

CITY COUNCIL WORKSHOP

**October 1, 2013
5:30 p.m.**

AGENDA



“Where Dreams Can Soar”

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

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

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

I. Call to Order: Mayor Neil Johnson

II. Roll Call:

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

III. Agenda Items:

A. **Council Open Discussion.**

Pg. 3 B. **Review of Council Minutes:** September 17, 2013 Workshop and September 24, 2013 Council Meeting.

Pg. 13 C. **Discussion:** AB13-111 – Public Hearing regarding proposed Resolution 2322 – Sewer Development Financing Contract and Utility Latecomer Agreement with Kahne Properties, LLC Re: Eastown Southern Sewer Development.

Pg. 31 D. **Discussion:** AB13-124 – MOU and Use Agreement for Old Senior Van.

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

V. Adjournment

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

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CITY COUNCIL WORKSHOP

September 17, 2013
5:30 P.M.

DRAFT MINUTES



“Where Dreams Can Soar”

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

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

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

I. CALL TO ORDER – Deputy Mayor Swatman called the workshop to order at 5:30 p.m.

II. ROLL CALL:

Administrative Services Director/City Clerk Harwood Edvalson called the roll. Elected officials attending were Deputy Mayor Dan Swatman, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Katrina Minton-Davis, Councilmember Rackley, and Councilmember Tom Watson. Mayor Johnson was not present.

Deputy Mayor Swatman moved to excuse Councilmember McKibbin. Councilmember Watson seconded.

Motion approved 6 – 0.

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

III. AGENDA ITEMS:

A. Council Open Discussion

Senior Center Back-up/Surplus Van: Councilmember Watson asked for an update regarding the old Senior Center van. Deputy Mayor Swatman advised that the Finance Committee has met to discuss the City's intentions for the van, and Administrative Services Director Edvalson advised that the Senior Center Advisory Board has met and the issue will be brought back to the full Council.

Kahne Development Agreement: Councilmember Hamilton asked about the Kahne Development Agreement and said the Finance Committee had discussed the feasibility of a development agreement. City Attorney Haggard said the basic concept of a development agreement is typically to determine a road map of the development and what regulations the development would be vested under. She said it can be a simple agreement setting out a timeframe for development. Councilmember Hamilton asked if there is public cost to creating a development agreement. City Attorney Haggard said it is fundamentally a contract and a developer is not likely to enter into such an agreement without some certainty. Councilmember Watson said his concern is that there is no guarantee from the developer without a development agreement. Deputy Mayor Swatman said he believes the utility latecomer agreement (ULA) has no relationship to the developer agreement. He cares about sewer development in the area to get development moving. Councilmember Lewis said his biggest concern is serving the future needs for sewer development in the area, instead of waiting for prices to increase.

Councilmember Minton-Davis said she believes the ULA and the development agreement are related. She wants the statement to show why the development is good for the City, and if condemnation is necessary, she wants the agreement to state why. Councilmembers Hamilton, Watson, and Rackley all said they agreed with Councilmember Minton-Davis. City Administrator Morrison said staff are working with the developer to obtain a development agreement. Councilmember Watson said he wants to see an agreement signed by the developer with a set timeline. A public hearing is scheduled for September 24, 2013, and staff will continue to talk with the developers regarding a developer agreement.

B. Review of Council Minutes: September 3, 2013 Workshop Minutes, September 10, 2013 Meeting Minutes.

The minutes were forwarded to the September 24, 2013 Meeting for action, with no corrections.

C. Discussion: AB13-97 – Ordinance D13-97 – An Ordinance Amending the Comprehensive Plan Amendment Re: Implementing Concurrent Rezone Process to comply with Growth Management Hearing Board's Decision.

D. Discussion: AB13-98 – Ordinance D13-98 – An Ordinance Amending BLMC 17.16.010 to extend the timeframes for recording of final plats to seven years for preliminary plats approved between January 1, 2008 and December 31, 2014, and to ten years for preliminary plats approved on or before December 31, 2007.

Planning Commission Chair Grant Sulham spoke regarding Agenda Items III.C and III.D and said the City Attorney has recommended the amendment be processed to bring the City's Comprehensive Plan into compliance with State law. Senior Planner Jason Sullivan confirmed this is the intent of the ordinances. Councilmember Hamilton asked Chair Sulham if the Planning Commission discussed any annexation expansion. Chair Sulham stated that if a city has a Urban Growth Area (UGA) that they no longer want/need, then the City could move to take it for the expansion. Councilmember Watson asked why a city would give up a UGA. Community Development Director Vodopich said there is an issue with the City of Gig Harbor UGA that they may be willing to turn over their UGA to the City of Bonney Lake as a joint application. Senior Planner Sullivan said that staff in the two cities are working toward a joint application. Councilmember Hamilton said he is concerned about the City attempting to go after the City of Gig Harbor's UGA as he feels many other cities may have an interest.

Items III.C and III.D were forwarded to the September 24, 2013 Meeting for action.

E. Discussion: AB13-116 - Resolution 2328 – Economic Vitality Element Vision and Goals.

Councilmember Lewis asked Senior Planner Sullivan to describe the Economic Vitality Element Vision and Goals. Senior Planner said the visions and goals speaks to a global sense. Councilmember Minton-Davis said he did a great job and the Community Development Committee (CDC) basically threw out the old vision and goals and started

from scratch. Councilmember Watson said the CDC discussed doing a market analysis, which would also help see what the City is looking for and where the City wants to go. Senior Planner Sullivan said there are certain mandatory components that have to be considered for a market study. He said it would be a strategic plan as well as the mandatory work that needs to be completed. Council consensus was that a market study would be a great tool for businesses. Proposed Resolution 2328 was forwarded to the September 24, 2013 Meeting for action.

IV. EXECUTIVE SESSION: None.

V. ADJOURNMENT:

At 6:14 p.m., Councilmember Rackley moved to adjourn the Council Workshop. Councilmember Lewis seconded the motion.

Motion to adjourn approved 6 – 0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council for the September 17, 2013 City Council Workshop:

- Jeremiah J. Lafranca, Government Affairs Manager – *Letter dated September 11, 2013 Regarding Timelines for Recording of Final Plats, Master Builders Association of Pierce County*

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 COUNCIL MEETING

September 24, 2013
7:00 P.M.

DRAFT MINUTES



“Where Dreams Can Soar”

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

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

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

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the meeting to order at 6:59 p.m.

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

Staff members in attendance were 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, Records & Information Specialist Susan Haigh, and Senior Planner Jason Sullivan.

C. Announcements, Appointments and Presentations:

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

D. Agenda Modifications: None.

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

A. Public Hearings:

- 1. **AB13-111** – A Public Hearing To Consider Proposed AB13-105 – Resolution 2322, To Authorize Establishment Of A Sewer Development Financing Contract And Utility Latecomer Agreement For Easttown Sewers With Kahne Properties, LLC/ Landmark Development.

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

Pat Swift, 21711 S Prairie Rd, Buckley, spoke on behalf of herself and her husband Warren. She said several years ago Pierce County created a Utility Local Improvement District (ULID) to construct a sewer line on 214th Ave E and assessed a fee to their property at that time. She said the proposed Bonney Lake Utility Latecomer Agreement (ULA) will assess another fee to their parcel, and they will not

benefit from the project since their property has existing access to sewer from the sewer stubs on 214th Ave E.

Bill Moffit, 2144 West Lake Ave, Seattle, spoke on behalf of Kahne Properties, LLC in support of the proposed ULA. He described the history of the developer's attempts to extend sewer to the property. He provided the Council with a copy of a letter sent by Landmark Development Group to the City. Mr. Moffit said that Mr. Kahne and their partners want to move forward with the development. He said they are willing to enter into a developer's agreement with the City after the ULA is approved and the easements have been secured, but not before.

Ed Morris, 17301 159th Ave SE, Renton, spoke on behalf of the owners of parcel number 0519022007, through which the proposed ULA sewer line would be constructed. He said they object to the proposed resolution and ULA as presented. He said their property has the topography to connect via a gravity line to the existing system and they will not benefit from the proposed ULA system. He said they have concerns about the proposed project and its impact on their property. He said the property owners of this parcel request to be excluded from the ULA.

Mayor Johnson closed the public hearing at 7:14 p.m.

Deputy Mayor Swatman noted that those who did not sign up for the hearing have an opportunity to speak during the Citizen Comment period.

B. Citizen Comments:

Valerie McKnight-Smithers, 4710 N Island Dr, Bonney Lake, spoke on behalf of herself and her husband Claude. She spoke about the recent chip seal completed on Inlet Island. She requested that the City do something to clean up the sticky gravel left on the road and driveways.

Public Works Director Grigsby described the chip seal process, and said the contractor, Doolittle Construction, has done a good job on chip seal projects in the past. He said the street sweeper cleans up the roads several times after the chip seal after the process is done, so there should not be leftover material on the roadway. Mayor Johnson asked Public Works staff to check when the street was last swept and report back.

James Kelly McClimans, 19025 68th St E, Bonney Lake, thanked City Councilmembers and staff who supported Beautify Bonney Lake on Saturday, September 21st. He spoke about the proposed ULA, and questioned why the Council is considering the condemnation of property as part of the project. Mr. McClimans also spoke about proposed Resolution 2327, for a lift station in Eastown, and said if the City has extra funds available for this project, they should be rolled over to the next budget cycle and not spent.

In response to a question from Mayor Johnson, Public Works Director Grigsby confirmed that the funds designated for the lift station project come from the sewer fund, and could not be allocated to other general projects.

Lillian McGinnis, 11002 203rd Ave E, Bonney Lake, spoke about the Beautify Bonney Lake event on September 21st. She said this was the 10th annual event, with volunteers working at 22 sites around the city, coordinated by 35 team leaders, and supported by 46

sponsors. She said it was a very successful event and thanked the City and Council for being a great partner. She said the 11th annual event is scheduled for September 20, 2014. Mayor Johnson said he toured all the sites and that volunteers did a fantastic job, noting in particular the work on the Fennel Creek Trail, Cimmer property, and Ascent Park. Councilmember Rackley added that it was a very well-organized event.

- 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; close-out of the Resource Conservation Management Grant for energy conservation; maintenance and replacement of equipment in city facilities; proposed Resolution 2331 for an Interlocal agreement with AWC; and review of committee meeting notes.

- B. Community Development Committee / Economic Development Focus Group: Councilmember Rackley said the Committee met on September 16, 2013 and forwarded Resolutions 2329 and 2330 to the current agenda, as well as agenda bills AB13-112 and AB13-113 for acceptance of complete projects.

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

- D. Other Reports:

Community Updates: Councilmember Lewis said he attended the White River Communities for Families meeting in Buckley. The group discussed the upcoming year's goals and projects, and their new Facebook page.

Councilmember Watson thanked councilmembers and staff who participated in Beautify Bonney Lake to make it a very successful event. He said a lot of businesses participated and provided equipment.

Councilmember Rackley reminded the Council that the East Pierce Fire & Rescue annual Open House event is scheduled on Saturday, September 28, 2013 from 1:00 to 4:00 p.m. at the Public Safety Building in Bonney Lake.

Mayor Johnson noted that Senator Pam Roach is hosting an open meeting about fishing in Lake Tapps on September 25, 2013 at 7:00 p.m. at the Public Safety Building in Bonney Lake. He said representatives from the Department of Fish and Wildlife will also be in attendance.

IV. CONSENT AGENDA:

- A. **Approval of Minutes**: September 3, 2013 Council Workshop Minutes and September 10, 2013 Council Meeting Minutes.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers**: Accounts Payable checks/vouchers #66990-67023 (including wire transfer #'s 20130903, 201309031, 201309032, and 201309033) in the amount of \$540,009.99.

Accounts Payable checks/vouchers #67024-67026 in the amount of \$5,807.38 for Accounts Receivable deposit refunds.
Accounts Payable checks/vouchers #67027-67063 (including wire transfer # 11898433) in the amount of \$571,752.34.
Accounts Payable checks/vouchers #67064-67070 for Accounts Receivable deposit refunds in the amount of \$13,865.65.

- C. **Approval of Payroll:** Payroll for September 1-15th 2013 for checks #31326-31351 including Direct Deposits and Electronic Transfers is \$453,666.88.
- D. **AB13-114 – Resolution 2326** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding The Locust Avenue Extension Water Main Construction Project To Northwest Cascade, Inc.
- E. **AB13-117 – Resolution 2329** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding A Professional Services Agreement To Utility Services Associates For The 2013 Fall Leak Detection Program.
- F. **AB13-118 – Resolution 2330** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding A Professional Services Agreement To TMG Services For The Tacoma Point Onsite Generation Upgrade.
- G. **AB13-112** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Accept As Complete The Justice & Municipal Center Tenant Improvements – Phase 2 Project With JB Construction Consulting, Inc.
- H. **AB13-113** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Accept As Complete The Ponderosa Estates Waterline Replacement Project With Pape & Sons Construction, Inc.

Councilmember Hamilton moved to approve the Consent Agenda. Councilmember Lewis seconded the motion.

Consent Agenda approved 7 – 0.

V. FINANCE COMMITTEE ISSUES:

- A. **AB13-115 – Resolution 2327** – A Resolution Of The City Council Of The City Of Bonney Lake, Washington, Awarding The Eastown Sanitary Sewer Main (Phase 2 – Lift Station) Construction To Road Construction Northwest, Inc.

Councilmember Rackley moved to approve Resolution 2327. Deputy Mayor Swatman seconded the motion.

**Resolution 2327 approved 6 – 1.
Councilmember McKibbin voted no.**

VI. COMMUNITY DEVELOPMENT ISSUES: None.

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

VIII. FULL COUNCIL ISSUES:

- A. **AB13-97 – Ordinance 1466 [D13-97]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Bonney Lake Municipal Code Sections 14.20.010, 14.20.020, 14.140.020, 14.140.120, And 18.52.030 Relating To Site-Specific Comprehensive Plan Amendments And Site-Specific Zoning Reclassifications.

Councilmember Lewis moved to approve Ordinance 1466. Councilmember Watson seconded the motion.

Ordinance 1466 approved 7 – 0.

- B. **AB13-98 – Ordinance 1467 [D13-98]** – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Bonney Lake Municipal Code Section 17.16.010 To Change The Timeframes For The Submittal Of Final Plats.

Councilmember Rackley moved to approve Ordinance 1467. Councilmember Lewis seconded the motion.

Community Development Director Vodopich said this ordinance will bring the City’s municipal code into accordance with State law, which changed the timeframe for final plats to ten years.

Ordinance 1467 approved 7 – 0.

- C. **AB13-116 – Resolution 2328** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Establishing The Vision And Goal Statements Of The City’s Economic Vitality Element Of The Comprehensive Plan.

Councilmember Watson moved to approve Resolution 2328. Councilmember Lewis seconded the motion.

Deputy Mayor Swatman thanked the staff and councilmembers who worked on the statement. Councilmember Watson said this provides a clear, concise vision of the Council’s goals for businesses. Councilmember Minton-Davis thanked Senior Planner Jason Sullivan in particular for his work researching and gathering information for this element.

Resolution 2328 approved 7 – 0.

IX. EXECUTIVE SESSION:

Pursuant to RCW 42.30.110(1)(b), the Council adjourned to an Executive Session at 7:36 p.m. for 30 minutes to discuss potential property acquisition, with possible action after the session. The City Council returned to Chambers at 8:01 p.m.

Councilmember Rackley moved to amend the Council’s rules to amend the agenda. Deputy Mayor Swatman seconded the motion.

Motion to amend the agenda approved 7 – 0.

Mayor Johnson said he would like the Council to consider adding a resolution to the agenda to ratify a purchase and sale agreement signed on September 17, 2013 by himself and Ken Love, who owns property at Victor Falls.

Councilmember Rackley moved to approve AB13-123 – Resolution 2333 – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Ratifying A Purchase And Sale Agreement To Acquire The Ken Love Property At 18212 Rhodes Lake Rd E, Pierce County Parcel Number 0519092005. Councilmember Watson seconded the motion.

Deputy Mayor Sawtman congratulated all those who helped work on this agreement. He said the property is adjacent to Victor Falls and the City-owned property for the water source at Victor Falls. He said the property is a possible terminus for the Fennel Creek Trail, and Mayor Johnson has been working with the owner, Mr. Love, who approached the City with an offer to sell the property. The Deputy Mayor said this property is not yet ready for public access, but it will be used for years to come and is one of the best actions done in his time as a Councilmember.

Mayor Johnson said the property is being purchased at the market price of \$375,000 with the City paying the excise tax, and allowing the current owner to live on the property for six months. He said this acquisition will give the City ownership of Victor Falls, and it is a great opportunity for the City.

Councilmember Hamilton said he has had concerns for public safety at the falls for years, and congratulated the Mayor and Deputy Mayor for their work to negotiate with Mr. Love for this property. Councilmember Rackley added that the property will provide a viewpoint for the falls.

Resolution 2333 approved 7 – 0.

X. ADJOURNMENT:

At 8:06 p.m., Councilmember Rackley moved to adjourn the Council Meeting. Councilmember Watson seconded the motion.

Motion to adjourn approved 7 – 0.

Harwood Edvalson, MMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council at the September 24, 2013 Meeting:

- Pat and Warren Swift, Bonney Lake Property Owners – *Statement re: Public Hearing AB13-111.*
- Bill Moffit, Kahne Properties, LLC – *Letter from Landmark Development Group, LLC to John Vodopich re: Eastown – Kahne Multifamily (September 18, 2013).*

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

Department/Staff Contact: PW / Dan Grigsby	Meeting/Workshop Date: 24 September 2013	Agenda Bill Number: AB13-111
Agenda Item Type: Public Hearing	Ordinance/Resolution Number: 2322	Councilmember Sponsor: Deputy Mayor Swatman

Agenda Subject: Public Hearing for Establishment of an Eastown Southern Sewer ULA

Full Title/Motion: n/a A Public Hearing To Consider Proposed Resolution 2322, To Authorize Establishment Of A Sewer Development Financing Contract And Utility Latecomer Agreement For Eastown Sewers With Kahne Properties, L.L.C./Landmark Development.

Administrative Recommendation:

Background Summary: Kahne Properties, LLC (KAHNE) has three properties on the South side of SR410 that require connection to the City sewer system to allow development to occur. KAHNE has requested establishment of a ULA in order to obtain reimbursement from other property owners that will benefit from his extension of this sewer line. A total of eleven parcels would pay Latecomer Fees as a result of this ULA. Negotiations with KAHNE and discussion with City Finance Committee has resulted in a resolution that provides a KAHNE/City 75/25 cost sharing agreement to fund this ULA. Based on Preliminary Cost Estimates, KAHNE would contribute \$271,671 and the City \$90,557 of the ULA eligible costs. Also, KAHNE would pay 100% of the cost for the section of sewer line crossing his parcel.
Attachments: Resolution 2322, Eastown Southern Sewer Utility Latecomer Agreement with KAHNE

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

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

COUNCIL ACTION			
Workshop Date(s):	20 August & 3 September 2013	Public Hearing Date(s):	24 September 2013
Meeting Date(s):	TBD	Tabled to Date:	

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

RESOLUTION NO. 2322

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

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

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

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

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

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

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

Neil Johnson Jr., Mayor

ATTEST:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

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

DOCUMENT TITLE:
Sewer Development Financing Contract and Latecomer Agreement

REFERENCE NUMBERS OF DOCUMENTS RELEASED:
N/A

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

ABBREVIATED LEGAL DESCRIPTION:

TAX PARCEL/RECORDING NUMBER:

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

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

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

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

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

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

WHEREAS, Kahne and City staff have been unable to reach a successful agreement to acquire a sewer easement with either the Shepard-Morris or the Swift parcel owners to accommodate the sewer main construction across their properties, even though they would be compensated for the sale and installation of the sewer main and would benefit their properties by providing utilities without impairing the developable area of their parcels; and

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

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

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

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

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

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

3. Easement acquisition. Easements for ingress/egress and utilities currently allow installation of a public sewer main across all properties except for Pierce County Parcel Number 0519022007, owned by Shepard/Morris. The City shall acquire public easement(s) necessary for extension of the sewer main across the Shepard/Morris property by negotiation if possible and eminent domain if necessary. The City shall arrange for and direct any court filings and litigation that may be required to acquire the easement(s), and shall have sole authority to settle or resolve any court action.
4. Kahne's contribution. The City's obligation to construct the Project shall be contingent upon Kahne's upfront payment to the City of seventy-five percent (75%) of the total estimated Project costs within thirty (30) days of both parties' execution of this Agreement. Kahne's payment shall be made in cash to the City's Finance Director. Failure to make the payment within thirty (30) days shall render this Agreement void and of no further effect, and shall nullify the City's obligation to construct the Project. Kahne's contribution, payable within thirty (30) days of execution of this Agreement, shall be three hundred forty-six thousand forty-one dollars (\$346,041.00), the amount calculated as 75% of the Engineer's Estimate for construction and design (for parcels other than Kahne parcel 0519026035), complete cost of sewer line crossing Kahne parcel 0519026035, combined with 75% of the estimated easement acquisition costs (hereinafter "the Estimate"), pursuant to BLMC § 13.60.030E. Should actual costs be less than the Estimate, Kahne's contribution amount shall be reduced a proportional amount. A refund of any reduced amount shall be provided to Kahne at project closeout. Should the actual costs exceed the Estimate, the City shall cover cost overruns.
5. Assessments recorded. Upon Final Completion of the Project, the City shall record latecomer assessments ("Latecomer Fees") against all benefiting properties in the assessment reimbursement area (other than Kahne parcel 0519026035). The total costs for the Project, including all costs eligible for reimbursement under this agreement, shall be as itemized in **Exhibit B**, including the proportionate share of the total project costs paid by the City and Kahne respectively. The assessment reimbursement area, showing the benefiting properties to be served by this new sewer line, is depicted on the map attached as **Exhibit C** to this Agreement. **Exhibit D** to this agreement summarizes the initial amount of the Latecomer Fee for each benefiting property based on the Estimate that will be adjusted with actual costs at project closeout; however, effective 1 January each year, these fees shall be adjusted by the Engineering News Record Construction Cost Index (CCI) for the Seattle Area. The latecomer assessments shall require the property owners to contribute their pro-rata share of the Project costs, payable at the time the property owner is issued a building permit on his or her property or at other such time as allowed by the BLMC. The City shall not allow any owner of a parcel within the assessment reimbursement area to connect to the city sewer system or otherwise utilize the system improvements as described herein without such owner or owners having first paid to the City the latecomer assessment due for that parcel or parcels.
6. Connection costs. Each property owner in the assessment area shall be required to pay all costs and fees applicable for connecting their properties to the sewer system, including the costs of designing and constructing the connection, the Latecomer Fee, system

development charges, and any other fees established by the BLMC in effect at the time of connection.

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

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

- Parcel Square Footage = Pierce County Assessor parcel square footage
 - Total Project Cost includes design, easement acquisition, and construction costs (currently estimated at \$362,227).
 - Total Project Cost per square foot = Total Project Cost / Total Square Footage of parcels in the assessment reimbursement area
 - Square footage conversion to acres will be used for the Assessment Rolls
8. Form of assessment. Latecomer assessments recorded against the properties shall substantially take the form of **Exhibit E** to this Agreement, provided, however, that the City has sole discretion to alter the form of assessments as necessary.
 9. Allocation of latecomer reimbursements. The City shall be entitled to all reimbursement received from Latecomer Fees less the amount owed to Kahne. At time of receipt of each Latecomer Fee, the City shall remit to Kahne the amount calculated in Exhibit F, provided that the preliminary amounts calculated shall be adjusted to utilize actual costs. The City shall issue to Kahne the amount due within sixty (60) days after receipt of each Latecomer Fee payment. Payment shall be made to Kahne at the address set forth hereinafter, or at such other address as Kahne shall notify the City. If such payments are returned to the City unclaimed, and if through reasonable efforts the City is unable to locate Kahne, or if Kahne dissolves or otherwise becomes defunct within the 20 year reimbursement period, the City shall retain all sums then received in a separate fund for two years, and shall release the funds when contacted by any individual or entity with standing to claim the funds. After expiration of the two-year period, Kahne's right to the collected latecomer fee shall expire and the City shall be deemed owner of the funds. Kahne shall keep the City continually updated with information regarding the current contact information. If Kahne fails in this duty and the City is not able through reasonable efforts to determine the rightful recipient of latecomer assessments, the City may collect any reimbursement and deposit those funds into an appropriate capital fund of the City. The City will record a certificate of payment and release of assessment for the entire reimbursement area when all the property owners have paid their assessments or upon expiration of the twenty-year reimbursement period.
 10. Dedication of Sewer Easement. Kahne will dedicate to the City a twenty-foot utility easement across Pierce County Tax Parcel 0519026035, as needed to construct the sewer line built by this agreement. This utility easement dedication will be at no cost to the City and shall be provided and recorded prior to advertisement of the contract to build this sewer line.

11. Assignment. Kahne may at any time assign its right to receive latecomer reimbursements to the individual or entity of its choosing, provided that it immediately notifies the City in writing of such assignment, and complies with the notification requirements of Section 9 above. Under no circumstances will the City be responsible for deciding or settling any disputes with regard to the proper recipient of latecomer reimbursements, or have any liability for transfer of funds to a recipient. In the event of a dispute, the City may transfer the funds into an escrow account designated by the parties to the dispute. The City may also, at its option, commence an interpleader action joining any party claiming rights under this Agreement, or other parties which the City believes to be necessary or proper parties, and the City shall be discharged from further liability upon paying the person or persons whom any court having jurisdiction of such interpleader action shall determine, and in such action the City shall be entitled to withhold its reasonable attorney's fees and costs from such payment.
12. Joint defense. The City and Kahne jointly agree to defend, or pay the cost of such defense, and indemnify the City against any lawsuits attacking the validity of this Agreement. Costs shall be apportioned based on the pro rata contribution of each party to the Project. Notwithstanding the foregoing, at any time after it becomes apparent that litigation may ensue, either party may inform the other in writing that it intends terminate this Agreement, at which time its obligation to defend or pay the cost of defense shall cease. Kahne's termination of this Agreement shall not relieve any of the benefitted properties of the obligation to pay any latecomer assessments due. Excepted from the joint defense obligation are eminent domain proceedings necessary to acquire sewer easements across the Shepard/Morris parcel, which shall be the sole responsibility of the City.
13. Administrative fee. The City shall charge, in addition to its usual and ordinary charges made against persons applying for service from said facility, and in addition to the amount agreed to be collected by the City in this Agreement, a sum equal to five percent (5%) of the Latecomer Fee to be collected from the owner or owners of said properties connecting to or using said facility, which sum shall be used by the City to defray the cost of contract administration, labor, bookkeeping, and accounting, pursuant to the terms of this Agreement.
14. Costs. The Parties shall bear their own costs and expenses including, without limitation, attorneys' fees and costs related to this Agreement, the latecomer assessments, and the agreements contemplated herein.
15. Preliminary assessment notices. The City shall send a map of the Assessment Reimbursement Area (**Exhibit C**), a preliminary calculation of the assessments due (**Exhibit D**), and a description of the property owners' rights and options, by certified mail to the property owners of record within the assessment reimbursement area pursuant to BLMC 13.16.050(J)(2). Appeals of the assessment shall be made in accordance with this Code section.

16. City's right to terminate. The City shall have the right, in its sole and absolute discretion, to terminate this Agreement based upon testimony received during City Council appeal hearings held in accordance with Section 14 above. Upon termination of the Agreement, Kahne's contribution shall be refunded.
17. Term of Agreement. This Agreement shall be effective for a period of twenty (20) years following the issuance of the Certificate of Final Completion to the construction contractor, or until every benefited property owner in the assessment reimbursement area has paid the latecomer assessment, whichever is sooner.
18. Timing. The parties agree to use their best efforts to move forward with the Project in anticipation of construction beginning in the first half of 2014.
19. Governing law and venue. Disputes arising under this Agreement shall be brought in Pierce County Superior Court and adjudicated under the laws of the State of Washington.
20. Modification or Amendment. No amendment, change, or modification of this Agreement shall be valid unless in writing and signed by all of the parties hereto.
21. Agreement runs with the land. The terms of this Agreement shall run with the land and bind subsequent owners of the properties affected.
22. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter and any and all prior agreements, understandings or representations with respect to its subject matter are hereby canceled in their entirety and are of no further force or effect.
23. Attorneys' Fees. Should either party bring suit to enforce this Agreement, the prevailing party in such lawsuit shall be entitled to an award of its reasonable attorneys' fees and costs incurred in connection with such lawsuit.
24. Headings. The captions and paragraph headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the interpretation or construction of any term or provision hereof.
25. Exhibits. All exhibits attached hereto are incorporated by reference.
26. Counterparts. This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories shall be deemed to be one original document.
27. Agreement date. For purposes of calculation of all time periods described in this Agreement, all phrases such as "the date of this Agreement" or "the date of execution of this Agreement" or any other like phrase referring to the date of the Agreement, shall mean and refer to the date the Bonney Lake City Council approves this Agreement.

Recording. This Agreement shall be recorded with the Pierce County Auditor within thirty (30) days of execution by the City. The City shall pay the costs of recording. IN WITNESS THEREOF, this Agreement has been approved by the City Council of the City of Bonney Lake as of the _____ day of _____, 2013.

CITY OF BONNEY LAKE

By: Neil Johnson, Jr., Mayor

SUMMARY OF EXHIBITS

Exhibit A

Map indicating the preliminary location of the construction work.

Exhibit B

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

Exhibit C

Map showing location of benefiting parcels/Assessment Reimbursement Area.

Exhibit D

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

Exhibit E

(Latecomer assessment standard form.)

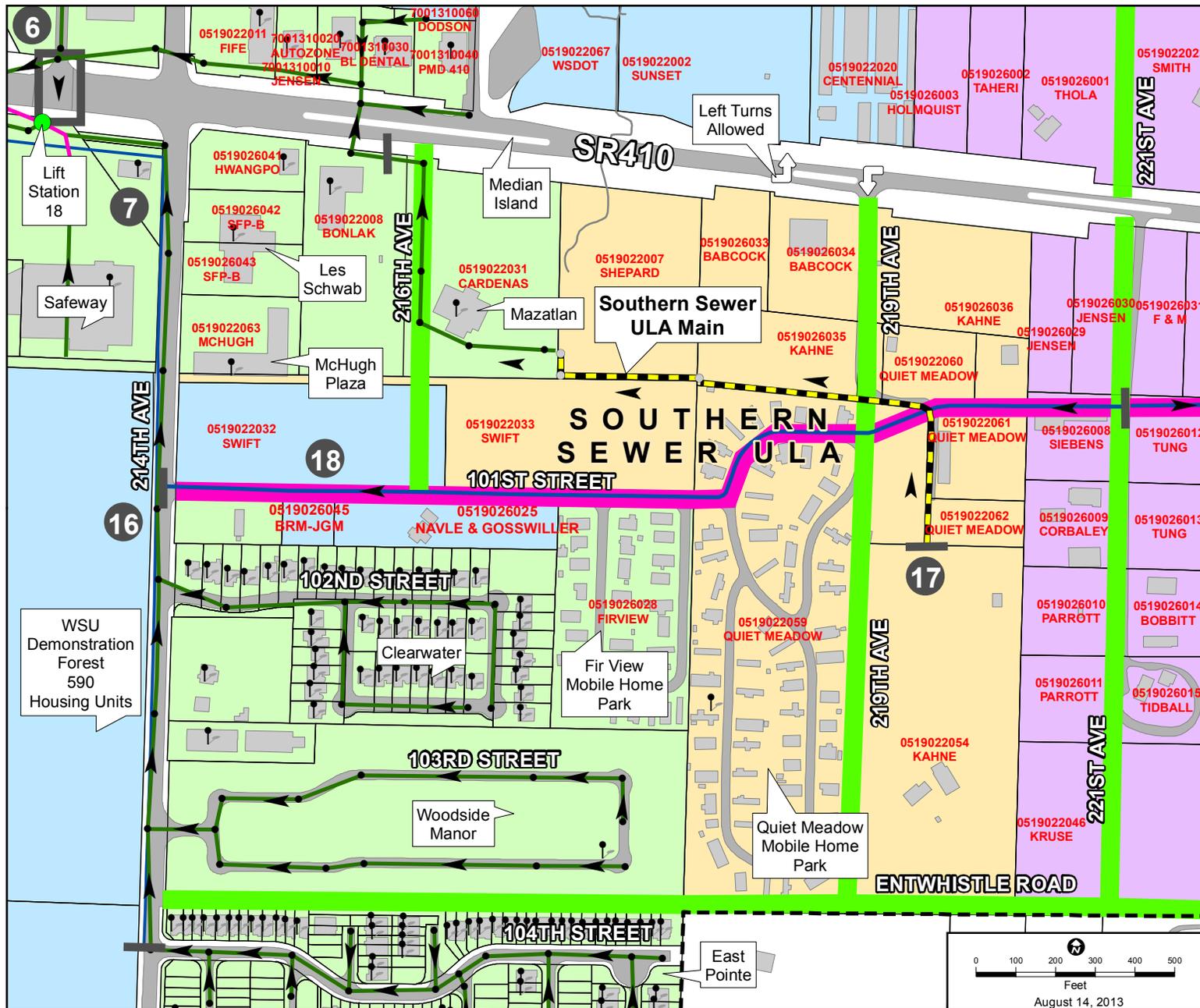
NOTICE OF ADDITIONAL SEWER CONNECTION CHARGES

Exhibit F

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

EASTOWN SOUTHERN UTILITY LATECOMERS AGREEMENT (ULA) PROPERTIES

Overlaid on Easttown Future Sewer Projects and Roads Base Map



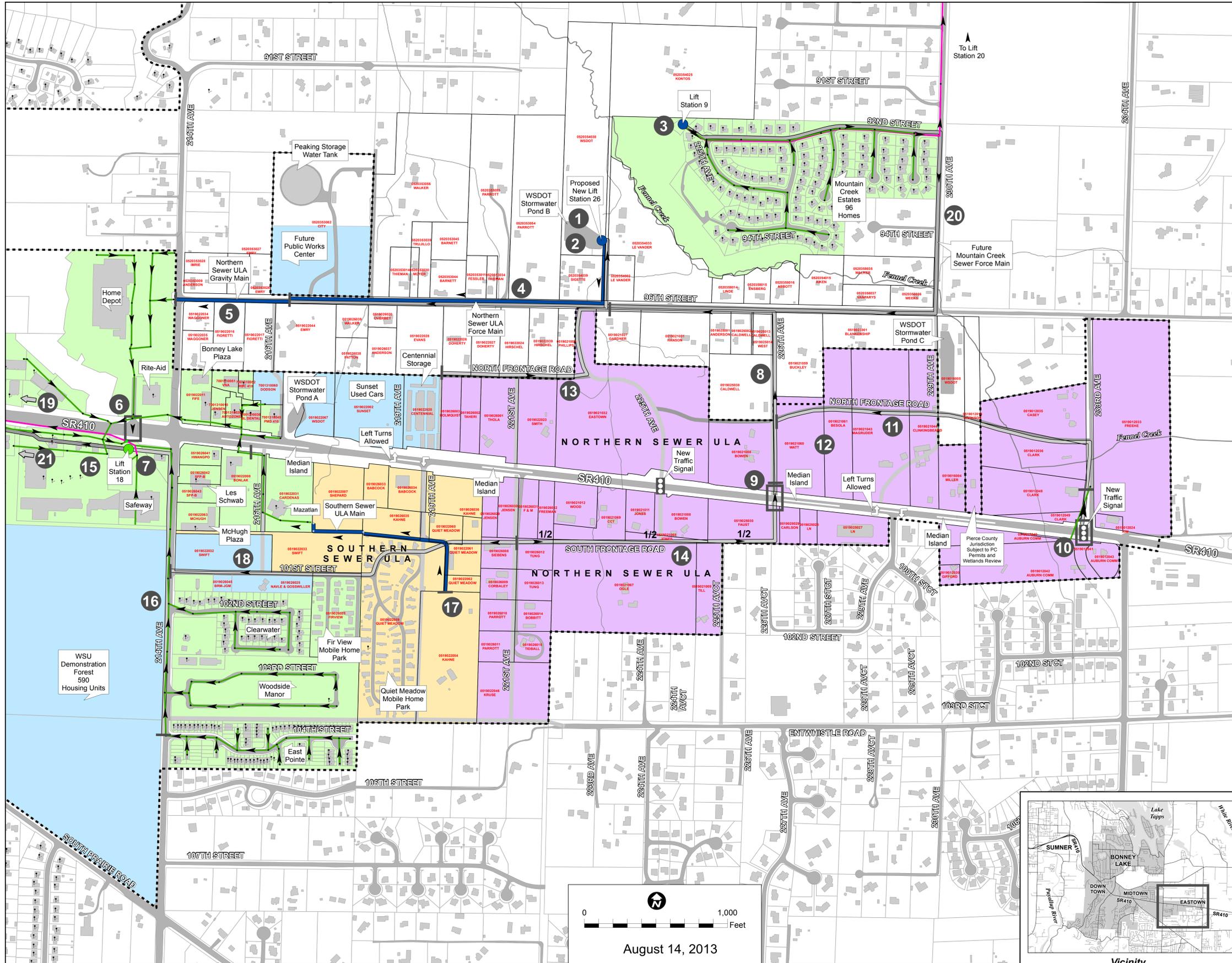
- EXISTING SEWER SERVICE**
- 1 Existing Bonney Lake Sewer Customer
 - Manhole
 - Lift Station
 - Sewer Force Main
 - Sewer Gravity Main
 - Tax Parcel
 - Bonney Lake Sewer Service Currently Provided to Existing Lift Station 18
 - Easttown Southern Sewer ULA (Utility Latecomers Agreement) No Bonney Lake Sewer Service Currently Available; Future Existing Lift Station 18 Service
 - Easttown Northern Sewer ULA (Utility Latecomers Agreement) No Bonney Lake Sewer Service Currently Available; Future Lift Station 26 Service
 - No Bonney Lake Sewer Service Currently Available; Future Rebuilt/Expanded Lift Station 18 Service
 - No Development Planned; Existing Septic System will be used in the Future
- FUTURE SEWER PROJECTS**
- Easttown Sewer ULA Main
 - 12 Future Sewer Project Number
 - SR410 Highway Crossing
 - Project Start/Stop
 - Manhole
 - ▶ Flow Direction
 - Gravity Main
 - Force Main
- FUTURE ROADS BASE MAP**
- Future Public Road
 - Future Private Road
 - Paved Road
 - Building
 - Bonney Lake City Limits

August 14, 2013

EASTOWN - SOUTHERN SEWER ULA - ULA & Latecomer Fee Cost Basis					
		<u>Pipe Length</u>		<u>ULA Preliminary Cost Estimate</u>	<u>ULA Actual Cost</u>
<u>Easement Acquisition</u>				\$150,000	TBD
<u>Design</u>					
Design - Consultant TBD (15% of Engineers Estimate)				\$37,353	
Gravity sewer line - Shepard/Morris Parcel		424	29%	\$10,672	TBD
Gravity sewer lines - Kahne Parcel		385	26%	\$9,691	TBD
Gravity sewer line - Chan Parcels (x4)		675	45%	\$16,990	TBD
Total Engineer's Estimate for Construction		1,484			
<u>Construction</u>					
Gravity sewer line - Shepard/Morris Parcel				\$71,232	TBD
Gravity sewer lines - Kahne Parcel		385	26%	\$64,680	TBD
Gravity sewer line - Chan Parcels (x4)		675	45%	\$113,333	TBD
		1,484			
Total ULA Project Cost				\$436,598	TBD
Minus Kahne Parcel Design & Construction				\$74,371	
NET ULA COST =				\$362,227	TBD
Developer/City Cost Share of NET ULA COST:					
KAHNE Cost Sharing Contribution to ULA (75%)				\$271,671	
City Cost Sharing Contribution to ULA (25%)				\$90,557	
				\$362,227	
Kahne Parcel Cost (No Cost Sharing)				\$74,371	
Kahne Total Contribution to ULA =				\$346,041	

EASTOWN PROPERTIES CURRENTLY WITHOUT BONNEY LAKE SEWER SERVICE

Overlaid on Easttown Future Sewer Projects and Roads Base Map



EXISTING SEWER SERVICE

- Existing Bonney Lake Sewer Customer
- Manhole
- Lift Station
- Sewer Force Main
- Sewer Gravity Main
- Easttown Tax Parcels
- Bonney Lake Sewer Service Currently Provided to Existing Lift Station 18
- Easttown Northern Sewer ULA (Utility Latecomers Agreement) No Bonney Lake Sewer Service Currently Available; Future Lift Station 26 Service
- Easttown Southern Sewer ULA (Utility Latecomers Agreement) No Bonney Lake Sewer Service Currently Available; Future Existing Lift Station 18 Service
- No Bonney Lake Sewer Service Currently Available; Future Rebuilt/Expanded Lift Station 18 Service
- No Development Planned; Existing Septic System will be used in the Future

FUTURE SEWER PROJECTS

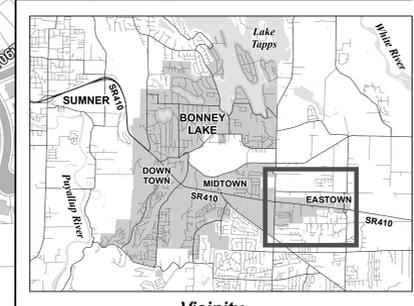
- Easttown Sewer ULA Main
- Lift Station
- Future Sewer Project Number
- SR410 Highway Crossing
- Project Start/Stop
- Manhole
- Flow Direction
- Gravity Main
- Force Main

FUTURE ROADS BASE MAP

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



August 14, 2013



EASTOWN SOUTHERN SEWER UTILITY LATECOMER AGREEMENT (ULA)

Latecomer Fee - Preliminary Assessment Roll

Number of Properties	Map ID	TAX PARCEL	Parcel Size Acres	Preliminary Latecomer Fee \$	Preliminary Latecomer Fee Paid (+ 5%)	Parcel Owner
Benefitting Service Area Parcels						
1	34	0519022007	4.73	\$39,790	\$41,779	SHEPARD JAMES H & OLIVA I TTEE ET AL
2	35	0519022033	4.02	\$33,817	\$35,508	SWIFT WARREN G & PATRICIA E
3	37	0519026033	1.58	\$13,291	\$13,956	BABCOCK AARON L & ARDIS E
4	38	0519026034	1.35	\$11,356	\$11,924	BABCOCK AARON L & ARDIS E
5	39	0519026036	2.89	\$24,310	\$25,526	KAHNE & KAHNE PROPERTIES LLC (Note 4)
6	41	0519022060	1.15	\$9,674	\$10,158	CHAN BILL & SANDY
7	42	0519022059	14.06	\$118,275	\$124,188	CHAN BILL L & SANDY
8	43	0519022061	1.86	\$15,647	\$16,429	CHAN BILL & SANDY
9	44	0519022062	0.65	\$5,468	\$5,741	CHAN BILL & SANDY
10	45	0519022054	9.00	\$75,710	\$79,495	KAHNE & KAHNE PROPERTIES LLC (Note 4)
11	40	0519026035	1.77	\$14,889	\$15,633	KAHNE & KAHNE PROPERTIES LLC (Note 4)
			43.06	\$362,227	\$380,338	
				Notes 1 and 2	Note 3	
Total ULA COST =				\$362,227		
				\$8,412		Preliminary Assessment Rate = \$/Acre
				\$0.193		Preliminary Assessment Rate = \$/square foot

43,560
s.f. per acre

NOTE:

1. Preliminary costs are based on estimates and will be adjusted with actual costs. When all actual costs are determined, the Initial Latecomer Fee amount will be set. Costs depend on scope of work and actual design/construction costs...To Be Determined (TBD) !

2. Initial Latecomer Fee Assessment amount will be updated each January with a CCI adjustment = Current Latecomer Fee

3. Latecomer Fee Paid = Current Latecomer Fee + 5% City Administrative Fee (BLMC 13.16.050 F)

4. KAHNE Latecomer Fee Summary:

Total Latecomer Fees due from all parcels =	\$362,227
Total Latecomer Fee Due from KAHNE parcels =	\$114,909
Net Latecomer Fee Payments due from other property owners =	<u>\$247,318</u>

Preliminary Amount contributed by KAHNE to establish ULA (75%) = \$271,671 (Includes KAHNE Latecomer Fee Payments)

Preliminary Amount contributed by CITY to establish ULA (25%) = \$90,557

Total ULA Cost = \$362,228

Exhibit E
Latecomer Assessment standard form.

NOTICE OF ADDITIONAL SEWER CONNECTION CHARGES

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

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

[insert \$\$]

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

Signed this ____ day of _____, 20??

Don Morrison, Bonney Lake City Administrator

EASTOWN SOUTHERN SEWER UTILITY LATECOMER AGREEMENT (ULA)

Latecomer Fee - Preliminary ULA Reimbursement Roll Paid to KAHNE

Number of Properties	Map ID	TAX PARCEL	Parcel Size Acres	Preliminary Latecomer Fee (LF) \$	Preliminary Latecomer Fee Paid to City (\$LF + 5%)	Parcel Owner	Latecomer Fee Paid to Kahne by City \$	Latecomer Fee Paid by KAHNE to City \$	
Assessment Reimbursement Area Parcels									
1	34	0519022007	4.73	\$39,790	\$41,779	SHEPARD JAMES H & OLIVA I TTEE ET AL	\$25,221		
2	35	0519022033	4.02	\$33,817	\$35,508	SWIFT WARREN G & PATRICIA E	\$21,435		
3	37	0519026033	1.58	\$13,291	\$13,956	BABCOCK AARON L & ARDIS E	\$8,425		
4	38	0519026034	1.35	\$11,356	\$11,924	BABCOCK AARON L & ARDIS E	\$7,198		
5	39	0519026036	2.89	\$24,310	\$25,526	KAHNE & KAHNE PROPERTIES LLC (Note 4)	\$0	\$1,216	
6	41	0519022060	1.15	\$9,674	\$10,158	CHAN BILL & SANDY	\$6,132		
7	42	0519022059	14.06	\$118,274	\$124,188	CHAN BILL L & SANDY	\$74,968		
8	43	0519022061	1.86	\$15,647	\$16,429	CHAN BILL & SANDY	\$9,918		
9	44	0519022062	0.65	\$5,468	\$5,741	CHAN BILL & SANDY	\$3,466		
10	45	0519022054	9.00	\$75,710	\$79,495	KAHNE & KAHNE PROPERTIES LLC (Note 4)	\$0	\$3,785	
11	40	0519026035	1.77	\$14,890	\$15,634	KAHNE & KAHNE PROPERTIES LLC (Note 4)	\$0	\$744	
			43.06	\$362,227	\$380,338		\$156,761	\$5,745	
				Notes 1 and 2		Note 3		Note 5	
				Note 6					
ULA COST =				\$362,227					
				\$8,412		Preliminary Assessment Rate = \$/Acre			
				\$0.193		Preliminary Assessment Rate = \$/square foot			

43.560
s.f. per acre

NOTES:

1. Preliminary costs are based on estimates and will be adjusted with actual costs. When all actual costs are determined, the Initial Latecomer Fee amount will be set. Costs depend on scope of work and actual design/construction costs...To Be Determined (TBD) !

2. Initial Latecomer Fee Assessment amount will be updated each January with a CCI adjustment = Current Latecomer Fee

3. Latecomer Fee Paid = Current Latecomer Fee + 5% City Administrative Fee (BLMC 13.16.050 F)

4. KAHNE Latecomer Fee Summary:

Total Latecomer Fees due from all parcels =	\$362,227
Total Latecomer Fee Due from KAHNE parcels =	\$114,910
Net Latecomer Fee Payments due from other property owners =	\$247,317

Preliminary Amount contributed by KAHNE to establish ULA (75%) =	\$271,671
Preliminary Amount contributed by CITY to establish ULA (25%) =	\$90,557
Total ULA Cost =	\$362,228

5. KAHNE Reimbursement when LF paid by other property owners:

Preliminary Amount contributed by KAHNE to establish ULA (75%) =	\$271,671
Less Preliminary Latecomer Fee Due from KAHNE parcels =	\$114,910
Total LF to be paid to Kahne =	\$156,761

ULA Acres less KAHNE parcels =	29.40		
		\$5,332	Preliminary KAHNE Reimbursement Rate = \$/Acre
		\$0.122	Preliminary KAHNE Reimbursement Rate = \$/square foot

6. 5% City administrative charge for Latecomer Fee payment is to be paid by all benefiting parcels including KAHNE parcels

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

Department/Staff Contact: Administrative Services / Edvalson	Meeting/Workshop Date: 1 October 2013	Agenda Bill Number: AB13-124
Agenda Item Type: Discussion	Ordinance/Resolution Number:	Councilmember Sponsor:

Agenda Subject: Discussion of Proposed MOU for Use of Old Senior Van

Full Title/Motion: n/a .

Administrative Recommendation: Approve.

Background Summary: The Old Senior Van was originally scheduled for surplus disposal to assist with the its early replacement. A private citizen has offered to donate the estimated surplus value of the van to the City to allow for its continued use in support of the Senior Center. The Bonney Lake/Lake Tapps Senior Citizens have offered to fund the operational/maintenance costs of the Old Senior Van. To clarify expectations, a proposed Memorandum of Understanding has been developed and is presented to the Council to determine their support. The Senior Advisory Board has previously reviewed the MOU and has indicated preliminary support for the terms as currently proposed.

Attachments: MOU; historical expenditures information and current estimated repairs.

BUDGET INFORMATION			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
n/a			
Budget Explanation: No additional expense for retaining the Old Senior Van is anticipated for its use as a back up to the New Senior Van. Any additional uses by the City will incur additional operating costs which are currently not budgeted.			

COMMITTEE, BOARD & COMMISSION REVIEW											
Council Committee Review:	Finance Committee Date: 10 September 2013	<i>Approvals:</i> Chair/Councilmember Councilmember Councilmember	<table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 0 10px;">Yes</td> <td style="padding: 0 10px;">No</td> </tr> <tr> <td style="text-align: center;"><input 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 type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Yes	No	<input type="checkbox"/>					
Yes	No										
<input type="checkbox"/>	<input type="checkbox"/>										
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<input type="checkbox"/>	<input type="checkbox"/>										
Forward to: Workshop		Consent Agenda: <input type="checkbox"/> Yes <input type="checkbox"/> No									
Commission/Board Review:											
Hearing Examiner Review:											

COUNCIL ACTION	
Workshop Date(s): 1 October 2013	Public Hearing Date(s):
Meeting Date(s):	Tabled to Date:

APPROVALS		
Director: <i>HTE</i>	Mayor: <i>NHJ</i>	Date Reviewed by City Attorney: n/a (if applicable):

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MEMORANDUM OF UNDERSTANDING – DRAFT – Sept. 25, 2013

WHEREAS, the City of Bonney Lake has received an offer of private donation covering the anticipated sales price of the old senior services van and the cost to replace its current tires; and

WHEREAS, the Bonney Lake/Lake Tapps Senior Citizens acting in their capacity as the Bonney Lake Senior Services Advisory Board wishes the City to make available the old senior services van for service to the Bonney Lake Senior Center; and

WHEREAS, the Bonney Lake/Lake Tapps Senior Citizens, a registered non-profit corporation, has agreed to provide for the continuing operating, repair and maintenance costs of the old senior van according to the provisions of this Memorandum of Understanding.

NOW, THEREFORE, the City of Bonney Lake (City) and the Bonney Lake/Lake Tapps Senior Citizens (BL Senior Citizens), acting in their capacity as a non-profit corporation, jointly agree to the continued availability and operation of the old senior services van (Old Van) according to the following provisions:

1. The City will accept the private donation of \$4,000 for the Old Van + \$600 for new tires, and agrees to insure the van under the City's fleet insurance.
2. The BL Senior Citizens will pay for all current and future maintenance/repair costs associated with the continued use of the Old Van as a backup for the current senior services van and for other senior services uses described in number four below.
3. The City will pay for fuel costs associated with the Old Van used in a backup role and for other City uses not associated with additional senior services uses described in number four below.
4. If the BL Senior Citizens wishes to use the Old Van as a supplement to the new senior services van rather than just as a backup, they may do this, as long as they also provide a driver, paid or volunteer, and also fund the increased use of fuel. BL Senior Citizens understands that city staff will not be used in a supplemental driving role and that the Old Van shall not be used for excursions or services outside the 98391, 98390 and 98321 zip codes.
 - a. Replacement use or additional use of the Old Senior Van as directed by the City is not considered a supplemental use for which BL Senior Citizens will be responsible for fuel costs.
5. It is agreed that BL Senior Citizens will pay costs for routine maintenance and operation of the Old Van without advance approval. The maintenance and operation costs as well as authorized repair costs will be invoiced on a monthly basis to BL Senior Citizens for payment, payable net 30 days. Failure to pay invoices for more than 60-days will result in the Old Van sitting idle until all invoices are paid in full.
6. Costs for repairs in excess of routine maintenance will be estimated and presented to the BL Senior Citizens for authorization in advance of the repairs being made.

- Overpayment will be credited to BL Senior Citizens. Repair costs in excess of estimates will be invoiced to BL Senior Citizens for payment.
7. Both the City and BL Senior Citizens will seek available grant funding to assist with the ongoing maintenance and operations of the old senior van.
 8. If at any time the BL Senior Citizens decides to no longer fund repairs to the Old Van, it is understood that the future disposition of the Old Van is solely at the City's discretion.
 9. After the first three years of operation from the date this MOU is signed, if the City chooses to no longer support the use of the Old Van for senior services, then with 60-days' notice to the BL Senior Citizens, the City may unilaterally take the Old Van out of senior services use.
 10. If the Old Van should be in an accident and Washington Cities Insurance Authority (WCIA) chooses to "total" the vehicle, then the City will receive the funds from the sale of the vehicle.
 11. In the event of an accident while the Old Van is being used in its backup role or an authorized additional use, and if WCIA agrees to repair the Old Van, then the City will be responsible to pay the current deductible on the Old Van's coverage. If the accident occurs when the van is being used in a supplemental role, BL Senior Citizens will be responsible to pay the deductible. If BL Senior Citizens chooses not to pay the deductible for repair, the City may remove the Old Van from senior services use and determine its future disposition.
 12. For any other issues or concerns regarding the continued operation of the Old Van, the City agrees to meet toward a resolution with the BL Senior Citizens Executive Board. However, in all cases, BL Senior Citizens Board recognizes the City's right to determine the ongoing disposition of the Old Van.

253-447-4330

F&X

Korum Ford Lincoln
 100 River road
 Puyallup, wa 98371
 253-286-5070

Estimate

Name		Phone	Date	Done	Mileage	RO Number				
B. LAKE					183383	6515885				
CP / ESP / Internal		ESP Phone Number		Technition						
				K-						
Repair	Job#	Hrs	Description	Parts	Labor	SS	Tax	Line total		
		4.0	F BRK w/brake	106 SS1	320.-	35.20	43.41	505.15		
		1.4	Swdy Brk Bush	56.84	137.20	15.10	19.66	228.80		
			4 brk 4 wheel	Align				109.23		
		3.5	DRIVE LINE CORRECTION	49.78	343.-	37.73	40.47	470.98		
		.8	Serp Belt / ten	145.87	78.10	8.63	21.90	254.80		
		3.0	TRONZ FL Boty	92.00	294	32.34	30.68	357.02		
		1.0	BMS + cable	229.80	80.-	8.80	29.95	348.55		
			DRIVE LINE CORRECTION							
			LOF					46.-		
			TRONZ FL.					256.83		
			COOLANT FL.					129.83		
			PLS FL.					166.02		
			BRK FL.					187.91		
			Injector service		hour for 11...			185.59		
The above is an estimate based on our inspection and does not cover any additional parts or labor which may be required after the work has been started. Occasionally, worn or damaged parts are discovered which may not be evident on the first inspection. Because of this, the above prices are not guaranteed. Quotations on parts and labor are current and subject to change				Rental Car \$30 day						
				Sublet/Towing		Fees				
				Deductable		plus		tax		
				Total						3247.71

QUOTE # 5849

CUSTOMER INFORMATION		VEHICLE INFORMATION	STORE LOCATION
ACCOUNT	USE CHARGE	2000 FORD	WAS 24
19306 BONNEY LK BLVD		E-450	19815 SOUTH PRAIRIE RD E.
SRG BOYLE		CITY BUS S	BONNEY LAKE WA 98391
BONNEY LAKE	WA 98391	PLATE # UNKNOWN	PHONE: 253-862-0110
(H) 253-447-3101			
	(M) 253-350-0120	MILEAGE: UNKNOWN	170 AVP ACCESS-DO NOT DELETE

CODE	CC	QTY	SIZE	DESCRIPTION	F.E.T.	PRICE	AMOUNT
27906	NRM	6	LT225/75R-16/E1 115Q	COOPER DISCOVERER H/T	.00	139.00	834.00
WARRANTY: MILEAGE- 60,000 WORKMANSHIP/MATERIALS-LIFETIME							
80075	NRM	6	STATE REQUIRED	ENVIRONMENTAL FEE	.00	1.00	6.00
80224	NRM	6	WASTE TIRE DISPOSAL	FEE	.00	2.50	15.00
COMMENT: they will be by to pick this up							
80219	NRM	6	INSTALLATION &	LIFETIME SPIN BALANCING	.00	16.00	96.00
80402	NRM	6	VALVES, ROTATIONS &	LIFETIME REPAIRS INCLUDED	.00	.00	.00

TAX: 83.16
 TOTAL: 1,034.16

FREE CUSTOMER FLAT REPAIR AND ROTATION
 This quote is good for 30 days
 THANK YOU FOR SHOPPING DISCOUNT TIRE CO.

 (Salesman's Signature)

Fleet Cost Report

Print Date

Fueling and Work Orders with End Dates starting on or after 1/1/2011 and on or before 12/31/2011

8/22/2013

Department

Vehicle	Main Task	WO End Date	Costs				Total
			Labor	Materials	Fuel	Contractors	
11 Senior Center							
11-000056	Repair	5/2/2011	\$0	\$35.00	\$421.94		\$456.94
11-000057	Replace	6/2/2011	\$0	\$0	\$728.90		\$728.90
11-000058	Replace	1/15/2011	\$0	\$0	\$103.83		\$103.83
11-000059	PM Service C	1/19/2011	\$0	\$0	\$920.28		\$920.28
11-000060	Repair	3/15/2011	\$0	\$0	\$388.08		\$388.08
11-000061	PM Service A	4/14/2011	\$0	\$0	\$72.38		\$72.38
11-000123	Repair	7/7/2011	\$0	\$0	\$102.34		\$102.34
11-000186	Miscellaneous	9/9/2011	\$0	\$0	\$0		\$0
11-000190	Inspection	7/19/2011	\$59.46	\$0	\$0		\$59.46
11-000254	PM Service A	11/8/2011	\$0	\$0	\$32.65		\$32.65
12-000023	Swap Out	12/22/2011	\$0	\$0	\$0		\$0
RS125 Passenger Van 2000			\$59.46	\$35.00	\$9,728.94	\$2,770.40	\$12,593.80
Department Totals:			\$59.46	\$35.00	\$9,728.94	\$2,770.40	\$12,593.80

Fleet Cost Report

Print Date

Fueling and Work Orders with End Dates starting on or after 1/1/2012 and on or before 12/31/2012

8/22/2013

Department

Vehicle	WO Number	Main Task	WO End Date	Costs				Total	
				Labor	Materials	Fuel	Contractors		
11 Senior Center									
	12-000024	PM Service A	2/7/2012	\$0	\$0		\$48.18	\$48.18	
	12-000083	Repair	3/26/2012	\$0	\$117.63		\$0	\$117.63	
	12-000084	Repair	4/18/2012	\$0	\$0		\$327.60	\$327.60	
	12-000098	Inspection	5/4/2012	\$0	\$0		\$250.83	\$250.83	
	12-000102	PM Service C	5/17/2012	\$0	\$0		\$176.87	\$176.87	
	12-000118	Replace	6/8/2012	\$0	\$0		\$1,413.25	\$1,413.25	
	12-000140	Repair	6/1/2012	\$0	\$54.56		\$0	\$54.56	
	12-000157	Crisis Response	9/13/2012	\$222.97	\$246.16		\$0	\$469.13	
	12-000175	Repair	9/11/2012	\$74.33	\$1,064.55		\$0	\$1,138.88	
	12-000197	PM Service A	9/18/2012	\$0	\$0		\$31.73	\$31.73	
	RS125 Passenger Van 2000			\$297.30	\$1,482.90		\$9,625.58	\$2,248.46	\$13,654.24
Department Totals:				\$297.30	\$1,482.90		\$9,625.58	\$2,248.46	\$13,654.24

Fleet Cost Report

Print Date

Fueling and Work Orders with End Dates starting on or after 1/1/2013 and on or before 8/22/2013

8/22/2013

Department

Vehicle	WO Number	Main Task	WO End Date	Costs			Total	
				Labor	Materials	Fuel Contractors		
11 Senior Center								
	2013-08-22-0015	Inspection	7/11/2013	\$0	\$0		\$214.42	\$214.42
RS125	Passenger Van 2000			\$0.00	\$0.00	\$894.23	\$214.42	\$1,108.65
Department Totals:				\$0.00	\$0.00	\$894.23	\$214.42	\$1,108.65