cost	\$2,170.00	18	2	16							
		West Tapps Sight Distance	\$2,140.00	16	4	12							
	3	Final PS&E	\$27,170.00	230	26	148						16	40
		Cover Sheet & Legend (2)	\$660.00	6		6							
		Horizontal Control Plan (2)	\$220.00	2		2							
		Typical Sections (1)	\$880.00	8		8							
		Overlay Plans (7)	\$7,010.00	62	2	60							
		West Tapps Plan & Profile (2)	\$3,460.00	28	4	24							
		Dry Line Sewer Plan & Profile (2)	\$1,085.00	9	1	8							
		Detail Sheets (4)	\$1,965.00	17	1	16							
		Opinion of Cost	\$2,170.00	18	2	16							
		Contract Specifications	\$7,200.00	56	16							8	32
		Assemble Bid Documents	\$2,520.00	24		8						8	8

<b>Labor Totals:</b>		\$65,378.39	567	52	324	10	8	40	40	28	20	42
				\$10,660.00	\$35,640.00	\$1,450.00	\$1,200.00	\$4,200.00	\$3,400.00	\$2,380.00	\$2,200.00	\$3,990.00

**DIRECT EXPENSES:**

Description	Amount
B & W 8.5 x 11	\$390.00
B & W 11 x 17	\$195.00
Mileage	\$169.50

Client: City of Bonney Lake  
 Project: Church Lake Road Overlay  
 Project No:

Corp Finance  
 Project Accountant

Burdened Rates: \$86.13

Phase	Task	Description	Labor Dollars	Labor Hours	
1		Design	\$65,378.39	567	3
	1	Project Management & QA/QC	\$5,678.39	39	3
		Progress Reports	\$1,708.39	13	3

Wa Survey Vehicle \$185.00

WA Survey Equipment \$255.00

**Expense Total: \$1,194.50**

**Project Total: \$66,572.89**

Client: City of Bonney Lake  
 Project: Church Lake Road Overlay  
 Project No:

Corp Finance  
Project Accountant

Burdened Rates:

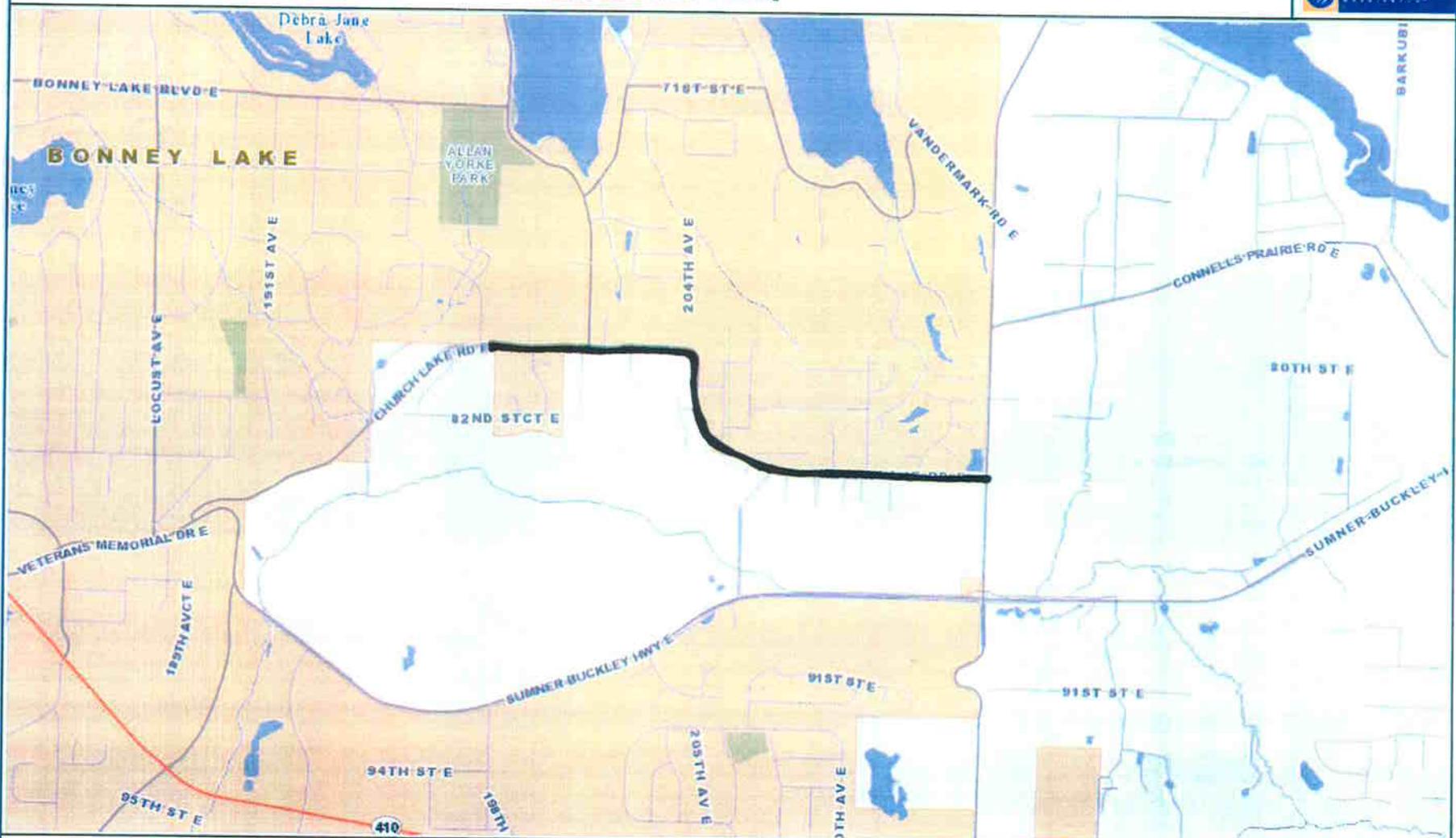
\$86.13

Phase	Task	Description	Labor Dollars	Labor Hours	
1		Design	\$65,378.39	567	3
	1	Project Management & QA/QC	\$5,678.39	39	3
		Progress Reports	\$1,708.39	13	3

Wa Survey Vehicle	\$185.00
WA Survey Equipment	\$255.00
<b>Expense Total:</b>	<b>\$1,194.50</b>

**Project Total:** \$66,572.89

### Church Lake Road Overlay



Disclaimer: The map features are approximate and are intended only to provide an indication of said feature. Additional areas that have not been mapped may be present. This is not a survey. The County assumes no liability for variations ascertained by actual survey. ALL DATA IS EXPRESSLY PROVIDED 'AS IS' AND 'WITH ALL FAULTS'. The County makes no warranty of fitness for a particular purpose. 2013/07/01

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

<b>Department/Staff Contact:</b> Finance / Al Juarez	<b>Meeting/Workshop Date:</b> July 23, 2013	<b>Agenda Bill Number:</b> AB13-69	
<b>Agenda Item Type:</b> Motion	<b>Ordinance/Resolution Number:</b>	<b>Councilmember Sponsor:</b>	
<b>Agenda Subject:</b> A motion to ratify Accounts Receivable Policy 200.030			
<b>Full Title/Motion:</b> A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Ratify Accounts Receivable Policy 200.030.			
<b>Administrative Recommendation:</b> Approve attached policy			
<p><b>Background Summary:</b> Accounts Receivable (AR) is a material, liquid asset reported on an entity's Balance Sheet. Pursuant to generally accepted accounting principles (GAAP), entities should take great care to properly value and report their respective receivables. Improperly reporting accounts receivable depicts an incomplete picture of an entity's financial condition and may be misleading to readers of financial statements and/or potential investors.</p> <p>The WA State Auditor's Office (SAO), for a number of years, has recommended that the City of Bonney Lake adopt an AR policy. In developing the attached AR policy we have identified several subsidiary applications that are integral to an AR system; i.e. Responsibilities of staff; Invoicing procedures; Cash collections; Cash receipting; NSF payments; Collection agency procedures; Establishing internal controls; and, Accounting for uncollectible accounts.</p> <p>The objective of this policy is to ensure consistency in the City's treatment of receivables in order to: Illustrate ways to take advantage of cash flows; Assist in collection delays; Minimize and control bad debt; Value and subsequent liquidation of AR; and, Provide a fair presentation of AR in the City's financial statements.</p>			
<b>Attachments:</b> Proposed AR Policy			
<b>BUDGET INFORMATION</b>			
<b>Budget Amount</b>	<b>Current Balance</b>	<b>Required Expenditure</b>	<b>Budget Balance</b>
<b>Budget Explanation:</b> N/A			
<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	Finance Committee	<i>Approvals:</i>	<b>Yes No</b>
	Date: 1 <sup>st</sup> Review	Chair/Councilmember Dan Swatman	<input checked="" type="checkbox"/> <input type="checkbox"/>
	3/12/13; 2 <sup>nd</sup> Review	Councilmember Randy McKibbin	<input checked="" type="checkbox"/> <input type="checkbox"/>
	5/14/13; 3 <sup>rd</sup> Review	Councilmember Mark Hamilton	<input checked="" type="checkbox"/> <input type="checkbox"/>
	7/16/13		
	Forward to: 7/23/13 Council Meeting for action.	<b>Consent Agenda:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			
<b>COUNCIL ACTION</b>			
Workshop Date(s): 6/4/13		Public Hearing Date(s):	
Meeting Date(s):		Tabled to Date:	
<b>APPROVALS</b>			
<b>Director:</b> Al Juarez	<b>Mayor:</b>	<b>Date Reviewed by City Attorney:</b> (if applicable):	



# Administrative Policy and Procedure

## City of Bonney Lake, Washington

SUBJECT: Accounts Receivable Policy		
	Policy No. 200 - 030	Pages: 11
Effective Date:	Supersedes: NA	
Developed by: Finance Department	Department Head Approval: Al Juarez	Mayor/Administrator Approval: Don Morrison

### 1. PURPOSE

This accounts receivable policy establishes guidelines relating to the use of a utilities receivable system and a general/miscellaneous receivable system; management of a receivable system; identification of bad debt; and write-off and recovery of receivables.

The objective of this policy is to ensure consistency in the City's treatment of receivables in order to : (1) illustrate ways to take advantage of cash flows; (2) minimize and control bad debt; (3) assist in collection delays; (4) valuing and subsequent disposal of accounts receivable; and, (5) provide a fair presentation of accounts receivable in the City's financial statements.

### 2. ORGANIZATIONS AFFECTED

All Departments and Divisions within the City

### 3. REFERENCES

RCW 19.16.500; RCW 35.21.290; RCW 35.67.200; RCW 43.09.240; RCW 43.09.230; RCW 62A.3-104; RCW 62A.3-515; BARS Manual, Vol 1; PT 3; CH 3; Page 10 - 11

### 4. DEFINITIONS

**4.1 Account Receivable (A/R).** Money owed to the City by a customer/consumer for products and/or services purchased on credit, or money owed on a debt to the City. Creating an account receivable is typically done by generating an invoice and mailing or electronically delivering it to the customer, who in turn must pay it within an established time frame.

**4.2 Miscellaneous Account Receivable.** This category of receivable shall include but not be limited to the following types of billings: (1) Grants; (2) False Alarms; (3) Damage Repair; (4) Leases; (5) Permits; and (6) Printing services and/or publications. It is the policy of the City that all miscellaneous billings (except interdepartmental) shall be processed through the automated Miscellaneous accounts receivable system.

**4.3 Utilities Accounts Receivable.** This category of receivables shall pertain specifically to billings submitted to customers of our enterprise utility funds for the following goods and/or services: water, sewer, storm water, and/or garbage customers.

**4.4 Designated Accounts Receivable Coordinator.** Project managers, department or division staff assigned the duty to bill a third party for goods and/or services. It is the responsibility of this staff member to coordinate their respective AR practices with the Finance Department.

**4.5 Collection Agency.** A third party collection company/agency retained by written contract, licensed under RCW 19.16.500 (1) (a) for the purpose of collecting public debts owed by any person, including any outstanding debts of utility billing services and/or miscellaneous receivables.

**4.6 Debt.** For purpose of this policy, debt is defined as money due the City for any reason.

**4.7 Bad Debt.** Bad debt is defined as money owed to the City, which has not been paid, due to non-response of the debtor or because negotiable items (i.e. checks, money orders) were not honored by the bank, credit union, etc. for any reason.

**4.8 Customer.** Any person, organization, or business receiving any type of goods and/or service or doing some type of business with the City of Bonney Lake.

**4.9 Uncollectible.** Refers to any funds due to the City of Bonney Lake, which the City has attempted to collect, but has been unsuccessful.

**4.10 Write Off.** To cancel an unpaid or uncollectible debt. A write off of uncollectible accounts receivable from the City's accounting records does not constitute forgiveness of the debt and it is still payable by the debtor.

**4.10.01 Situations that may result in writing off uncollectible receivables (examples).**

**4.10.01.a** Getting delinquent accounts receivable back from the collection agency as uncollectible.

**4.10.01.b** Losing in a litigation involving accounts receivable.

**4.10.01.c** Discharge, or anticipated discharge, of a debt in bankruptcy or low priority of payment in bankruptcy.

**4.10.01.d** Being advised by the City Attorney that it would not be productive to sue a debtor to collect on a debt.

## 5. RESPONSIBILITIES

**5.1 Mayor and City Administrator.** The City Administrator, subject to the general direction, broad policy guidance, and approval of the Mayor, is responsible for: A) Approving this policy and any revisions thereto; and B) Approving exceptions to the policies and procedures contained herein due to extenuating circumstances.

**5.2 Chief Financial Officer (CFO).** The CFO, in collaboration with the City Administrator, is responsible for establishing guidelines, policy, procedure and tasks to

manage the overall Accounts Receivable functions in accordance with generally accepted accounting principles (GAAP), applicable RCW, BLMC, and BARS. The CFO is responsible for establishing prudent AR management that will address the following attributes: (1) maintain or cut average collection times; (2) reduction of bad debts; (3) enhancement of cash flow; and (4) capitalize on internal resources for cash collections and receipting.

**5.3 Department Accounts Receivable Coordinator.** Individual department coordinators are responsible and accountable for submitting the appropriate and required data to the Finance Department to be entered into the automated AR system. An example would be a project manager preparing all the appropriate documentation to produce a grant progress billing and then submitting said documents to Finance for entry into the AR system and subsequent mailing to the granting agency through the U.S. Postal Service. Coordinators are responsible for becoming knowledgeable about documentation requirements to be submitted to the Finance Department.

**5.4 Finance Department.** The finance department is responsible for oversight and management of an Accounts Receivable system that adheres to applicable authoritative guidelines; i.e. RCW, GFOA Best Practices, WA State BARS, GAAP and City of Bonney Lake Municipal Code.

The Finance Department is responsible for generating an official City accounts receivable invoice through the use of the automated AR module and subsequently mailing a complete AR package to the respective customer.

It is, however, the responsibility of an individual Department, Division (see definition of Department AR Coordinator) to produce appropriate supporting original documents to submit to Finance in order that the official invoice is prepared. An example would be a project manager preparing all the appropriate documentation to produce a grant progress billing and submitting said documents to Finance for entry into the AR system.

Adjustments to outstanding invoices will be initiated by the originating department, division, or user pursuant to information or forms required by the Finance Department. Only Finance personnel are authorized to adjust original invoices through the automated system. Negotiation of accounts receivable terms is the sole responsibility of the Finance Department in collaboration with the City Administrator.

Miscellaneous AR Invoice generation frequency will be on an as needed basis. This assumption will be periodically reviewed by the Chief Financial Officer (CFO) for possible revision.

Frequency of Utility Billing (UB) Invoices (billings) shall be on a monthly basis in a systematic, logical, and timely approach as established by the CFO in collaboration with the City Administrator and Utility Billing Supervisor.

The Finance Department is responsible for the determination of uncollectible accounts and establishing a procedure for submitting outstanding debts of Utility Billing services and Miscellaneous Accounts Receivable to a collection agency. (See section 6.7)

The Finance Department is responsible for the determination of Accounts Receivable write-offs, subject to review by the City Administrator and/or City Council in appropriate circumstances. (See section 6.8)

## 6. STATEMENTS OF POLICY AND PROCEDURE

**6.1 Integration with Related Financial Policies and Procedures.** This accounts receivable (AR) policy sets city-wide standards for accounts receivable management and creates a framework that can be used to establish procedures for various financial operations. It is the intent of the AR policy to establish procedures that are consistent across the City yet are flexible enough to deal with a variety of situations in the most efficient and effective manner possible to improve the cash flow of the City. While the AR policy focuses on invoicing and collection of general accounts receivable or amounts owed to the City internal and external customers, it is not intended to circumvent or supersede other related City policies, state auditor guidelines, or GAAP. If an ambiguous or otherwise unclear situation arises, the CFO will consult with the City Administrator, Mayor, and/or City Council as needed for policy or procedural clarification.

**6.2 Accounts Receivable (AR) - Miscellaneous.** It is the policy of the City that all miscellaneous Accounts Receivable (except interdepartmental) shall be processed through the automated miscellaneous AR system.

- 6.2.1** Individual departments, divisions, or specific work units shall, through their designated AR Coordinator, provide all the appropriate supporting original documents to the Finance Department in order that an official City of Bonney Lake invoice is prepared. This step ensures that the transaction is appropriately entered into the accounting system for tracking, aging, and collection purposes. An example would be a project manager preparing all the appropriate documentation to produce a grant progress billing and then submitting the documents to Finance for entry into the AR system.
- 6.2.2** Official City invoices will be generated on an as needed basis. A copy of the original invoice will be submitted to the originating department for their internal records.
- 6.2.3** Adjustments to invoices will be initiated by the originating department, division, or work unit in a manner prescribed by the Finance Department. Only Finance staff is authorized to process adjustments, credit memos, etc. within the AR system.
- 6.2.4** All payments will be receipted by the Finance Department and processed within the AR system.
- 6.2.5** As determined by the Finance Department, period reports will be generated that reflect status and aging of accounts. On an as needed or requested basis, reports will be distributed to departments for review.
- 6.2.6** Unless otherwise instructed, statements will be mailed at month-end to all AR accounts with balances owing
- 6.2.7** It is the responsibility of the Finance Department to follow up with and actively pursue collection of all accounts receivable accounts.
- 6.2.8** Time payments on account may be considered for customers experiencing

extenuating circumstances. Any situation that may include suggested payment arrangements must be reviewed with the CFO and/or City Administrator prior to acceptance.

**6.2.9** Specific procedures pursuant to the handling of bad debts, referral to a collection agency, and write offs are found in subsequent sections of this document.

**6.3 Accounts Receivable - Utilities.** This category of receivables pertains specifically to billings submitted to customers of our enterprise utility funds, which are water, sewer, storm-water, and/or garbage.

6.3.1 Procedures inherent to our automated utility billing (UB) system apply and are only subject to revision by the Utility Billing Supervisor in collaboration with the CFO.

6.3.2 For specific UB system procedures please see the standard operating procedures (SOP) manual maintained by our UB Lead staff member in collaboration with our UB Supervisor

6.3.3 UB system SOP manuals may be subject to periodic revisions due to system improvements and/or legislative changes enacted by City Council.

6.3.4 The SOP manual is intended to be a general guideline resource and at no time is this resource intended to usurp RCW, Bonney Lake Municipal Code, or general ethical conduct.

6.3.5 Specific procedure on the handling of bad debts, referral to a collection agency, and handling of returned checks are found in subsequent sections of this document.

6.3.6 General procedures pursuant to the extension of credit terms are outlined within the SOP manual maintained by the UB Supervisor. The UB Supervisor may, upon her/his discretion and/or collaboration with the CFO revise outlined terms due to extenuating circumstances on a case by case basis.

**6.4 Accounts Receivable - Cash Receipting.** This policy section provides general guidance in recording receipts of cash.

6.4.1 Cash is defined as all currency including coins, checks, bank drafts, and postal and express money orders.

6.4.2 Cash is received by the City in many different ways. Examples include, but are not limited to, the following: Receipts at our front counter and at the Senior Center from walk in traffic; the U.S. Mail system; Drop box in front of City Hall; Internet and telephone payments via a third party that are electronically deposited to our bank; and lockbox activity through a third party that is electronically deposited to our bank.

6.4.3 Pursuant to RCW, the City is required to make deposits of cash within 24 hours of receipt.

6.4.4 Lockbox activity and electronic third party remittance batches are considered their own deposit. Each deposit is applied as a separate cash batch to facilitate balancing.

6.4.5 Cash received at City Hall utilities and miscellaneous receivables, Courts, and other locations are batched separately as their own deposit.

6.4.6 Specific procedure as to the compilation of each deposit is to be outlined by the Financial Operations Supervisor and coordinated with the CFO. Said

- procedures are applied consistently City wide, including the Courts system.
- 6.4.7 Daily balancing of all cash transactions is reconciled via the use of an excel spreadsheet maintained by the Financial Operations Supervisor and/or Accountant. This spreadsheet is the equivalent of a City checkbook that records all cash activity (in and out) by account and illustrates daily cash balances. This spreadsheet is integral to our monthly bank statement reconciliation process which is handled by a separate individual to maintain appropriate internal controls.

**6.5 Accounts Receivable - Cash Collections.** This policy section provides general guidance as to the collection of accounts that have gone more than a specified number of days past their due dates without having been paid.

- 6.5.1 Most customers (UB or Misc AR) have defined payment terms in which to pay their invoices. When an invoice has gone 30 days past its due date without being paid, it appears on the past due list. Any item appearing on this report is subject to a collection activity.
- 6.5.2 Miscellaneous Accounts Receivable invoices are delivered with the term of net 30 days and considered delinquent after that time frame.
- 6.5.3 Utility Billing Accounts Receivable, monthly billings, are due upon receipt and are considered delinquent 30 days after invoice date.
- 6.5.4 In UB accounts, pursuant to RCW 35.21.290 and 35.67.200, owners of rental property will be ultimately liable for the tenant's delinquent billing. New tenants will not be able to establish an account in their name until the owner has brought the previous account current.
- 6.5.5 Specific handling of active UB delinquent accounts is outlined within the SOP manual maintained by the UB Lead and UB Supervisor. Ultimately the authority involved in these type active accounts is managed through the use of terminating utility service for non-payment. Bonney Lake Municipal Code section 13.04.80 addresses this topic.
- 6.5.6 In UB accounts where terminating service has not proven effective or where it is not a legal option, said accounts will be referred to a collection agency, pursuant to RCW 19.16.500.
- 6.5.7 A collection agency is involved only after the debtor has received, via certified mail, return receipt requested, a final demand notice and the City's intention to refer the account to a collection agency pursuant to RCW 19.16.500.
- 6.5.8 Inactive UB accounts will be submitted to a collection agency within 90 days of the last billing date and active accounts within 120 days.
- 6.5.9 Miscellaneous Receivable accounts will be submitted to a collection agency within 120 days of the last billing.
- 6.5.10 Direct coordination and collaboration with the Accounting Division of the Finance Department is to be accomplished prior to any accounts being referred to a collection agency.
- 6.5.11 In addition to submitting delinquent account to a collection agency, filing a lien with Pierce County is advised to protect the City's interests. This step will be at the discretion of the CFO and/or City Administrator.
- 6.5.12 Fees charged by the County for filing a lien will be passed on to the AR

customer.

- 6.5.13 The minimum dollar amount of an invoice submitted to a collection agency will be \$25.00.
- 6.5.14 Inactive UB accounts and Miscellaneous AR accounts with balances under \$25 and over 180 days old will be considered for immediate write-off. (see section 6.8)
- 6.5.15 On an annual basis, a review of inactive UB and Miscellaneous AR accounts in collection status for over 2 years and exceeding \$25 will be considered uncollectible and submitted for approval to be written off. (See section 6.8)
- 6.5.16 UB accounts and Miscellaneous AR accounts will be reviewed periodically but at not time will the review be postponed longer than a three month interval, for accounts with credit balances. Refunds applicable to accounts with a credit balance should be processed immediately.

**6.6 Accounts Receivable - Handling of Returned Checks.** This policy section is to provide general guidance regarding the handling and collection of returned checks (NSF).

- 6.6.1 A returned check is defined as any check, money order, cashiers or travelers check that is dishonored and returned unpaid to the City.
- 6.6.2 It shall be the policy of the City of Bonney Lake that any check returned unpaid through the City's bank will be considered a fair and owing debt to the City.
- 6.6.3 All returned checks will incur a \$35 handling fee or as otherwise set by ordinance or resolution of the City Council. This fee is intended to cover the bank costs and processing fees associated with handling a returned check. A returned check may also be subject to collection fees and interest pursuant to RCW 62A.3 – 515, and RCW 19.16.500.
- 6.6.4 Returned checks will be held in the Finance Department for handling regardless of where the check was taken in; i.e. permit center, facility deposit, etc. If the check originated from a payment in another Department, the Finance Department will notify the applicable Department that an item has been returned unpaid.
- 6.6.5 For accounts other than UB, a 5 day grace period from the date the item was received, will be extended for the maker to replace the returned item with cash check or money order. If replaced within the grace period, the account is only subject to the \$35 handling fee articulated in 6.6.3.
- 6.6.6 If at the conclusion of the grace period the item has not been redeemed, the item is to be recorded as a miscellaneous receivable and the account becomes subject to referral to the City's Collection Agency. Pursuant to RCW 19.16.500 the account may be subject to additional fees levied by the collection agency.
- 6.6.7 Returned items that are payments on utility accounts will be charged back to the appropriate account (s). Additionally the \$35 NSF handling fee will be charged to the appropriate account (s).
- 6.6.8 For UB returned items, a grace period of up to but not exceeding 3 days may be allowed for redemption of the unpaid item at the discretion of the UB Lead and/or UB Supervisor.
- 6.6.9 Utility account payment arrangements will not be allowed on accounts with

outstanding returned item charges. This article, however, may be subject to handling as an account with extenuating circumstances, which is determined on a case by case basis.

- 6.6.10 If any UB account experiences three or more such returned items in any six month period, checks will no longer be accepted from the customer and only cash, money order, or cashiers checks will be accepted as payment on account.
- 6.6.11 In any UB account that experiences a returned item, the account must be brought current to ensure the account holder does not receive a final notice of impending shut-off.
- 6.6.12 If the charges are not paid prior to the shutoff date, it will result in water service for the account being shut off for nonpayment.
- 6.6.13 If the returned check was issued to the city after the customer received a shutoff notice and the payment prevented the water service from being shut off, the service becomes subject to immediate shutoff without further notice. It is recommended that this situation be communicated with the account holder but in no way should the ability to not make contact with the account holder be reason to prolong the shutoff order.
- 6.6.14 Returned checks that were issued as deposits or payment for events or activities that have not taken place may result in the cancellation of the reservation or enrollment if the item is not redeemed with the 5 day grace period.
- 6.6.15 Returned items issued for events that are scheduled to occur before the grace period expires are subject to immediate cancellation at the discretion of the Utility Billing Supervisor and/or CFO.
- 6.6.16 Returned checks that were issued for payment of any type of permit within the City may result in revocation of said permit (s). This determination is pursuant to the issuing Department in collaboration with the CFO and/or City Administrator.
- 6.6.17 The finance department will return the dishonored check back to the maker once the debt owing is paid in full.
- 6.6.18 If the debt has been referred to the City's Collection Agency, the customer in question needs to deal directly with the collection agency to settle their account. The Collection Agency will in turn remit amounts to the City on a predetermined payment arrangement.
- 6.6.19 If a debt has been referred to a collection agency and City staff still receives a check in the mail to settle the account; City staff should in turn mail the check directly to the collection agency for the appropriate handling. The collection agency will contact the customer in question of the appropriate handling to settle the account.

**6.7 Accounts Receivable – Referral to a Collection Agency.** This policy section is intended to establish consistent methods for referring accounts to an outside collection agency.

- 6.7.1 All monies due the City are considered a fair and owing debt to the City of Bonney Lake.
- 6.7.2 All customers owing the City money, which has not been received within thirty (30) days of the original due date, will be sent a notice of the past due amount.

- 6.7.3 All customers that have not paid within sixty (60) days of the original due date will be sent a notice of the past due amount.
- 6.7.4 All customers who have not paid within ninety (90) days of the original due date will be sent a final notice in the form of a letter. The letter will specify that if they do not pay their account in full within thirty (30) days from the date of the letter their account will be referred to a Collection Agency that the City contracts with. All collection agency fees, etc are prescribed by RCW 19.16.500 and borne by the AR customer.
- 6.7.5 At the discretion of the CFO in collaboration with the City Administrator, accounts that are referred to a collection agency may also be eligible for placement of a lien through Pierce County. This additional measure is to ensure the City's financial interest in the customer owing the City money.
- 6.7.6 Upon referral to a collection agency, detailed information of the assigned accounts should be provided to the Accounting Division.
- 6.7.7 Accounting is to segregate assigned accounts receivable within the General Ledger for future reference and disposition.
- 6.7.8 If at the conclusion of a two year period from date of referral, the Collection Agency is not successful in collecting any debt, the City will proceed with provisions to write-off the debt pursuant to section 6.8.

**6.8 Write-Off of Uncollectible Debt.** It is the policy of the City to write-off uncollectible debt. Accounts Receivable is a material, liquid Asset reported on an entity's Balance Sheet. When uncollectible debt is carried on the balance sheet it gives an incomplete picture of the financial condition of the City. This policy section is intended to enable the City to reflect the value of its receivables and ensure that resources are used efficiently and not devoted to the recovery of uncollectible receivables. The timely identification of losses is an essential element in appropriately measuring the value of the City's assets. Carrying and reporting uncollectible debt as a viable Accounts Receivable on the City's Balance Sheet overstates assets and may be considered misleading to potential investors.

- 6.8.1 Write-Off is Not Forgiveness. A write off of uncollectible accounts receivable from the City's accounting system does not constitute forgiveness of the debt and it is still payable by the debtor.
- 6.8.2 The City shall maintain records of accounts written-off in accordance with Federal and/or State records retention rules.
- 6.8.3 The City shall reinstate and collect written-off debts from customers seeking permits, services, or licenses from the City, including but not limited to development permits, utility services, and business licenses.
- 6.8.4 Methods to Write-Off Uncollectible Debt. Pursuant to Generally Accepted Accounting Principles (GAAP), uncollectible accounts may be written off in one of two ways: (1) establishing a Reserve for Uncollectible Debt Account; and/or (2) a Direct Write Off method.
- 6.8.5 Pursuant to IRS regulations, it shall be the City's Policy to use the Direct Write-Off method.
- 6.8.6 If after a period of two years, the City's designated Collection Agency

determines that an account should be considered as uncollectible, the collection agency will return the uncollectible debt account to the City.

- 6.8.7 Assessment of uncollectible accounts. In order to determine if an uncollectible account should be recommended for write-off, certain business practices and processes should be confirmed to determine if any risk may exist and how internal controls have been established to mitigate risk. Internal controls should be established to ensure the following Financial Control Objectives: (1) Recorded transactions are valid (existence); (2) All valid transactions are recorded; none are omitted (completeness); (3) Transactions are recorded in the proper fiscal period (cut-off); (4) Transactions are in compliance with applicable laws and policies (obligations); (5) Transaction amounts are accurately valued or calculated (valuation); and, (6) Transactions are properly classified to the correct fund and account (classification).
- 6.8.8 Internal Controls Established. Internal controls are hereby established to control risk and adhere, as closely as possible, to the financial control objectives outlined in 6.8.7. These internal controls include, but are not necessarily limited to, the following: (1) Responsibilities for billing are segregated from those for collection and accounting; (2) Responsibilities for maintaining detailed accounts receivable records are segregated from those for collection and general ledger posting; (3) Responsibilities for collection, control, credit issuance and deposit of funds are segregated from those for maintaining accounting records; (4) Responsibilities for entries in the cash receipts records are segregated from those for general ledger entries; (5) Mail is opened and distributed by an individual other than accounting personnel; (6) Computer software that is being used for receipt, revenue recognition and tracking receivables has access limited to programs and functions for those who have a legitimate need; (7) All copies of voided receipts and cash register voids are retained and accounted for and/or approved and documented by someone other than the individual who made the void.
- 6.8.9 Write-Off Limits – Levels of Authority. After satisfactory assessment, as outlined in 6.8.7 and 6.8.8, has been accomplished and recommendation for write-off of an uncollectible account remains; there are two (2) levels of write-off of uncollectible accounts receivable to consider: (1) Administrative for small balances of uncollectible accounts, and (2) Legislative for medium and large balances of uncollectible accounts:
- A. Small Balances.** The Chief Financial Officer, after due diligence, and in consultation with the City Administrator and City Attorney as needed, may process for write-off any delinquent AR account with a balance of up to the amount of one thousand dollars (\$1,000).
- B. Medium-Large Balances.** For AR accounts in excess of one thousand dollars (\$1,000), the CFO shall investigate the collectability of the AR and consult with the Mayor's Office and City Attorney as needed. A list of account balances recommended to be written-off shall be prepared and transmitted to the City Council for consideration. The decision to approve the list of uncollectible accounts and authorize the write-off of said delinquent accounts shall be made by motion of the full City Council. The Agenda Bill proposing the write-off shall include, at a minimum, the account name; including any project name; location of the account and/or project; dollar amount of the delinquent account; aging of the account; reason(s) why the account is considered uncollectible, and any other information that may be pertinent for consideration..
- 6.8.10 Accounting Entries Following Write-Off. Upon obtaining concurrence outlined in

section 6.8.6; 6.8.7; 6.8.8; and 6.8.9; the Chief Financial Officer shall prepare a journal entry to accomplish any Direct Write Off of Bad Debt.

- 6.8.11 Reports to Council. The CFO shall prepare a follow-up report on uncollectible debts. The City Council shall be provided a copy of said reports for either information or further action, as the case may be.

**7.0 Attachments**  
None

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

<b>Department/Staff Contact:</b> Public Works / Marlyn Campbell	<b>Meeting/Workshop Date:</b> 23 July 2013	<b>Agenda Bill Number:</b> AB13-89
<b>Agenda Item Type:</b> Motion	<b>Ordinance/Resolution Number:</b>	<b>Councilmember Sponsor:</b>

**Agenda Subject:** Accept Allan Yorke & West Tapps Hwy Improvements project with Hoffman Construction Inc as Complete

**Full Title/Motion:** A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Accept As Complete The Allan Yorke & West Tapps Hwy Improvements Project With Hoffman Construction, Inc.

**Administrative Recommendation:**

**Background Summary:** Resolution 2274 dated February 12, 2013 awarded the construction contract to Hoffman Construction, Inc. for the Allan Yorke & West Tapps Hwy Improvements project. This project included 341 linear feet of sidewalk, curb, gutter, 32 linear feet of concrete pedestrian ramp, irrigation system, landscaping, wall and 30 linear feet of storm drainage system.  
 See attached Project Completion Report for detail information on this project. As a matter of housekeeping, this project has been reconciled, accepted by the City Engineer and project close out documents are complete. DOR, Employment Security and L & I have been notified and we are awaiting confirmation from these three organizations that there are no unpaid taxes and wages.

**Attachments:** Project Completion Report, Bill of Sale, Notice of Completion of Public Works Contract and 7 photos of project, before (2), during (2) and after (3).

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
N/A			
<b>Budget Explanation:</b> Release of Retainage in the amount of \$12,125.70			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Finance Committee Date: 9 July 2013	<i>Approvals:</i> Chair/Councilmember Dan Swatman Councilmember Mark Hamilton Councilmember Randy McKibbin	<table style="width: 100%; border: none;"> <tr> <td style="text-align: right;"><b>Yes</b></td> <td style="text-align: left;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Yes</b>	<b>No</b>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
	Forward to:	<b>Consent Agenda:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

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

<b>APPROVALS</b>		
<b>Director:</b>	<b>Mayor:</b>	<b>Date Reviewed</b>

*Dan Grigsby*

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



**Planning**

**Actual Costs**

Comprehensive Facilities Plan Approved by City Council:

Study Required:	N/A
FY Funding in Budget:	N/A
Study Contract NTP Date:	N/A
Study Contract Completion Date:	N/A

Planning  
Actual Total  
= \$0

**Design**

Date RFP Issued	N/A
Design Contract Award Date:	6/12/2012
Design Contract Completion Date:	12/31/2012
Design Consultant(s):	KPG

\$47,989

Scope of Work Changes: Date  
1

Change Order Summary:  
1

Design  
Actual Total  
= \$47,990

**Construction**

Date of Advertisement:	1/16/2013
Bid Opening Date:	1/30/2013
Engineer's Estimate:	\$250,000 - \$310,000
Low Responsive/Responsible Bid:	\$269,565
Contract Award Date:	2/12/2013
Contract Completion Date:	5/5/2013
Closeout Date:	

\$246,266

Scope of Work Changes: Date  
1

Change Order Summary:

1	Project Information sign	\$1,089
2	Increase fence height from 300 linear feet to 6/10 linear feet	\$16,500

Other Construction

Soil Testing	\$1,230
Kelly Blocks	\$3,101
Volleyball net/supplies	\$114
COBL- permit	\$200
Advertising	\$327
Field Engineering Services	10,512

Constructio  
n Actual  
Total = \$279,339

Total  
Project  
Cost= \$327,328

**PW Infrastructure Addition(s):**

See attached Bill of Sale form

**CITY OF BONNEY LAKE, PIERCE COUNTY**  
***BILL OF SALE***  
**ALLAN YORKE & WEST TAPPS HIGHWAY IMPROVEMENTS**

KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the sum of One Dollar (\$1.00) and other good and sufficient consideration, receipt whereof is hereby acknowledged, the undersigned grantor(s) **City of Bonney Lake** do(es) by these presents hereby convey, set over, assign, transfer and sell to the City of Bonney Lake, Pierce County, Washington, a municipal corporation, the following described Corridor & Park Improvements and all appurtenances thereto, situated in Pierce County, Washington:

**CORRIDOR IMPROVEMENTS**

<u>Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Cost</u>
Commercial HMA	10.53	TN	\$3,159.00
Retaining Wall	1,839	SF	\$40,458.00
Cement Conc. Curb & gutter	433.00	LF	\$8,660.00
Cement Conc. Driveway Entrance	29.42	SY	\$1,250.35
Cement Conc. Sidewalk	198.64	SY	\$7,349.68
Cement Conc. Curb Ramp	32.00	SY	\$1,760.00
Permanent Signing	1.00	LS	\$1,250.00
Chain Link Fence (6' Type 1)	329.00	LF	\$8,498.08
Chain Link Fence (10' Type 1)	100.00	LF	\$4,894.00
Plastic Crosswalk Line	72.00	SF	\$2,016.00
Solid Wall PVC Storm Sewer Pipe 12 in Dia	30.00	LF	\$1,650.00
Crushed Surfacing Top Course	331.87	TN	\$7,467.08
Catch Basin Type 1	2.00	EA	\$2,000.00
Lean Concrete	6.00	CY	\$960.00

**PARK IMPROVEMENTS**

Seattle Type 17 Structural Fill	3,152.85	TN	\$50,445.60
Construction Geotextile for Separation	390.00	SY	\$858.00
Sod Installation	1,875.00	SY	\$12,750.00
Topsoil Type A	596.00	CY	\$14,900.00
Bark / Wood Chip Mulch	22.00	CY	\$682.00
Trees & Vegetated Landscaping	1.00	LS	\$7,838.00
Irrigation System	1.00	LS	\$9,550.00
Removable Bollard	2.00	EA	\$1,850.00
Porous Paver Driveway	101.02	SY	\$6,061.20
Cement Concr. Stairway	1.00	LS	\$4,840.00
Volleyball Court Sand	89.71	CY	\$3,319.27
Volleyball Court System	1.00	LS	\$1,600.00
Edge Guard	194.00	LF	\$1,629.60

**CITY OF BONNEY LAKE, PIERCE COUNTY**  
***BILL OF SALE (page 2)***  
**ALLAN YORKE & WEST TAPPS HIGHWAY IMPROVEMENTS**

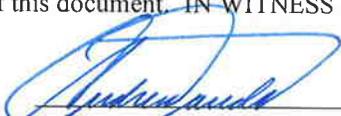
Cost Analysis

Provision of detailed costs (including labor and materials) are broken down into the facilities that were installed in each category of work listed below:

Corridor Improvements:	<u>\$91,372.19</u>
Park Improvements:	<u>\$116,323.67</u>
<b>Total Improvements</b>	<b><u>\$207,695.86</u></b>

The said grantor(s) hereby warrants that he, they, it, is/are the sole owner(s) of all the property above described; that they have full power to convey all rights herein conveyed and agree to hold the City of Bonney Lake harmless from any and all claims which might result from execution of this document. IN WITNESS WHEREOF the grantor(s) has/have executed these present this

3rd day of July, 2013.

  
\_\_\_\_\_  
Andrew Fonda, P.E.  
Project Manager



## NOTICE OF COMPLETION OF PUBLIC WORKS CONTRACT

Contractor's UBI Number: 600247364

Date: 6/27/2013

Name & Address of Public Agency
City of Bonney Lake 19306 Bonney Lake Blvd. Bonney Lake, WA 98391 <b>UBI Number: 277000893</b>

Department Use Only
Assigned to:
Date Assigned:

*Notice is hereby given relative to the completion of contract or project described below*

<b>Project Name</b> Allan Yorke & West Tapps Hwy Improvements	<b>Contract Number</b>	<b>Job Order Contracting</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--	------------------------	---

**Description of Work Done/Include Jobsite Address(es)**  
Project included 341 linear feet of sidewalk, curb, gutter, 32 linear feet of concrete pedestrian ramp, irrigation system, landscaping, wall and 30 linear feet of storm drainage system.

**Federally funded road transportation project?**     Yes     No

<b>Contractor's Name</b> Hoffman Construction, Inc	<b>Telephone Number</b> 360-825-9797	<b>Affidavit ID*</b> 454914
---	---	--------------------------------

**Contractor Address**  
PO Box 845    Enmclaw, WA 98022

**If Retainage is Bonded, List Surety's Name (or attach a copy)**  
N/A

**Surety Agent's Address**

<b>Date Contract Awarded</b> 2/12/13	<b>Date Work Commenced</b> 2/25/13	<b>Date Work Completed</b> 5/8/13	<b>Date Work Accepted</b> council action scheduled-7/23/13
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Contract Amount	\$	247,762.00			
Additions (+)	\$	16,166.25		Liquidated Damages \$	
Reductions (-)	\$	21,414.23		Amount Disbursed \$	251,729.55
<b>Sub-Total</b>	\$	<b>242,514.02</b>		Amount Retained \$	12,125.70

Amount of Sales Tax Paid at <u>8.800%</u>	\$	21,341.23			
(If various rates apply, please send a breakdown)	\$	<u>21,341.23</u>			
<b>TOTAL</b>	\$	<b>263,855.25</b>		<b>TOTAL \$</b>	<b>263,855.25</b>

*NOTE: These two totals must be equal*

**Please List all Subcontractors and Sub-tiers Below:**

Subcontractor's Name:	UBI Number: (Required)	Affidavit ID*
Corliss Resources Inc	602237779	453759
Highmark Concrete Construction LLC	603004408	453518
Stripe Rite Inc	601048084	453174
C & P Fencing	603210811	452969











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

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

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

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

**Administrative Recommendation:**

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

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

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Community Development Date: 18 June 2013	Approvals: Chair/Councilmember Randy McKibben Councilmember James Rackley Councilmember Katrina Minton-Davis	<table style="width: 100%; border: none;"> <tr> <td style="text-align: right;">Yes</td> <td style="text-align: left;">No</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Yes	No	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	Forward to:	<b>Consent Agenda:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No								
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

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

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

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**RESOLUTION NO. 2311**

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

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

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

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

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

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

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Neil Johnson Jr., Mayor

ATTEST:

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Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

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Kathleen Haggard, City Attorney

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# CITY OF BONNEY LAKE

Public Works Department

## **Six Year Transportation Improvement Program (2014-2019)**

List project categories

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

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

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

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

The project phases are as follows:

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

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

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

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

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

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

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

## Six Year Transportation Improvement Program

### Category "A" – Intersection Improvements

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

## Six Year Transportation Improvement Program

### Category "B" Roadway Major Improvements

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

## Six Year Transportation Improvement Program

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

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

**Category "C" Total**

**\$ 3,821,000**

## Six Year Transportation Improvement Program

### Category "D" Transportation Studies

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

### Category "E" Multimodal Projects

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

**TOTAL PROGRAM COST** **\$32,807,300**

# Six Year Transportation Improvement Program

## SR410 E at Veterans Memorial Dr E (Ph 2)



City of Bonney Lake

### Map 1

- SR410 E at Veterans Memorial Dr E (Phase 2)  
Dev/TIF \$ 750,000  
(signal upgrade and additional turn lanes with project B-1)
- SR410 E and Veterans Memorial Dr E  
Dev/TIF/Grant \$4,150,000  
(Phase 2 - additional turn lanes on SR 410 and widen to 5 lanes on VMD with project A-1)



100

Feet



June 19, 2012

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



City of Bonney Lake

**Map 2**

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

--- Bonney Lake City Limits



300 Feet



June 19, 2012

# Six Year Transportation Improvement Program

199th Ave E at 109th St E



City of Bonney Lake

## Map 3

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

--- Bonney Lake City Limits



Bonney Lake High School

A-3

Mountain View Middle School

500 Feet



June 19, 2012

# Six Year Transportation Improvement Program

## Veterans Memorial Dr E at Angeline Rd E

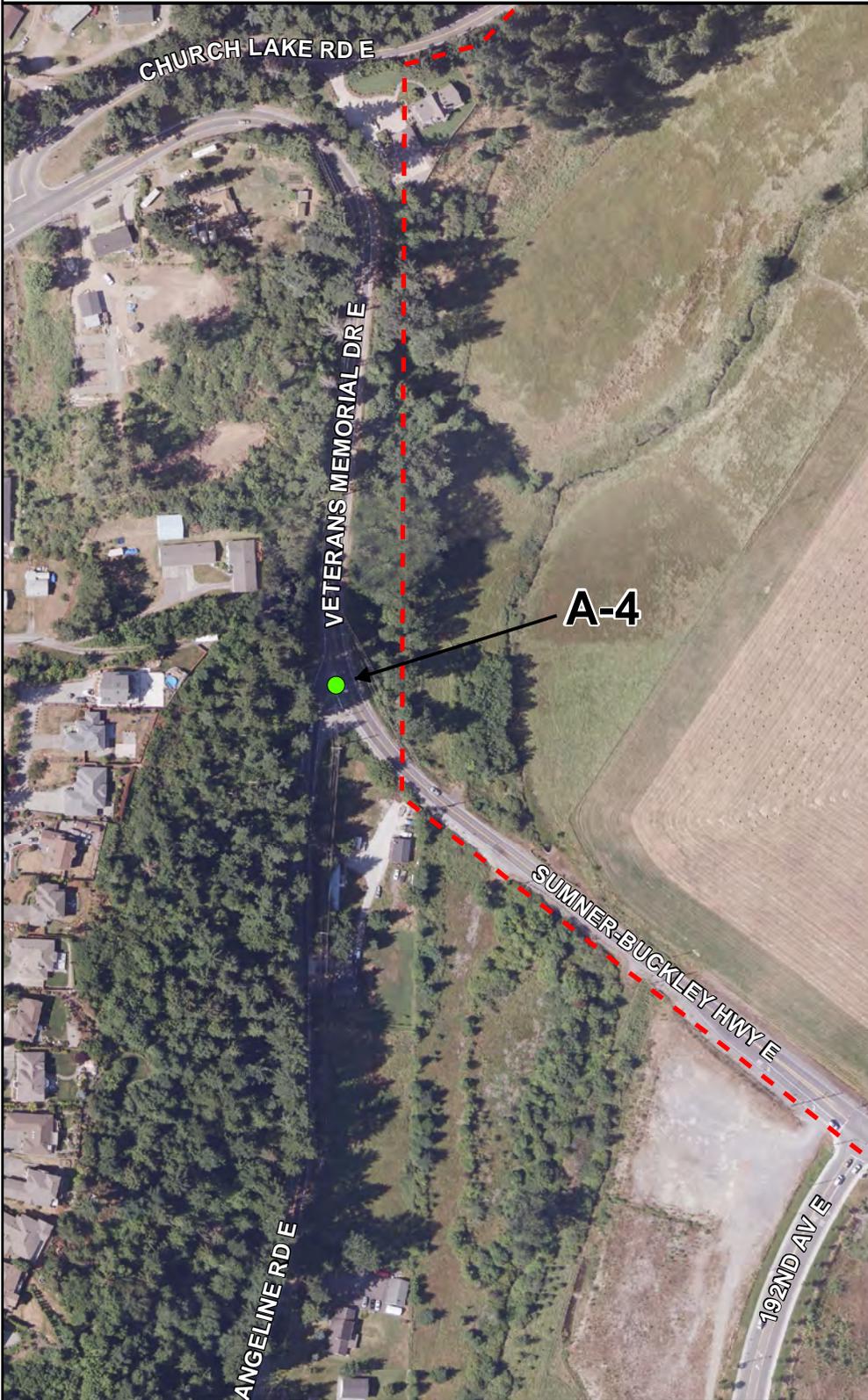


City of Bonney Lake

### Map 4

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

--- Bonney Lake City Limits



300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

## SR410 E at 214th Ave E

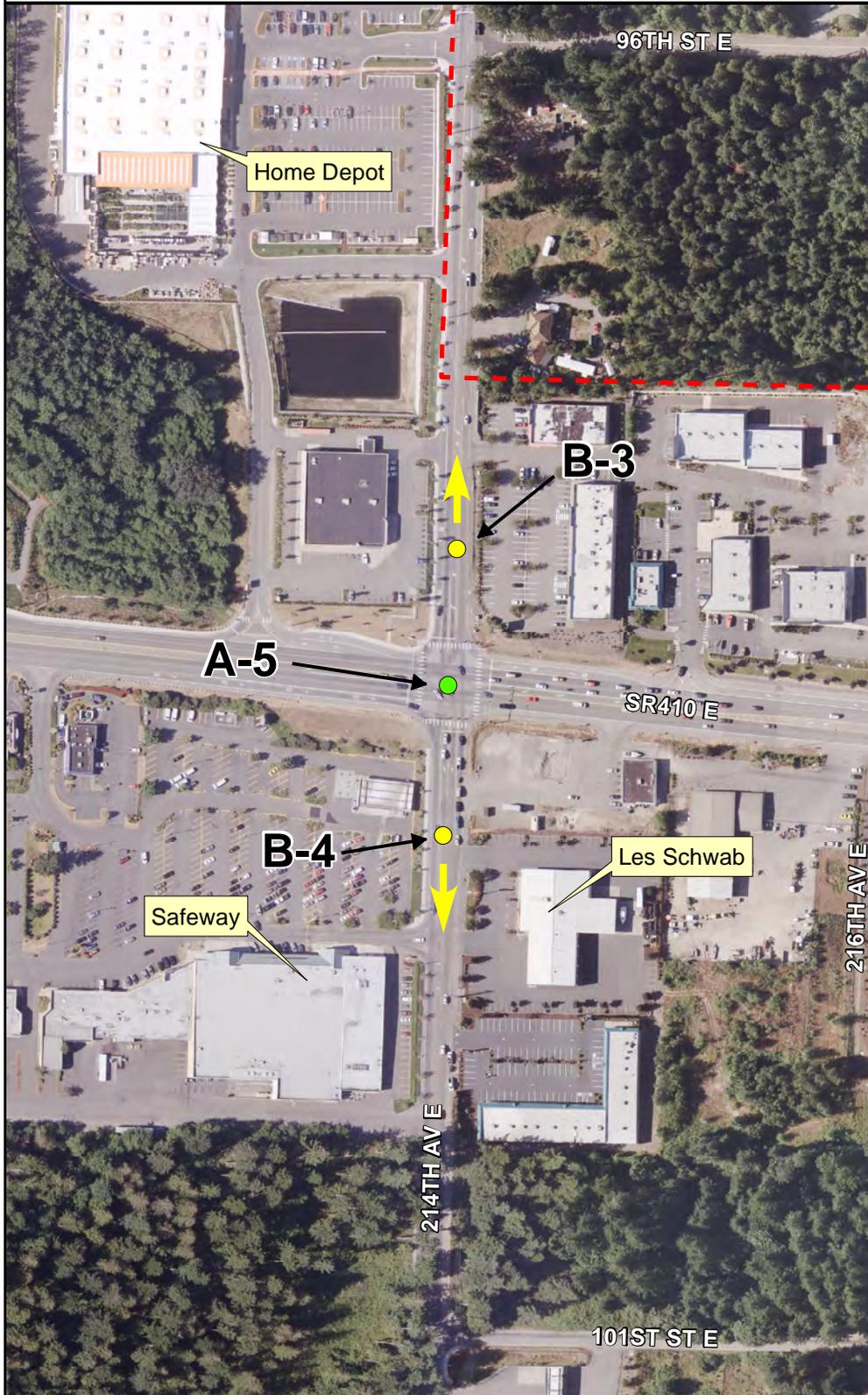


City of Bonney Lake

### Map 5

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

Bonney Lake City Limits



300 Feet



June 19, 2012

# Six Year Transportation Improvement Program

Church Lake Rd E at West Tapps HWY E



City of Bonney Lake

## Map 6

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



300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

## SR410 E at 192nd Ave E Phase 1-A



City of Bonney Lake

### Map 7

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



300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

## Myers Rd E from SR410 E to 81st St E



City of Bonney Lake

### Map 8

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



1,000 ft  
Soldier Pile  
Retainign Wall

B-2

Stor-N-Lok

Hillcrest Estates

Text

Lakes Place  
Office Building

300

Feet



June 19, 2012

# Six Year Transportation Improvement Program

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



## Map 9



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

300 Feet



June 5, 2013

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

<b>Department/Staff Contact:</b> PW / Doug Budzynski, P.E.	<b>Meeting/Workshop Date:</b> July 23, 2013	<b>Agenda Bill Number:</b> AB13-87									
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2313	<b>Councilmember Sponsor:</b> Dan Swatman									
<b>Agenda Subject:</b> Award the Eastown Sanitary Sewer Main (Phase 1 – Downstream) to Pape and Sons Construction, Incorporated.											
<b>Full Title/Motion:</b> A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Award the Eastown Sanitary Sewer Main (Phase 1 – Downstream) Project to Pape and Sons Construction, Incorporated.											
<b>Administrative Recommendation:</b> Approve											
<b>Background Summary:</b> The City Council approved the designs of the Eastown projects on September 14, 2010 and passed a Utility Latecomer Agreement (ULA) on February 12, 2013. The City opened bids for the project on June 30, 2013. Seven bids were received. Johansen Excavating was the apparent low bidder at \$692,889.30; however their bid included irregular bid items and therefore was rejected after consultation with the City Attorney. Pape & Sons Construction submitted the next lowest bid of \$723,022.99. The Engineer’s Estimate was \$942,923.48. Staff has determined that the Pape & Sons Construction, Inc submittal is consistent with the requirements of the contract provisions.											
<b>Attachments:</b> Resolution #2313, Bid Tabulation, Contract, Map											
<b>BUDGET INFORMATION</b>											
<b>Budget Amount</b>	<b>Current Balance</b>	<b>Required Expenditure</b>	<b>Budget Balance</b>								
\$1,230,000.00	\$1,131,175.00	\$361,475.99	\$769,699.01								
\$250,000.00	\$250,000.00	\$250,000.00	\$0.00								
\$400,000.00	\$400,000.00	\$230,000.00	\$170,000								
<b>Budget Explanation:</b> Revenue: Sewer SDC; 402.031.035.594.35.63.05 - Eastown ULA: LS, Force Main 402.029.035.594.35.63.05 - Eastown ULA: North Gravity Extension-214 <sup>th</sup> to 216 <sup>th</sup> . 402.030.035.594.35.63.05 - Eastown ULA: SR410 Crossing Construction contract amount: \$723,022.99 + 10% Contingency \$72,302.00 + 5% Project Mgt. \$36,151.00 = Total \$831,475.99											
<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Finance Committee Date: July 9, 2013	<b>Approvals:</b> Chair/Councilmember Dan Swatman Councilmember Mark Hamilton Councilmember Randy McKibbin	<table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 0 10px;"><b>Yes</b></td> <td style="padding: 0 10px;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Yes</b>	<b>No</b>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input type="checkbox"/>	<input checked="" type="checkbox"/>										
	Forward to:	<b>Consent</b> <b>Agenda:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											
<b>COUNCIL ACTION</b>											
Workshop Date(s):		Public Hearing Date(s):									
Meeting Date(s):		Tabled to Date:									
<b>APPROVALS</b>											
<b>Director:</b> Dan Grigsby, P.E.	<b>Mayor:</b> Neil Johnson Jr.	<b>Date Reviewed</b> <b>by City Attorney:</b> (if applicable):									

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**RESOLUTION NO. 2313**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AWARDED THE EASTOWN SANITARY SEWER MAIN (PHASE 1 – CORE DOWNSTREAM SYSTEM) TO PAPE AND SONS CONSTRUCTION.**

**WHEREAS**, the City Council approved the design contract on September 14, 2010 by Resolution 2058 with RH2 Engineering to prepare the plans, specifications, and engineering package for advertisement; and

**WHEREAS**, the City Council on February 12, 2013 with Resolution 2265, agreed to enter into a Utility Latecomer Agreement with the residences of the Eastown area; and

**WHEREAS**, the City advertised the Eastown Sanitary Sewer Main (Phase 1 – Downstream) Project and opened bids on June 30, 2013; and

**WHEREAS**, the City determined the apparent lowest bidder for this contract, Johansen Excavating included irregular bids and was rejected; and

**WHEREAS**, the City has determined the lowest responsive bidder for this contract was received from Pape and Sons Construction, Inc.

**NOW, THEREFORE, BE IT RESOLVED** that the City of Bonney Lake Council does hereby authorize the Mayor to sign the attached contract with Pape and Sons Construction, Inc. in the amount of \$723,022.99 which includes tax; and

**BE IT FURTHER RESOLVED** that the City of Bonney Lake Council does hereby authorize a 10% Construction Contingency (\$72,302) amount based on the contract bid amount as well as a 5% Construction Engineering (\$36,151) amount based on the contract bid.

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

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Neil Johnson, Jr., Mayor

ATTEST:

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Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

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Kathleen Haggard, City Attorney

**CITY OF BONNEY LAKE CONTRACT**

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

WITNESSETH:

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

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

WHEREAS the Owner has heretofore caused to be prepared certain plans and specifications described as the \_\_\_\_\_ and the Contractor did on the \_\_\_\_ day of \_\_\_\_\_, 2013, file with the Owner a proposal to construct said work and agreed to accept as payment therefore the sum fully stated and set forth in the proposal; and

WHEREAS, the said Contract Documents fully and accurately described the terms and conditions upon which the Contractor proposes to furnish said equipment, labor, materials, and appurtenances and perform said work, together with the manner and time of furnishing same;

IT IS THEREFORE AGREED, first, the Contractor shall perform such work and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as Contractor responsibilities throughout this Agreement and as detailed in the plans and specifications described as \_\_\_\_\_. It is agreed that a copy of said General Conditions and other Contract Documents filed with the Owner, as aforesaid, do, in all particulars, become a part of this Agreement by and between the parties hereto in all matters and things therein set forth and described;

AND FURTHER, that the Owner and the Contractor hereby accept and agree to the terms and conditions of said Contract Documents as filed as completely as if said terms and conditions and plans were herein set out in full.

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

CITY OF BONNEY LAKE

CONTRACTOR: PAPE & SONS CONSTRUCTION, INC

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

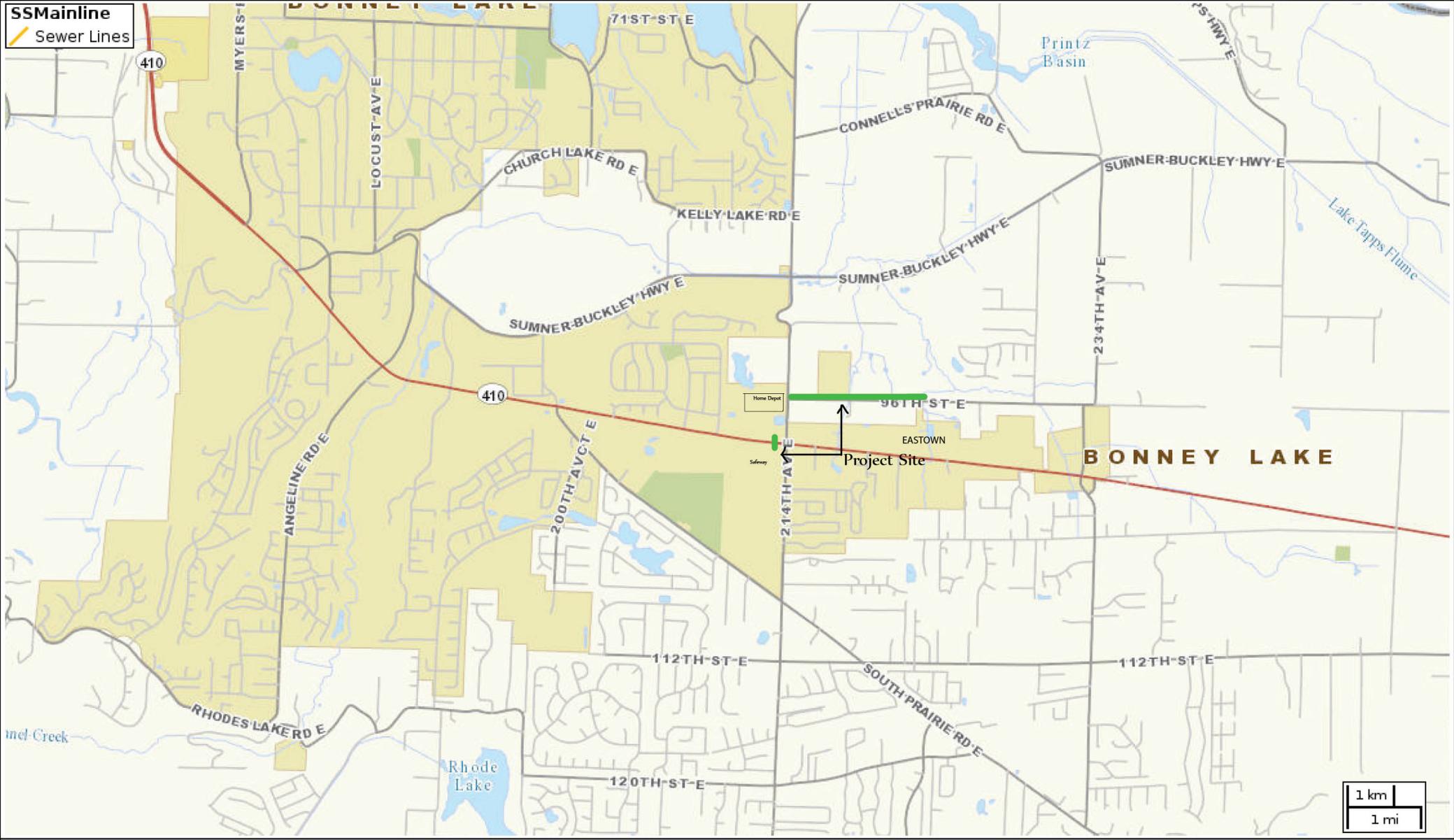
By   
Title PRESIDENT

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

Date: 7-9-13

EASTOWN SANITARY SEWER MAIN (PHASE 1 - DOWNSTREAM)

**SSMainline**  
 Sewer Lines



Disclaimer: The map features are approximate and are intended only to provide an indication of said feature. Additional areas that have not been mapped may be present. This is not a survey. The County assumes no liability for variations ascertained by actual survey. **ALL DATA IS EXPRESSLY PROVIDED 'AS IS' AND 'WITH ALL FAULTS'**. The County makes no warranty of fitness for a particular purpose. 2013/07/03

# EASTOWN SANITARY SEWER MAIN (PHASE 1 DOWNSTREAM)

Date: January 9, 2013

Bid No.	Units	Description	Qty	Engineers Estimate		Johannson Excavating		Pape & Sons		Reed Trucking & Excavating		Titan Earthworks		Hoffman Construction		Northwest Cascade		Nova Construction		Averages	
				Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
A1	LS	Mobilization (5% max of Schedule A)	1	\$ 24,208.39	\$ 24,208.39	\$24,950.00	\$ 24,950.00	\$15,000.00	\$ 15,000.00	\$17,000.00	\$ 17,000.00	\$12,000.00	\$ 12,000.00	\$17,200.00	\$ 17,200.00	\$6,500.00	\$ 6,500.00	\$20,000.00	\$ 20,000.00	\$16,078.57	\$ 16,078.57
A2	LS	Demobilization (2% max of Schedule A)	1	\$ 9,592.00	\$ 9,592.00	\$2,500.00	\$ 2,500.00	\$4,000.00	\$ 4,000.00	\$6,000.00	\$ 6,000.00	\$1,000.00	\$ 1,000.00	\$5,000.00	\$ 5,000.00	\$2,000.00	\$ 2,000.00	\$9,000.00	\$ 9,000.00	\$4,214.29	\$ 4,214.29
A3	LS	Construction Survey and As-builts	1	\$ 7,000.00	\$ 7,000.00	\$4,300.00	\$ 4,300.00	\$5,000.00	\$ 5,000.00	\$4,500.00	\$ 4,500.00	\$1,000.00	\$ 1,000.00	\$4,425.00	\$ 4,425.00	\$4,300.00	\$ 4,300.00	\$4,000.00	\$ 4,000.00	\$3,932.14	\$ 3,932.14
A4	LS	Traffic Control	1	\$ 4,000.00	\$ 4,000.00	\$38,900.00	\$ 38,900.00	\$18,000.00	\$ 18,000.00	\$47,000.00	\$ 47,000.00	\$20,000.00	\$ 20,000.00	\$14,570.00	\$ 14,570.00	\$20,500.00	\$ 20,500.00	\$15,000.00	\$ 15,000.00	\$24,724.29	\$ 24,724.29
A5	LS	Sedimentation and Erosion Control	1	\$ 4,500.00	\$ 4,500.00	\$8,425.00	\$ 8,425.00	\$1,500.00	\$ 1,500.00	\$9,000.00	\$ 9,000.00	\$1,500.00	\$ 1,500.00	\$6,165.00	\$ 6,165.00	\$2,500.00	\$ 2,500.00	\$2,000.00	\$ 2,000.00	\$4,441.43	\$ 4,441.43
A6	LS	Shoring and Trench Safety Systems	1	\$ 5,000.00	\$ 5,000.00	\$5,900.00	\$ 5,900.00	\$2,500.00	\$ 2,500.00	\$6,000.00	\$ 6,000.00	\$1,000.00	\$ 1,000.00	\$2,500.00	\$ 2,500.00	\$3,300.00	\$ 3,300.00	\$21,000.00	\$ 21,000.00	\$6,028.57	\$ 6,028.57
A7	TN	Selected Backfill for Sewer Main Trench	2,700	\$ 20.00	\$ 54,000.00	\$11.45	\$ 30,915.00	\$22.00	\$ 59,400.00	\$14.00	\$ 37,800.00	\$15.00	\$ 40,500.00	\$13.30	\$ 35,910.00	\$15.00	\$ 40,500.00	\$16.00	\$ 43,200.00	\$15.25	\$ 41,175.00
A8	TN	Backfill for Sewer Pipe Zone	1,070	\$ 25.00	\$ 26,750.00	\$14.00	\$ 14,980.00	\$23.00	\$ 24,610.00	\$15.00	\$ 16,050.00	\$12.00	\$ 12,840.00	\$16.60	\$ 17,762.00	\$19.00	\$ 20,330.00	\$16.00	\$ 17,120.00	\$16.51	\$ 17,665.70
A9	LF	12-inch Diameter PVC Gravity Sewer Main	903	\$ 104.00	\$ 93,912.00	\$32.00	\$ 28,896.00	\$43.00	\$ 38,829.00	\$75.00	\$ 67,725.00	\$45.00	\$ 40,635.00	\$81.00	\$ 73,143.00	\$34.00	\$ 30,702.00	\$91.00	\$ 82,173.00	\$57.29	\$ 51,732.87
A10	LF	10-inch Diameter HDPE Sewer Force Main	2,083	\$ 100.00	\$ 208,300.00	\$29.25	\$ 60,927.75	\$40.00	\$ 83,320.00	\$52.00	\$ 108,316.00	\$33.00	\$ 68,739.00	\$55.25	\$ 115,085.75	\$50.00	\$ 104,150.00	\$80.00	\$ 166,640.00	\$48.50	\$ 101,025.50
A11	EA	Pipe Pigging Assembly	1	\$ 6,000.00	\$ 6,000.00	\$10,400.00	\$ 10,400.00	\$12,000.00	\$ 12,000.00	\$18,000.00	\$ 18,000.00	\$10,000.00	\$ 10,000.00	\$13,565.00	\$ 13,565.00	\$14,700.00	\$ 14,700.00	\$6,000.00	\$ 6,000.00	\$12,095.00	\$ 12,095.00
A12	EA	48-inch Manhole - Lined	2	\$ 6,000.00	\$ 12,000.00	\$5,725.00	\$ 11,450.00	\$7,000.00	\$ 14,000.00	\$6,000.00	\$ 12,000.00	\$7,500.00	\$ 15,000.00	\$8,250.00	\$ 16,500.00	\$6,600.00	\$ 13,200.00	\$9,000.00	\$ 18,000.00	\$7,153.57	\$ 14,307.14
A13	EA	Connection to Existing System	1	\$ 5,000.00	\$ 5,000.00	\$5,800.00	\$ 5,800.00	\$4,250.00	\$ 4,250.00	\$2,500.00	\$ 2,500.00	\$6,500.00	\$ 6,500.00	\$1,750.00	\$ 1,750.00	\$3,900.00	\$ 3,900.00	\$3,000.00	\$ 3,000.00	\$3,957.14	\$ 3,957.14
A14	LS	Dewatering	1	\$ 2,000.00	\$ 2,000.00	\$1.00	\$ 1.00	\$5,000.00	\$ 5,000.00	\$1,500.00	\$ 1,500.00	\$2,500.00	\$ 2,500.00	\$500.00	\$ 500.00	\$9,100.00	\$ 9,100.00	\$2,000.00	\$ 2,000.00	\$2,943.00	\$ 2,943.00
A15	EA	Air Release Valve Assembly	2	\$ 7,500.00	\$ 15,000.00	\$7,400.00	\$ 14,800.00	\$12,000.00	\$ 24,000.00	\$7,500.00	\$ 15,000.00	\$6,500.00	\$ 13,000.00	\$9,750.00	\$ 19,500.00	\$12,000.00	\$ 24,000.00	\$5,000.00	\$ 10,000.00	\$8,592.86	\$ 17,185.72
A16	LS	Minor Change	1	\$ 5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00
A17	EA	48-inch Manhole - Not Lined	1	\$ 5,000.00	\$ 5,000.00	\$3,130.00	\$ 3,130.00	\$3,500.00	\$ 3,500.00	\$3,000.00	\$ 3,000.00	\$4,700.00	\$ 4,700.00	\$5,500.00	\$ 5,500.00	\$3,500.00	\$ 3,500.00	\$8,000.00	\$ 8,000.00	\$4,475.71	\$ 4,475.71
Construction Cost: Schedule A				\$ 487,262.39		\$ 270,274.75		\$ 319,909.00		\$ 376,391.00		\$ 255,914.00		\$ 354,075.75		\$ 308,182.00		\$ 432,133.00		330,982.07	
WSST @ 8.8%				\$42,879.09		\$23,784.18		\$28,151.99		\$33,122.41		\$22,520.43		\$31,158.67		\$27,120.02		\$38,027.70		\$29,126.42	
Total Cost - Including WSST				\$ 530,141.48		\$ 294,058.93		\$ 348,060.99		\$ 409,513.41		\$ 278,434.43		\$ 385,234.42		\$ 335,302.02		\$ 470,160.70		\$ 360,108.49	

Bid No.	Units	Description	Qty	Engineers Estimate		Johannson Excavating		Pape & Sons		Reed Trucking & Excavating		Titan Earthworks		Hoffman Construction		Northwest Cascade		Nova Construction		Averages	
				Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
B1	LS	Mobilization (5% max of Schedule B)	1	\$ 10,000.00	\$ 10,000.00	\$12,475.00	\$ 12,475.00	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$16,500.00	\$ 16,500.00	\$7,000.00	\$ 7,000.00	\$15,000.00	\$ 15,000.00	\$9,000.00	\$ 9,000.00	\$9,996.43	\$ 9,996.43
B2	LS	Demobilization (2% max of Schedule B)	1	\$ 3,900.00	\$ 3,900.00	\$1,255.00	\$ 1,255.00	\$1,000.00	\$ 1,000.00	\$2,000.00	\$ 2,000.00	\$3,400.00	\$ 3,400.00	\$2,500.00	\$ 2,500.00	\$4,000.00	\$ 4,000.00	\$3,000.00	\$ 3,000.00	\$2,450.71	\$ 2,450.71
B3	LS	Traffic Control	1	\$ 15,000.00	\$ 15,000.00	\$21,850.00	\$ 21,850.00	\$5,200.00	\$ 5,200.00	\$5,000.00	\$ 5,000.00	\$13,544.00	\$ 13,544.00	\$8,300.00	\$ 8,300.00	\$62,000.00	\$ 62,000.00	\$12,800.00	\$ 12,800.00	\$18,384.86	\$ 18,384.86
B4	TN	Crushed Rock for Trench Restoration	220	\$ 20.00	\$ 4,400.00	\$69.00	\$ 15,180.00	\$25.00	\$ 5,500.00	\$20.00	\$ 4,400.00	\$38.00	\$ 8,360.00	\$24.00	\$ 5,280.00	\$54.00	\$ 11,880.00	\$60.00	\$ 13,200.00	\$41.43	\$ 9,114.60
B5	TN	Hot Mix Asphalt (HMA) Class 1/2-inch - Trench	330	\$ 120.00	\$ 39,600.00	\$144.60	\$ 47,718.00	\$135.00	\$ 44,550.00	\$135.00	\$ 44,550.00	\$250.00	\$ 82,500.00	\$136.00	\$ 44,880.00	\$137.00	\$ 45,210.00	\$160.00	\$ 52,800.00	\$156.80	\$ 51,744.00
B6	TN	Hot Mix Asphalt (HMA) Class 1/2-inch - Overlay	790	\$ 110.00	\$ 86,900.00	\$77.35	\$ 61,106.50	\$98.00	\$ 77,420.00	\$90.00	\$ 71,100.00	\$215.00	\$ 169,850.00	\$88.40	\$ 69,836.00	\$90.00	\$ 71,100.00	\$90.00	\$ 71,100.00	\$106.96	\$ 84,498.40
B7	TN	Shoulder Ballast	74	\$ 20.00	\$ 1,480.00	\$72.00	\$ 5,328.00	\$31.00	\$ 2,294.00	\$39.00	\$ 2,886.00	\$42.00	\$ 3,108.00	\$38.50	\$ 2,849.00	\$55.00	\$ 4,070.00	\$90.00	\$ 6,660.00	\$52.50	\$ 3,885.00
B8	LS	Pavement Markings	1	\$ 5,000.00	\$ 5,000.00	\$4,150.00	\$ 4,150.00	\$5,000.00	\$ 5,000.00	\$4,600.00	\$ 4,600.00	\$6,950.00	\$ 6,950.00	\$4,400.00	\$ 4,400.00	\$56,000.00	\$ 56,000.00	\$4,000.00	\$ 4,000.00	\$12,157.14	\$ 12,157.14
B9	SY	Asphalt Grinding and Removal	450	\$ 5.00	\$ 2,250.00	\$8.80	\$ 3,960.00	\$10.00	\$ 4,500.00	\$15.00	\$ 6,750.00	\$7.00	\$ 3,150.00	\$11.00	\$ 4,950.00	\$14.00	\$ 6,300.00	\$20.00	\$ 9,000.00	\$12.26	\$ 5,517.00
B10	LS	Raise Surface Features to Grade	1	\$ 10,000.00	\$ 10,000.00	\$5,200.00	\$ 5,200.00	\$2,500.00	\$ 2,500.00	\$2,500.00	\$ 2,500.00	\$8,500.00	\$ 8,500.00	\$2,250.00	\$ 2,250.00	\$47,000.00	\$ 47,000.00	\$4,000.00	\$ 4,000.00	\$10,278.57	\$ 10,278.57
B11	EA	Monument Restoration	1	\$ 5,000.00	\$ 5,000.00	\$675.00	\$ 675.00	\$2,000.00	\$ 2,000.00	\$750.00	\$ 750.00	\$1,500.00	\$ 1,500.00	\$480.00	\$ 480.00	\$650.00	\$ 650.00	\$1,000.00	\$ 1,000.00	\$1,007.86	\$ 1,007.86
B12	TN	Driveway Aprons and Roadway Transitions	55	\$ 130.00	\$ 7,150.00	\$120.25	\$ 6,613.75	\$150.00	\$ 8,250.00	\$135.00	\$ 7,425.00	\$275.00	\$ 15,125.00	\$136.00	\$ 7,480.00	\$183.00	\$ 10,065.00	\$160.00	\$ 8,800.00	\$165.61	\$ 9,108.55
B13	TN	Cold Mix Temporary Trench Restoration	110	\$ 125.00	\$ 13,750.00	\$159.00	\$ 17,490.00	\$110.00	\$ 12,100.00	\$75.00	\$ 8,250.00	\$185.00	\$ 20,350.00	\$108.00	\$ 11,880.00	\$191.00	\$ 21,010.00	\$90.00	\$ 9,900.00	\$131.14	\$ 14,425.40
Construction Cost: Schedule B				\$ 204,430.00		\$ 293,001.25		\$ 175,314.00		\$ 165,211.00		\$ 352,837.00		\$ 172,085.00		\$ 303,885.00		\$ 205,260.00		232,568.52	

Bid No.	Units	Description	Qty	Engineers Estimate		Johannson Excavating		Pape & Sons		Reed Trucking & Excavating		Titan Earthworks		Hoffman Construction		Northwest Cascade		Nova Construction		Averages	
				Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
C1	LS	Mobilization (5% max of Schedule C)	1	\$ 8,700.00	\$ 8,700.00	\$9,900.00	\$ 9,900.00	\$5,500.00	\$ 5,500.00	\$7,000.00	\$ 7,000.00	\$1,800.00	\$ 1,800.00	\$10,700.00	\$ 10,700.00	\$9,500.00	\$ 9,500.00	\$10,000.00	\$ 10,000.00	\$7,642.86	\$ 7,642.86
C2	LS	Demobilization (2% max of Schedule C)	1	\$ 3,500.00	\$ 3,500.00	\$1,255.00	\$ 1,255.00	\$1,250.00	\$ 1,250.00	\$2,500.00	\$ 2,500.00	\$1,500.00	\$ 1,500.00	\$4,200.00	\$ 4,200.00	\$2,000.00	\$ 2,000.00	\$4,000.00	\$ 4,000.00	\$2,386.43	\$ 2,386.43
C3	LS	Construction Survey and As-builts	1	\$ 2,000.00	\$ 2,000.00	\$3,140.00	\$ 3,140.00	\$1,250.00	\$ 1,250.00	\$2,600.00	\$ 2,600.00	\$1,500.00	\$ 1,500.00	\$3,300.00	\$ 3,300.00	\$2,200.00	\$ 2,200.00	\$1,000.00	\$ 1,000.00	\$2,141.43	\$ 2,141.43
C4	LS	Traffic Control	1	\$ 1,800.00	\$ 1,800.00	\$6,155.00	\$ 6,155.00	\$4,000.00	\$ 4,000.00	\$6,850.00	\$ 6,850.00	\$2,000.00	\$ 2,000.00	\$8,600.00	\$ 8,600.00	\$500.00	\$ 500.00	\$2,000.00	\$ 2,000.00	\$4,300.71	\$ 4,300.71
C5	LS	Sedimentation and Erosion Control	1	\$ 5,000.00	\$ 5,000.00	\$1,670.00	\$ 1,670.00	\$1,500.00	\$ 1,500.00	\$3,											

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

<b>Department/Staff Contact:</b> Finance / Al Juarez	<b>Meeting/Workshop Date:</b> 23 July 2013	<b>Agenda Bill Number:</b> AB13-94
<b>Agenda Item Type:</b> Ordinance	<b>Ordinance/Resolution Number:</b> D13-94	<b>Councilmember Sponsor:</b> Deputy Mayor Swatman

**Agenda Subject:** Refunding of the 2008 LTGO Bonds for construction of the Justice & Municipal Center; and also, the conditional sales contract with Motorola, Inc.

**Full Title/Motion:** An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Issuance And Sale Of Limited Tax General Obligation And Refunding Bonds Of The City In The Aggregate Principal Amount Of Not To Exceed \$9,800,000 To Refund Certain Outstanding Obligations Of The City And To Pay Costs Of Further Development Of The City's Civic Campus.

**Administrative Recommendation:** Approve

**Background Summary:** As a result of changed market conditions, it appears to the City Council that debt service savings may be obtained by refunding all or a portion of the 2008 Bonds and prepaying the 2008 Motorola contract through the issuance of limited tax general obligation and refunding bonds of the City. This Ordinance delegates authority to the City Administrator and Chief Financial Officer to approve, subject to the terms and conditions contained in the ordinance, the sale of the Bonds to D.A. Davidson & Co. This delegation allows city administrators, in consultation with the City's financial advisor and bond underwriter, to monitor the bond market in order to optimally time and process the bond sale in order to take advantage of the lowest anticipated interest rate. The ordinance also prohibits city administrators from authorizing the transaction until certain savings targets can be met (minimum of 3.9%). If the bond sale never transpires prior to the end of the year, the bond ordinance and delegation of authority automatically expire.

**Attachments:** Yes

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
<b>Budget Explanation:</b> Aggregate principal amount of the refunding bonds is not to exceed \$9,800,000			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Finance Committee Date: 9 July 2013	<b>Approvals:</b> Chair/Councilmember Deputy Mayor Swatman Councilmember Randy McKibbin Councilmember Mark Hamilton	<table style="width: 100%; border: none;"> <tr> <td style="text-align: right;"><b>Yes</b></td> <td style="text-align: left;"><b>No</b></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	<b>Yes</b>	<b>No</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Yes</b>	<b>No</b>										
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<input checked="" type="checkbox"/>	<input type="checkbox"/>										
<input checked="" type="checkbox"/>	<input type="checkbox"/>										
	Forward to: F.C.= To 7/16/13 Workshop for review. Workshop = Forward to 7/23/13 Council Meeting for action.	<b>Consent Agenda:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

**COUNCIL ACTION**

Workshop Date(s):

Public Hearing Date(s):

Meeting Date(s):

Tabled to Date:

**APPROVALS**

**Director:**

*Al Juarez, MBA*

**Mayor:**

*Neil Johnson Jr.*

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

CITY OF BONNEY LAKE, WASHINGTON

LIMITED TAX GENERAL OBLIGATION AND REFUNDING BONDS, 2013

ORDINANCE NO. D13-94

AN ORDINANCE of the City of Bonney Lake, Washington, authorizing the issuance and sale of limited tax general obligation and refunding bonds of the City in the aggregate principal amount of not to exceed \$9,800,000 to refund certain outstanding obligations of the City and to pay costs of further development of the City's civic campus; delegating authority to the City Administrator and Chief Financial Officer to approve final terms of the bonds; providing for the disposition of the bond proceeds; appointing an escrow agent and execution of an escrow agreement to accomplish the refunding; and providing for the annual levy of taxes to pay the principal of and interest on the bonds.

PASSED: \_\_\_\_\_, 2013

Prepared by:

K&L GATES LLP  
Seattle, Washington

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\* This table of contents is not a part of this ordinance; it is included for convenience of the reader only.

ORDINANCE NO. D13-94

AN ORDINANCE of the City of Bonney Lake, Washington, authorizing the issuance and sale of limited tax general obligation and refunding bonds of the City in the aggregate principal amount of not to exceed \$9,800,000 to refund certain outstanding obligations of the City and to pay costs of further development of the City’s civic campus; delegating authority to the City Administrator and Chief Financial Officer to approve final terms of the bonds; providing for the disposition of the bond proceeds; appointing an escrow agent and execution of an escrow agreement to accomplish the refunding; and providing for the annual levy of taxes to pay the principal of and interest on the bonds.

WHEREAS, the City of Bonney Lake, Washington (the “City”), now has outstanding \$8,685,000 principal amount of its Limited Tax General Obligation Bonds, 2008 (the “2008 Bonds”), issued pursuant to Ordinance No. 1264 of the City, passed on December 1, 2007 (the “2008 Bond Ordinance”), as follows:

Maturities (December 1)	Principal Amounts	Interest Rates
2013	\$ 285,000	4.00%
2014	295,000	4.00
2015	305,000	4.00
2016	320,000	4.00
2017	330,000	4.00
2018	345,000	5.00
2019	365,000	4.50
2020	380,000	4.50
2021	395,000	4.50
2022	415,000	4.50
2027	2,350,000	4.25
2032	2,900,000	4.40

; and

WHEREAS, in accordance with the 2008 Bond Ordinance, the 2008 Bonds maturing on and after December 1, 2018, may be redeemed prior to their stated maturities, in whole or in part, on December 1, 2017, or any date thereafter, at a price of par plus accrued interest, if any, to the date of redemption; and

WHEREAS, the City now has outstanding a principal balance of \$1,021,646.75 on its Conditional Sales Contract with Motorola Inc. dated April 18, 2008 (the “2008 Contract”), which is payable in approximately equal semiannual installments of principal and interest (at an interest rate of 4.54%) on June 1 and December of each year with a final payment due on June 1, 2018;

WHEREAS, the 2008 Contract permits the City to prepay its obligation in full, without prepayment penalty, on any installment payment date; and

WHEREAS, as a result of changed market conditions, it appears to the City Council (the “Council”) that debt service savings may be obtained by refunding all or a portion of the 2008 Bonds and offering to prepay the 2008 Contract (the “Refunding Candidates”) through the issuance of limited tax general obligation and refunding bonds of the City in an aggregate principal amount not to exceed \$9,800,000 (the “Bonds”); and

WHEREAS, to effect the refunding of the Refunding Candidates most advantageously to the City and its taxpayers, it is hereby found necessary and advisable that an escrow agent be appointed and that certain Government Obligations be purchased from proceeds of sale of the Bonds and certain money of the City; and

WHEREAS, the Council further deems it advisable and in the best interest of the citizens of the City to include in this financing the cost of further development of the City’s civic campus, including additional improvements to the Justice & Municipal Center (the “Project”); and

WHEREAS, the Council wishes to delegate authority to the City Administrator and Chief Financial Officer to approve the sale of the Bonds to D.A. Davidson & Co. and to approve final terms of the Bonds under the terms and conditions set forth in this ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, DO ORDAIN, as follows:

Section 1.     Definitions.     The following words and terms as used in this ordinance shall have the following meanings for all purposes of this ordinance, unless some other meaning is plainly intended.

***Bond Fund*** means the Limited Tax General Obligation and Refunding Bond Redemption Fund, 2013, authorized to be established pursuant to Section 7 hereof.

***Bond Purchase Contract*** means the agreement between the City and the Underwriter with respect to the purchase of the Bonds.

***Bond Register*** means the registration records for the Bonds maintained by the Bond Registrar.

***Bond Registrar*** means the fiscal agency of the State of Washington in New York, New York, whose duties include registering and authenticating the Bonds, maintaining the Bond Register, transferring ownership of the Bonds, and paying the principal of and interest on the Bonds.

**Bonds** means the City of Bonney Lake, Washington, Limited Tax General Obligation and Refunding Bonds, 2013, authorized to be issued in a principal amount not to exceed \$9,800,000 pursuant to this ordinance.

**Call Date** means the date or dates designated by the Designated Representative as the date or dates on which the Refunded Obligations will be paid and redeemed.

**City** means the City of Bonney Lake, Washington, a municipal corporation duly organized and existing under the laws of the State of Washington.

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

**Code** means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the United States Treasury Department or the Internal Revenue Service, to the extent applicable to the Bonds.

**Council** means the City Council as the general legislative authority of the City.

**Designated Representative** means the City Administrator or Chief Financial Officer of the City.

**DTC** means The Depository Trust Company of New York, as depository for the Bonds, or any successor or substitute depository for the Bonds.

**Escrow Agent** means U.S. Bank National Association.

**Escrow Agreement** means the Escrow Deposit Agreement to be entered into by the City and the Escrow Agent pursuant to Section 11 of this ordinance.

**Escrow Securities** means the Government Obligations acquired by the City under the terms of this ordinance and the Escrow Agreement to effect the defeasance and refunding of the Refunded Obligations.

**Government Obligations** means those obligations now or hereafter defined as such in Chapter 39.53 RCW, as such chapter may be hereafter amended or restated.

**Letter of Representations** means a blanket issuer letter of representations from the City to DTC.

**MSRB** means the Municipal Securities Rulemaking Board or any successor to its functions.

**Project** means further developments to the civic campus of the City, including additional improvements to the Justice & Municipal Center, at a cost of approximately \$100,000.

**Refunded Obligations** means those Refunding Candidates designated for refunding by the Designated Representative pursuant to Section 10 of this ordinance.

**Refunding Account** means the account of that name established and maintained by the Escrow Agent pursuant to Section 11 of this ordinance.

**Refunding Candidates** means the 2008 Bonds and the 2008 Contract.

**Registered Owner** means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

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

**Savings Target** means a dollar amount equal to at least 3.9% of the outstanding principal of the Refunded Obligations, i.e., the present value of (i) the aggregate debt service on the Bonds minus (ii) the aggregate debt service on the Bonds, after payment of all costs of issuance of the Bonds, must be at least 3.9% of the outstanding principal amount of the Refunded Obligations.

**SEC** means the Securities and Exchange Commission of the United States.

**Underwriter** means D.A. Davidson & Co.

**2008 Bond Ordinance** means Ordinance No. 1264, passed by the Council on December 11, 2007.

**2008 Bonds** means the City of Bonney Lake, Washington, Limited Tax General Obligation Bonds, 2008, dated January 4, 2008, issued in the original principal amount of \$10,000,000 pursuant to the 2008 Bond Ordinance.

**2008 Contract** means the Conditional Sales Contract dated April 18, 2008, between the City and Motorola Inc. in the original principal amount of \$1,938,528, approved by the Council pursuant to Resolution No. 1814 adopted on March 25, 2008.

In this ordinance, unless the context otherwise requires:

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

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

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

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

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

Section 2. Authorization of Bonds. To refinance the Refunded Obligations, thereby effecting a savings to the City and its taxpayers, and to pay costs of the Project and costs of issuing the Bonds, the City shall issue its limited tax general obligation and refunding bonds in an aggregate principal amount not to exceed \$9,800,000 (the “Bonds”). The Bonds shall be general obligations of the City, shall be designated “City of Bonney Lake, Washington, Limited Tax General Obligation and Refunding Bonds, 2013”; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each, or any integral multiple thereof, provided that no Bond shall represent more than one maturity; shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification; and shall bear interest from their date, payable semiannually on the dates set forth in the Bond Purchase Contract, commencing on a date and maturing on dates and in principal amounts set forth and approved in the Bond Purchase Contract executed by the Designated Representative pursuant to Section 10 of this ordinance. The Bonds shall bear interest at the rates set forth in the Bond Purchase Contract pursuant to Section 10 of this ordinance.

Section 3. Registration, Exchange and Payments.

(a) *Bond Registrar/Bond Register.* The City hereby adopts the system of registration approved by the Washington State Finance Committee, which utilizes the fiscal agencies of the State of Washington in New York, New York, as registrar, authenticating agent, paying agent and transfer agent (the “Bond Registrar”). The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient records for the registration and transfer of the Bonds (the “Bond Register”), which shall be open to inspection by the City. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar’s powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) *Registered Ownership.* The City and the Bond Registrar may deem and treat the Registered Owner of each Bond as the absolute owner for all purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 3(h) hereof, but such Bond may be transferred as

herein provided. All such payments made as described in Section 3(h) shall be valid and shall satisfy the liability of the City upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations.* The Bonds shall initially be held in fully immobilized form by DTC acting as depository. To induce DTC to accept the Bonds as eligible for deposit at DTC, the City has heretofore executed and delivered to DTC the Letter of Representations.

Neither the City nor the Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Bonds for the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any DTC participant of any amount in respect of the principal of or interest on Bonds, any notice that is permitted or required to be given to Registered Owners under this ordinance (except such notices as shall be required to be given by the City to the Bond Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Bonds, or any consent given or other action taken by DTC as the Registered Owner. For so long as any Bonds are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes, and all references in this ordinance to the Registered Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial interest in any Bonds.

(d) *Use of Depository.*

(i) The Bonds shall be registered initially in the name of "CEDE & Co.", as nominee of DTC, with a single Bond for each maturity in a denomination equal to the total principal amount of such maturity. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the City pursuant to subsection (ii) below or such substitute depository's successor; or (C) to any person as provided in subsection (iv) below.

(ii) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the City to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the City may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(iii) In the case of any transfer pursuant to clause (A) or (B) of subsection (i) above, the Bond Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the City, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or its nominee, all as specified in such written request of the City.

(iv) If (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the City

determines that it is in the best interest of the beneficial owners of the Bonds that the Bonds be provided in certificated form, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The City shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds in certificated form, to issue Bonds in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds together with a written request on behalf of the City to the Bond Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are provided in such written request.

(e) *Transfer or Exchange of Registered Ownership; Change in Denominations.* The registered ownership of any Bond may be transferred or exchanged, but no transfer of any Bond shall be valid unless it is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to transfer or exchange any Bond during the period beginning at the opening of business on the 15<sup>th</sup> day of the month next preceding any interest payment date and ending at the close of business on such interest payment date, or, in the case of any proposed redemption of the Bonds, after the mailing of the notice of such redemption.

(f) *Bond Registrar's Ownership of Bonds.* The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) *Registration Covenant.* The City covenants that, until all Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated based on a year of 360 days and twelve 30-day months. For so long as all Bonds are in fully-immobilized form, payments of principal and interest shall be made in accordance with the operational arrangements of DTC referred to in the Letter of Representations.

If the Bonds are no longer in fully-immobilized form, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15<sup>th</sup> day of the month preceding the interest payment date.

Principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar; provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000 principal amount of Bonds, interest will be paid by wire transfer on the interest payment date to an account with a bank located within the United States.

Section 4. Redemption; Purchase of Bonds.

(a) *Optional Redemption.* The Bonds may be subject to optional redemption prior to their stated maturities as set forth in the Purchase Contract approved by the Designated Representative pursuant to Section 10.

(b) *Mandatory Redemption.* If structured as term bonds, the Bonds may be subject to mandatory redemption on a schedule to be set forth in the Purchase Contract.

(c) *Selection of Bonds for Redemption.* As long as the Bonds are held in book-entry only form, the selection of Bonds within a maturity to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the Bonds are no longer held in book-entry only form, the selection of such Bonds and maturity to be redeemed shall be made as provided in this subsection (c). If the City redeems at any one time fewer than all of the Bonds of the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such other manner determined by the Bond Registrar) in increments of \$5,000. In the case of a Bond of a denomination greater than \$5,000, the City and Bond Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Bond by \$5,000. If only a portion of the principal sum of a Bond is redeemed, upon surrender of the such Bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations herein authorized.

(d) *Notice of Redemption.*

(1) Official Notice. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption, which notice may be conditional, shall be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

- (A) the redemption date,
- (B) the redemption price,

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(D) any condition to an optional redemption,

(E) that on the redemption date (unless the notice of redemption is a conditional notice, in which case the notice shall state that interest shall cease to accrue from the redemption date if and to the extent that any condition has been satisfied and funds have been provided to the Bond Registrar for the redemption of Bonds) the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(F) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date (if any conditions to an optional redemption have been met), the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

(2) Effect of Notice; Bonds Due. Unless the City has given a conditional notice and the conditions for redemption set forth therein are not satisfied, official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds that have been redeemed will be canceled and destroyed by the Registrar and may not be reissued.

(3) Additional Notice. In addition to the foregoing notice, further notice may be given by the City as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest, if any, borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 25 days before the redemption date to each party entitled to receive notice pursuant to Section 14, and to the Underwriter or to its business successor, if any, and to such persons and



This bond is one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of \$\_\_\_\_\_ (the “Bonds”), issued for the purpose of refunding certain outstanding obligations of the City. The Bonds are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and ordinances duly adopted by the City Council, including Ordinance No. \_\_\_\_\_ (the “Bond Ordinance”). Unless otherwise defined in this bond, capitalized terms used herein shall have the meanings given such terms in the Bond Ordinance.

The Bonds are subject to redemption prior to their stated maturities as set forth in the Bond Ordinance and Purchase Contract.

The Bonds are not “private activity bonds” as such term is defined in the Internal Revenue Code of 1986, as amended (the “Code”). The Bonds have been designated by the City as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code.

The City has irrevocably covenanted for as long as any of the Bonds are outstanding that each year it will include in its budget and levy an *ad valorem* tax on all taxable property in the City, within and as part of the property taxes authorized by law to be levied by the City without a vote of the people, in an amount that, together with other lawfully available funds, will be sufficient to pay the principal of and interest on the Bonds as the same become due. The full faith, credit and resources of the City are irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

The pledge of taxes for payment of the principal of and interest on the Bonds may be discharged prior to maturity of the Bonds by making provisions for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

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

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

IN WITNESS WHEREOF, the City of Bonney Lake, Washington, has caused this bond to be executed by the manual or facsimile signatures of the Mayor and City Clerk and a facsimile of the seal of the City to be imprinted or otherwise reproduced hereon as of \_\_\_\_\_, 2013.

CITY OF BONNEY LAKE, WASHINGTON

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

ATTEST:

\_\_\_\_\_  
City Clerk

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This is one of the City of Bonney Lake, Washington, Limited Tax General Obligation Bonds, 2013, dated \_\_\_\_\_, 2013, as described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENCY  
as Bond Registrar

By: \_\_\_\_\_  
Authorized Signer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

[Empty rectangular box for Social Security or Taxpayer Identification Number]

\_\_\_\_\_  
(Please print or typewrite name and address, including zip code, of Transferee)

\_\_\_\_\_

the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ of \_\_\_\_\_, or its successor, as Bond Registrar to transfer said bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_.

SIGNATURE GUARANTEED:

\_\_\_\_\_

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NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Section 6. Execution of Bonds. The Bonds shall be executed on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk, and shall have the seal of the City impressed, imprinted or otherwise reproduced thereon. If any officer who has signed or attested any of the Bonds ceases to be such officer before those Bonds have been actually issued and delivered, those Bonds shall be valid nevertheless and may be issued by the City with the same effect as though the person who had signed or attested those Bonds had not ceased to be such officer, and any Bond may be signed or attested on behalf of the City by an officer who at the date of actual execution of that Bond is the proper officer, although at the nominal date of execution of the Bond that person was not an officer of the City.

Only Bonds that bear a Certificate of Authentication in the form set forth in Section 5, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered and are entitled to the benefits of this ordinance.

Section 7. Bond Fund; Pledge of Taxes and Credit. There is hereby authorized and directed to be created in the office of the Finance Director a special fund to be drawn upon for the sole purpose of paying the principal of and interest on the Bonds to be known as the "Limited Tax General Obligation and Refunding Bond Redemption Fund, 2013" (the "Bond Fund"). The taxes hereafter levied for the purpose of paying principal of and interest on the Bonds and other funds to be used to pay the Bonds shall be deposited in the Bond Fund no later than the date such funds are required for the payment of principal of and interest on the Bonds. Money in the Bond Fund not needed to pay the interest or principal next coming due may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of City funds. Any interest or profit from the investment of such money shall be deposited in the Bond Fund.

The City hereby irrevocably covenants for as long as any of the Bonds are outstanding that each year it will include in its budget and levy an *ad valorem* tax on all taxable property in the City, within and as part of the property taxes authorized by law to be levied by the City without a vote of the people, in an amount that, together with other lawfully available funds, will be sufficient to pay the principal of and interest on the Bonds as the same become due. All of such taxes so collected and any other money to be used for such purposes shall be paid into the Bond Fund.

The City hereby irrevocably pledges that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal and interest on the Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of the principal of and interest on the Bonds as the same shall become due.

Section 8. Defeasance. If money and/or Government Obligations maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are set aside in a special account of the City to effect such redemption and retirement, and such money and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive the money so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder.

The City shall give written notice of defeasance to the owners of all Bonds so provided and to each party entitled to receive notice in accordance with Section 13 of this ordinance.

Section 9. Tax Covenants; Special Designation. The City hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the City that may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code that will cause the Bonds to be “arbitrage bonds” within the meaning of said section and said regulations. The City will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and the applicable regulations thereunder throughout the term of the Bonds. The City further covenants that it will not take any action or permit any action to be taken that would cause the Bonds to constitute “private activity bonds” under Section 141 of the Code.

The City hereby designates the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. The City does not anticipate issuing more than \$10,000,000 in “qualified tax-exempt obligations” during 2013.

Section 10. Designation of Refunded Obligations; Sale of Bonds.

(a) *Savings Target.* The Designated Representatives are authorized to determine, in consultation with the Underwriter and the City's financial advisor, which of the Refunding Candidates, if any, are to be refunded by the issuance of the Bonds. In determining which of the Refunding Candidates should be refunded, the minimum Savings Target must be achieved. Those Refunding Candidates designated to be refunded are referred to in this ordinance as the "Refunded Obligations" and shall be set forth in the Purchase Contract authorized in subsection (b) herein. The principal amount of the Bonds will be an amount sufficient, together with other available funds of the City, to provide for the refunding of the Refunded Obligations and the payment of costs of issuance of the Bonds.

(b) *Bond Sale.* The Bonds shall be sold by negotiated sale to the Underwriter pursuant to the terms of the Purchase Contract. The Council has been advised that market conditions are fluctuating and, as a result, the most favorable market conditions may occur on a day other than a regular meeting date of the Council. The Council has determined that it would be in the best interest of the City to delegate to the Designated Representatives the authority to negotiate and approve final terms for the Bonds. The Designated Representatives shall take into account those factors that, in their judgment, will result in the lowest true interest cost on the Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Bonds. Subject to the terms and conditions set forth in this Section 10, a Designated Representative is hereby authorized to execute the final form of the Purchase Contract, upon the approval of the final interest rates, maturity dates, aggregate principal amount, principal maturities, terms of redemption and redemption rights, and provisions for bond insurance, if any, set forth therein, so long as (i) the aggregate principal amount of the Bonds does not exceed \$9,800,000 and (ii) the minimum Savings Target is achieved.

Following the execution of the Purchase Contract, a Designated Representative shall provide a report to the Council, describing the final terms of the Bonds approved pursuant to the authority delegated in this section. The report will be provided to the Council electronically on the date of the Bond sale and a public report provided to the Council at the next regularly scheduled meeting. The authority granted to the Designated Representatives by this Section 10 shall expire on December, 2013. If a Purchase Contract for the Bonds has not been executed on or prior to December 31, 2013, the authorization for the issuance of the Bonds shall be rescinded, and the Bonds authorized under this ordinance shall not be issued nor their sale approved unless the Bonds are re-authorized by ordinance. The ordinance re-authorizing the issuance and sale of the Bonds may be in the form of a new ordinance repealing this ordinance in whole or in part or may be in the form of an amendatory ordinance approving a purchase contract or establishing terms and conditions for the authority delegated under this Section 10.

The Designated Representatives and other City officials, agents and representatives are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Bonds to the Underwriter and for the proper application and use of the proceeds of sale of the Bonds. In furtherance of the foregoing, a Designated Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including

Underwriter's discount, the fees and expenses specified in the Bond Purchase Contract, including fees and expenses of Underwriter and other retained services, including Bond Counsel, rating agencies, fiscal agency, escrow agent, verification agent, financial advisory services, escrow structuring services and other expenses customarily incurred in connection with issuance and sale of bonds.

(c) *Preliminary and Final Official Statements.* The Designated Representatives are hereby authorized to review and approve on behalf of the City the preliminary and final Official Statements for the Bonds with such additions and changes as may be deemed necessary or advisable to them. A Designated Representative is hereby further authorized to deem final the preliminary Official Statement for purposes of SEC Rule 15c2-12.

(d) *Bond Insurance.* The Designated Representatives are hereby also authorized to consider proposals from bond insurers and determine whether the use of bond insurance is economically advantageous to the City. If the Designated Representatives determine to obtain bond insurance, a Designated Representative is authorized to execute a commitment for insurance.

Section 11. Refunding Account; Plan of Refunding.

(a) *Refunding Account.* There is hereby authorized to be created a special account of the City known as the "2013 Limited Tax General Obligation Refunding Account" (the "Refunding Account"), which Account is to be held by the Escrow Agent and drawn upon for the sole purpose of paying the principal of and interest on the Refunded Obligations until their date of redemption or prepayment, as applicable, and of paying costs related to issuance of the Bonds and refunding the Refunded Obligations.

From the proceeds of sale of the Bonds, an amount sufficient, together with other funds of the City, if necessary, to defease the refunded portion of the 2008 Bonds as authorized by the 2008 Bond Ordinance and/or to provide for prepayment of the 2008 Contract in accordance with its terms and pay costs of issuance and refunding, shall be credited to the Refunding Account and used immediately upon receipt thereof for those purposes.

The City shall defease or provide for prepayment of the Refunded Obligations, as applicable, and may discharge such obligations by the use of money in the Refunding Account to purchase certain Government Obligations (which obligations so purchased, are herein called the "Escrow Securities"), bearing such interest and maturing as to principal and interest in such amounts and at such times that, together with any necessary beginning cash balance, will provide for the payment of:

- (i) interest on the Refunded Obligations on or prior to each Call Date;
- and
- (ii) the redemption price or prepayment amount of the Refunded Obligations on each Call Date.

The Escrow Securities shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to Escrow Securities in connection with refunding bond issues.

(b) *Escrow Agent.* The City hereby appoints U.S. Bank National Association as the Escrow Agent for the Refunded Obligations (the “Escrow Agent”). A beginning cash balance, if any, and the Escrow Securities shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease or prepay, as applicable, the Refunded Obligations. The proceeds of the Bonds remaining in the Refunding Account after acquisition of the Escrow Securities and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Escrow Securities and expenses of the issuance of the Bonds. The City may, from time to time, transfer, or cause to be transferred, from the Refunding Account any money not thereafter required for the purposes set forth in clauses (i) and (ii) of Section 11(a), subject to verification in writing by an independent certified public accountant that such transfer will not result in inadequate funds being available to make the required payments therefrom. The City reserves the right to substitute other securities for the Escrow Securities if it may do so pursuant to Section 148 of the Code and applicable regulations thereunder, upon compliance with the conditions set forth in the Escrow Agreement.

The City will take such actions as are found necessary to see that all necessary and proper fees and expenses of the Escrow Agent shall be paid when due. The proper officers and agents of the City are directed to obtain from the Escrow Agent an agreement setting forth the duties, obligations and responsibilities of the Escrow Agent in connection with the redemption and retirement of the Refunded Obligations as provided herein and setting forth such provisions for the payment of the Escrow Agent as are satisfactory to it. The Designated Representative is authorized and directed to execute and deliver to the Escrow Agent an escrow agreement and cost of issuance agreement in forms satisfactory to the Escrow Agent and approved by counsel to the City.

(c) *Call for Redemption of Refunded Obligations.* As provided in the Escrow Agreement, the City will call the Refunded Obligations for redemption on their Call Dates in accordance with applicable terms of the Refunded Obligations. The defeasance and call for redemption of the Refunded Obligations will be irrevocable after the issuance of the Bonds and delivery of the Escrowed Securities to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notices of the defeasance and redemption of the Refunded Obligations in accordance with the applicable provisions of the 2008 Bond Ordinance and the 2008 Contract. The Treasurer is authorized and requested to provide whatever assistance is necessary to accomplish such redemption and the giving of notices therefor. The costs of publishing such notices shall be an expense of the City.

Section 12. Project Funding. The balance of Bond proceeds available after accomplishing the plan of refunding described in Section 11 shall be deposited in the appropriate fund or account of the City and used to pay or reimburse costs of the Project. These Bond proceeds may be invested in legal investments for City funds. Earnings on such investments shall accrue to the benefit of the fund or account into which the Bond proceeds have been

deposited. Proceeds of the Bonds not used for the Project may be applied to other capital purposes or deposited into the Bond Fund.

Section 13. Undertaking to Provide Ongoing Disclosure.

(a) *Contract/Undertaking.* This section constitutes the City's written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule.

(b) *Financial Statements/Operating Data.* The City agrees to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), the following annual financial information and operating data for the prior fiscal year (commencing in 2012 for the fiscal year ended December 31, 2013):

1. Annual financial statements, which statements may or may not be audited, showing ending fund balances for the City's general fund prepared in accordance with the Budgeting Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) and generally of the type included in the official statement for the Bonds under the heading "Fund Resources and Uses Arising from Cash Transactions for the Current Expense Fund";

2. The assessed valuation of taxable property in the City;
3. Ad valorem taxes due and percentage of taxes collected;
4. Property tax levy rate per \$1,000 of assessed valuation; and
5. Outstanding general obligation debt of the City.

Items 2-5 shall be required only to the extent that such information is not included in the annual financial statements.

The information and data described above shall be provided on or before nine months after the end of the City's fiscal year. The City's current fiscal year ends December 31. The City may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB. In lieu of providing such annual financial information and operating data, the City may cross-refer to other documents available to the public on the MSRB's internet website or filed with the SEC.

If not provided as part of the annual financial information discussed above, the City shall provide the City's audited annual financial statement prepared in accordance with the Budgeting Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) when and if available to the MSRB.

(c) *Material Events.* The City agrees to provide or cause to be provided, in a timely manner to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not in excess of ten business days after the occurrence of the event:

- Principal and interest payment delinquencies;
- Non-payment related defaults, if material;
- Unscheduled draws on debt service reserves reflecting financial difficulties;
- Unscheduled draws on credit enhancements reflecting financial difficulties;
- Substitution of credit or liquidity providers, or their failure to perform;
- Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material or events affecting the tax-exempt status of the Bonds;
- Modifications to the rights of Bond owners if material;
- Optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-23856, if material, and tender offers;
- Defeasances;
- Release, substitution or sale of property securing the repayment of the Bonds if material;
- Rating changes;
- Bankruptcy, insolvency, receivership or similar event of the City;
- The consummation of a merger, consolidation, or acquisition of the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement to undertake such an action, other than pursuant to its terms, if material; and
- Appointment of a successor or additional trustee or the change of name of the trustee, if material.

Solely for purposes of information, but without intending to modify this undertaking, with respect to the notice regarding property securing the repayment of the Bonds, the City will state in its Preliminary and Final Official Statements that there is no property securing the repayment of the Bonds. The City shall promptly determine whether the events described above are material.

(d) *Notification Upon Failure to Provide Financial Data.* The City agrees to provide or cause to be provided, in a timely manner to the MSRB notice of its failure to provide the annual financial information described in subsection (b) above on or prior to the date set forth in subsection (b) above.

(e) *Emma; Format for Filings with the MSRB.* Until otherwise designated by the MSRB or the SEC, any information or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system ("EMMA"), currently located at [www.emma.msrb.org](http://www.emma.msrb.org). All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in an electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

(f) *Termination/Modification.* The City's obligations to provide annual financial information and notices of material events shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Any provision of this section shall be null and void if the City (1) obtains an opinion of nationally recognized bond counsel to the effect that the portion of the Rule that requires that provision is invalid, has been repealed retroactively or otherwise does not apply to the Bonds and (2) notifies the MSRB of such opinion and the cancellation of this section.

The City may amend this section with an opinion of nationally recognized bond counsel in accordance with the Rule. In the event of any amendment of this section, the City shall describe such amendment in the next annual report, and shall include, a narrative explanation of the reason for the amendment and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (A) notice of such change shall be given in the same manner as for a material event under subsection (c), and (B) the annual report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

(g) *Bond Owner's Remedies Under This Section.* The right of any bondowner or beneficial owner of Bonds to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the City's obligations under this section, and any failure by the City to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds. For purposes of this section, "beneficial owner" means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, including persons holding Bonds through nominees or depositories.

Section 14. Lost or Destroyed Bonds. If any Bonds are lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond or Bonds of like amount, maturity and tenor to the Registered Owner upon such Registered Owner's paying the expenses and charges of the Bond Registrar and the City in connection with preparation and authentication of the replacement Bond or Bonds and upon his or her filing with the Bond Registrar and the City evidence satisfactory to both that such Bond or Bonds were actually lost, stolen or destroyed and of his or her ownership, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to both.

Section 15. General Authorization. The appropriate officials, agents and representatives of the City are authorized to take any actions and to execute any certificates, agreements or other documents as in their judgment may be necessary or desirable to carry out the terms of, and complete the transactions contemplated by, this ordinance. All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 16. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 17. Effective Date. This ordinance shall become effective five days after its passage and publication, as required by law.

PASSED by the City Council of the City of Bonney Lake, Washington, at a regular meeting thereof, held on July 9, 2013.

CITY OF BONNEY LAKE, WASHINGTON

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

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By \_\_\_\_\_  
Bond Counsel

PUBLISHED: \_\_\_\_\_, 2013

**CERTIFICATE**

I, the undersigned, City Clerk of the City of Bonney Lake, Washington, (the “City”) and keeper of the records of the City Council (the “Council”), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. \_\_\_\_\_ of the City (the “Ordinance”), duly passed at a regular meeting of the City Council held on \_\_\_\_\_, 2013.

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

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_, 2013.

\_\_\_\_\_  
City Clerk