



Community Development Committee
April 05, 2016 Scheduled Meeting

Agenda

City of Bonney Lake Justice and Municipal Center, 3rd Floor Conference Room.

The meeting will be called to order at 4:00 P.M. and adjourned at P.M.

Roll Call:

Chairperson Donn Lewis
Councilmember Tom Watson
Councilmember Dan Swatman

Attendees:

Public Works Director, Dan Grigsby
Community Development Director, John Vodopich

I. Discussion/Presentation:

- Pg. 2 1. **Water & Sewer Comprehensive Plans - 2016 Update – Policy Creation & Clarification**

II. New Business/Action Items:

- Pg. 6 1. Approval of March 15, 2016 CDC Meeting Notes.
Pg. 7 2. AB16-07, Ordinance D16-07, Extension of City Franchise Agreement with PSE-
Washington Natural Gas Company

III. Actions Under Development by Staff:

1. Ordinance – Residential and Commercial Frontage Maintenance – City and Private Property Owner Responsibilities in the City Right of Way.
2. Establish City White River Basin Water Rights Using Cascade Water Alliance water rights.
3. Public Works Center project update provided quarterly. (Last updated on 1 March 2016)

Additional Attachments: None

Discussion Item 1

Water and Sewer Comprehensive Plans - 2016 Update – Policies

(4 April 2016)

The Water and Sewer Comprehensive Plans will be updated and forwarded to the Planning Commission and City Council for review and adoption in 2016. Within these plans various policy statements are made on how staff will administer these utilities. These policies need to be consistent and fair for all customers. Policies adopted within a comprehensive plan have the same weight and authority outside the City limits as municipal codes do within the City.

Water and Sewer Enterprise Fund utilities are essentially run the same as a business. Businesses want as many customers as possible for a variety of reasons. At the same time, these utilities may grant exceptions that allow living units to not be required to connect to the water or sewer systems when exceptional circumstances exist.

For the 2016 updates, the following policies are submitted to the CDC committee for your feedback:

WATER SYSTEM Policies:

1. Connection Required to City Water system outside City Limit. Drilling of private wells is prohibited. Exceptions are made outside the City due to the greater parcel sizes and distances involved. Exceptions proposed for discussion are:
 - a. Wells serving a single house.
 - i. If the parcel line closest to the City is more than 250 feet, then the single family home may drill a private well.
 - ii. However, when the City Water system is extended to within 250 feet of the closest parcel line, the resident must disconnect from the well and connect to the City Water System. An Agreement to Connect must be signed and recorded at the time the City authorizes a well to be drilled with in its Water Service Area.
 - b. Wells serving more than one house.
 - i. Developments with more than one living unit may drill a private well and establish a private water system if the closest parcel line in the development is further away from the City water system than 250 feet times the number of living units being served by the private water system. Example: A three lot short plat would need to be greater than 750 feet away from the City water line in order to be granted a release from connecting to the City water system.
 - ii. However, when the City Water system is extended to within 250 feet of the closest parcel line, the resident must disconnect from the well and connect to the City Water System. An Agreement to Connect must be signed and recorded at the time the City authorizes a well to be drilled with in its Water Service Area.

- iii. HOAs with a private water system will manage these water systems independently from the City and the City will not be responsible or liable for these small water systems.
- c. Unlike water line extensions within the City, the property owner does not need to extend the 12-inch water line across the parcel. The owner/builder may extend the 12-inch water line further than the parcel line, if desired, before the water meter and service line are connected.
- d. Irrigation Wells.
 - i. Wells used for irrigation only are allowed to be used by public agencies within the City including wells serving the City, School Districts, and County or State facilities.
 - ii. Wells or their distribution system will not be connected to the City water system.

Note:

From: McMeen, Chris – TPU Deputy Superintendent
Sent: Friday, April 01, 2016 3:22 PM
To: Dan Grigsby <grigsbyd@ci.bonney-lake.wa.us>

In general our policy is the same as yours: in the city we do not allow individual wells. Outside the city we have allowed releases in areas where a single home is developed on a large lot, and we are quite distant with infrastructure. That does open the slippery slope of “how close is close enough?” It isn’t a frequent occurrence, and I am doing some additional checking on our side to see if we have any more quantitative methodology guiding the decisions. Where we do allow it, we have a proviso that if/when infrastructure is available to connect, they must connect. I believe (but will verify) that gets recorded.

- 2. Utility Latecomer Agreements (ULAs) Outside the City Limit.
 - a. The City is willing to participate in a ULA following the guidelines contained in Bonney Lake Municipal Code (BLMC 13.16). This will only pertain to parcels located within the Water Service Area boundaries of the Boney Lake water system.
 - b. In any case where a latecomer agreement is contemplated in connection with a developer extension, the latecomer agreement shall be finalized, approved by the council, and executed prior to or simultaneous with the city’s acceptance of ownership of the developer extension.

SEWER SYSTEM Policies:

1. Home owners are responsible for maintenance and repair of the **side sewer** that provides sewer service for their living unit.
 - a. A side sewer begins at the house and ends at the point of connection to the City Sewer line; OR,
Comment: This is the way staff has applied the side sewer definition in the past; OR,
 - b. A side sewer begins at the house and ends at the City Right of Way Line.
Comment: Once the side sewer enters the ROW it becomes much more expensive to repair due the depth of the sewer and cutting/restoring sidewalks/pavement surfaces. A City crew could mobilize immediately to make the repair; whereas, if the homeowner needs to obtain a loan or hire a company, this may take several days or several weeks.
 - c. Either way, the City’s design standards for pavement cutting and patching would apply.
2. Multi-Family Use of Sewer Lines by Single Family Homes:
 - a. City Sewer Line. The City sewer line begins at the point where more than one family uses the sewer line.
 - b. Gravity Lines. Each home will have its own sewer line to the point of connection to the City gravity sewer line; or, if allowed, to a City or private grinder pump.
Comment: This avoids problems with determining who is responsible for repair/cleaning of a sewer line when blockages or damage occurs from tree roots, excavations, etc.
 - c. Force Mains. All new grinder pumps and their force mains are privately owned. The cost to purchase, maintain and operate a grinder pump is much higher than a gravity system. The force mains can and often do need to travel much further to reach the City sewer line resulting in a higher cost to install.

Policy Options:

- i. Require only one house per private grinder pump and force main. This is the current and past City practice.
- ii. Allow more than one house to use the same grinder pump and force main.

PROs:

- a) Homes will be more affordable to build and maintain.
- b) Extending multiple force mains under one street increases the risk of damage to them or damage to streets if these force mains are punctured or leak.
- c) Only one power meter is required.
- d) Technically, there is no reason why 2-3 homes couldn’t share the same grinder pump as long as the cost sharing for maintenance, operation, and repair are clearly spelled out in the deed of each parcel. City staff would need to ensure that this occurs before issuing the certificate of occupancy.

CONs:

- a) When multiple homes own and operate the same grinder pump/force main, disputes may arise over who is responsible for the repairs.
- b) When a repair or replacement is needed, one family may not be able to afford to contribute to these unexpected repair costs.
- c) With one power meter, the home owners would need to each make a contribution to the bill each month, which could create problems. Possibly, the power company could split the costs and send separate bills.
- d) If one large home and one small home share the same grinder pump, there may be disagreement on the cost sharing percentages per home. Also, if a home adds on living space, how would the cost sharing agreement be modified? (50/50, 60/40, etc.)
- e) The comment is made that the City has owned and maintained grinder pumps with three or four homes using one pump without any problems. However, the lack of problems is because the City does own the grinder pumps and the City is billed for the power to operate the pump.

- iii. Limit the number of homes on a private grinder pump to no more than two living units. This will limit the amount of disagreements that may arise while still sharing the cost of the grinder pump force main across two homes.

3. City-Owned Grinder Pumps.

- a. Once a home is disconnected from a City grinder pump, that same house or a replacement house cannot reconnect to the City grinder pump. Ultimately, this will allow the City Council policy to reduce the number of City owned grinder pumps to become reality.
- b. Residents can buy these grinder pumps for \$1 from the City and convert them to private pumps in order to avoid the higher operation and maintenance costs charged by the City. The long term risks assumed by the homeowner is that when power outages occur, the City will not provide portable generators to operate the pump. Also, the resident may not provide inspection and maintenance of the grinder pump and sump on a regular basis as City crews do; thus, increasing the risk of pump breakdown or replacement.



Community Development Committee

March 15, 2016 Scheduled Meeting

Meeting Notes

City of Bonney Lake Justice and Municipal Center, 3rd Floor Conference Room.

The meeting was called to order at 4:00 P.M. and adjourned at 4:27 P.M.

Roll Call:

Chairperson Donn Lewis
Councilmember Tom Watson
Councilmember Dan Swatman

Attendees:

Public Works Director, Dan Grigsby
Community Development Director, John Vodopich
Development Review Engineer, Cole Elliott

I. Discussion/Presentation:

1. Easttown Southern Sewer Line. Director Grigsby responded that designs are being completed and passed on to Mr. Kahne's construction team. Mr. Kahne has requested a refund of his ULA deposit and this is being reviewed by Director Grigsby. A letter requesting release from the ULA by Mr. Kahne is also being prepared. The City will be fully reimbursed for all design and easement acquisition costs.
2. Skystone Apartments. Director Vodopich responded that the site plan is undergoing another review by City staff, as requested by the developer.
3. 186th Ave. Corridor Improvement. Director Grigsby responded that design is nearing completion and construction of Phase-I is planned for early April. Acquisition of the ROW from the warehouse parcel appears to be on hold until 2018 per the property owner.
4. Director Grigsby was asked to investigate whether there was a way to increase the green signal time on North bound Veterans Memorial Drive, at the Main Street and Locust Avenue intersections, during the evening rush-hour period Monday-Friday.

II. New Business/Action Items:

1. Approval of March 1, 2016 CDC Meeting Notes. Meeting notes were approved as written.
2. AB16-46, Resolution 2519, Developer Extension Agreement with JK Monarch LLC for Church Lake Estates for extension of water and sewer systems. CDC moved this action forward to the 22 March 2016 City Council meeting, on the consent agenda.

III. Actions Under Development by Staff:

1. Ordinance – Residential and Commercial Frontage Maintenance – City and Private Property Owner Responsibilities in the City Right of Way.
2. Establish City White River Basin Water Rights Using Cascade Water Alliance water rights.
3. Public Works Center project update provided quarterly. (Last updated on 1 March 2016)

Additional Attachments: None

Action Item 2

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

Department/Staff Contact: PW / GRIGSBY	Meeting/Workshop Date: 26 April 2016	Agenda Bill Number: AB16-07
Agenda Item Type: Ordinance	Ordinance/Resolution Number: D16-07	Councilmember Sponsor: Donn Lewis

Agenda Subject: Extension of City Franchise Agreement with PSE-Washington Natural Gas Company

Full Title/Motion: An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Extension Of City Franchise Agreement With Pse-Wshington Natural Gas Company To June 9, 2030.

Administrative Recommendation: Recommend Approval

Background Summary: PSE has two Franchise Agreements with the City from the companies that were consolidated to form PSE. The 25-year old Natural Gas agreement expires this year on July 9th; however, the 50-year Power & Light agreement does not expire until June 9th, 2030. Rather than consolidate these two agreements now, PSE has requested the City extend the Natural Gas agreement from 2016 to 2030 and consolidate it with the Power & Light agreement in 2030.

Attachments: AB16-07, Ordinance D16-07, and Ordinance 631

BUDGET INFORMATION

Budget Amount	Current Balance	Required Expenditure	Budget Balance	Fund Source
				<input type="checkbox"/> General
				<input type="checkbox"/> Utilities
				<input type="checkbox"/> Other

Budget Explanation:

COMMITTEE, BOARD & COMMISSION REVIEW

Council Committee Review: Community Development *Approvals:* Yes No
 Date: 5 April 2016

Chair/Councilmember	Donn Lewis	<input type="checkbox"/>	<input type="checkbox"/>
Councilmember	James Rackley	<input type="checkbox"/>	<input type="checkbox"/>
Councilmember	Dan Swatman	<input type="checkbox"/>	<input type="checkbox"/>

Forward to: **Consent Agenda:** Yes No

Commission/Board Review:

Hearing Examiner Review:

COUNCIL ACTION

Workshop Date(s): 19 April 2016 Public Hearing Date(s):
 Meeting Date(s): 26 April 2016 Tabled to Date:

APPROVALS

Director: 
 D.L. Grigsby, P.E.

Mayor:
 Neil Johnson, Jr.

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

ORDINANCE NO. D16-07

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AMENDING ORDINANCE NO. 631 RELATING TO THE PSE-WASHINGTON NATURAL GAS COMPANY FRANCHISE AGREEMENT.

WHEREAS, Ordinance 631, effective July 9th, 1991 established a 25-year Franchise Agreement between Washington Natural Gas Company and the City of Bonney Lake that expires on July 9, 2016; and,

WHEREAS, Ordinance 497, effective June 9th, 1980 established a 50-year Franchise Agreement between Puget Sound Power & Light and the City of Bonney Lake that expires on June 9th 2030; and,

WHEREAS, Puget Sound Energy, the successor company to Washington Natural Gas Company and Puget Sound Power & Light, who these two franchise agreements are now with, has requested extension of the Natural Gas agreement to June 9th, 2030; and,

WHEREAS, Puget Sound Energy desires to consolidate these two franchise agreements into one agreement in 2030, by June 9th.

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

Section 1. The Franchise granted to Washington Natural Gas Company via Ordinance No. 631 is hereby extended, upon the same terms and conditions, to June 9, 2030.

Section 2. This Ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication, as required by law

PASSED by the City Council and approved by the Mayor this 26th day of April, 2016.

Neil Johnson Jr., Mayor

AUTHENTICATED:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

ORDINANCE NO. 631

AN ORDINANCE GRANTING TO WASHINGTON NATURAL GAS COMPANY, A WASHINGTON CORPORATION, AND A PUBLIC UTILITY SELLING AND DISTRIBUTING GAS WITHIN THE STATE OF WASHINGTON, THE RIGHT AND FRANCHISE TO USE AND OCCUPY THE STREETS, AVENUES, ROADS, ALLEYS, LANES AND OTHER PUBLIC PLACES AND WAYS OF THE CITY OF BONNEY LAKE, WASHINGTON, FOR CONSTRUCTING, MAINTAINING, REPAIRING, RENEWING AND OPERATING A GAS DISTRIBUTION SYSTEM AND ACCESSORIES WITHIN AND THROUGH THE CITY OF BONNEY LAKE, WASHINGTON.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BONNEY LAKE AS FOLLOWS:

Section 1. Rights Granted/Term of Franchise. The right is hereby granted to WASHINGTON NATURAL GAS COMPANY (hereinafter referred to as "the Grantee") to lay, construct, extend, maintain, repair, renew and replace gas pipes and gas mains and accessories under, along and/or across any and all streets, avenues, roads, alleys, lanes and other public places and ways in the City of Bonney Lake, Washington, and all territory hereafter lawfully annexed, and to use and occupy said streets, avenues, roads, alleys, lanes and other public places and ways for the purpose of therein laying, constructing, extending, maintaining, renewing, replacing and repairing mains and pipes and all appurtenances thereto and accessories used and/or useful for the transmission, sale and distribution of gas within and through the present or future territorial limits of the City of Bonney Lake, Washington (hereinafter referred to as "the City"), for the term of twenty-five (25) years from and after the effective date of this Ordinance, except as hereinafter provided. These rights are conditioned as hereinafter set forth and are subject to the ordinances, rules and regulations of the City and other governmental agencies having jurisdiction.

Section 2. Scope of Ordinance. The terms and conditions of this Ordinance shall apply and shall be deemed to be terms and conditions of a franchise to use the streets or other public property of the City, which franchise is herein granted by the City to the Grantee, a private corporation engaged in the public utility business.

Section 3. Non-Exclusivity of Franchise. This grant shall not be deemed or held to be an exclusive franchise. It shall in no manner prohibit the City from granting other franchises of a like nature or franchises for other public or private utilities over, along, across, under and upon any of such streets, avenues, roads, or public places, and shall in nowise prevent or prohibit the City from using any of said streets, avenues, roads, or public places or affect its jurisdiction over them or any part of them, with full power to make all necessary changes, relocations, repairs, maintenance, etc., of same as the City may deem fit. If at any time the City shall vacate any city road, right-of-way or street which is subject to the rights granted by this Franchise, the City will, in its vacation procedure, reserve an easement for utility purposes, provided that Grantee has, at that time, improvements in place in said road, right-of-way or street.

vacation

Section 4. Rights Reserved. The granting of this Franchise shall not preclude the City, or any other city or municipality to which the City becomes annexed or consolidated, from acquiring by purchase or condemnation any or all of the mains, laterals, pipes or other improvements installed by the Grantee within the city streets or public places within the City or in the municipality resulting from such consolidation by such legal means as would have been available to such municipality if no such franchise had been granted.

Rights herein granted shall be subject to and governed by this Ordinance; provided, however, that the City Council expressly reserves unto itself all of its police power to adopt general ordinances necessary to protect the safety and welfare of the general public in relation to the rights hereby granted not inconsistent herewith.

Section 5. Permit Required. The proposed location of all mains, laterals and appurtenances, their depth below or their height above the surface of the ground, or the grade of any road, street, avenue, alley, or public place, shall be determined by the Grantee and approved by the Director of Public Works, and before any work is done by the Grantee under this Franchise, it shall first file with the Department of Public Works an application for a permit to do such work, accompanied the number of sets of drawings requested by the Director of Public Works, showing the position and location of all such mains, laterals, pipes, extensions, meter boxes, and other appurtenances sought to be constructed, laid, installed or erected at that time showing their relative positions to existing roads, streets, avenues, alleys, and lanes, upon prints drawn to scale designating said roads and streets by their names and numbers, showing width of same, giving outline of local improvements such as sidewalks, curbs, gutters, shoulders of roadways, ditches, paved or otherwise surfaced roadways, parking strips, utility poles, conduits, sewer, water and gas pipelines, etc., as may exist on the ground sought to be occupied.

The Grantee in such application shall specify the class and type of material to be used and the equipment to be used and the mode of safeguarding and facilitating public traffic during construction. All such material and equipment shall be adequate, and the Grantee shall pay to the City all reasonable costs of and expenses incurred in

the examination, inspection and supervision of such work on account of the granting of said permit.

In the event of an emergency, the Grantee may immediately commence necessary work and apply for a permit as soon as practicable thereafter.

The Grantee shall install the pipes, valves, meters, blow off assemblies or other authorized improvements in the designated streets, avenues, alleys or other places pursuant to plans and specifications approved by the Director of Public Works and under the supervision and inspection of a supervisor or inspector provided by the City at the expense of the Grantee.

Section 6. Maintenance of Plans. The Grantee shall at all times keep full and complete plans, plat or plats, specifications, and records showing the location, depth, and size of all gas mains and lines heretofore laid in the City, and showing the location of all gates, gauges, and other service construction, and such plans, plat or plats, specifications, and records shall be kept current annually by the Grantee to show thereon the location of all additional mains and lines hereinafter installed by the Grantee, and its successors and assigns, and these records shall be subject to inspection at all reasonable times by the proper officials and agents of the City, and a copy of these plans, plat or plats, and specifications shall be furnished to the City within thirty (30) calendar days of a written request from the City.

Section 7. Grantee Responsibility. After laying and installing mains, doing construction work, or making repairs to equipment, etc., the Grantee shall leave all streets, avenues, roads, alleys, lanes, public places and ways, and other city property in as good and safe

structural condition in all respects as is practicable as they were before the commencement of such work by the Grantee, its agents or contractors. In case of any damage to said streets, avenues, roads, alleys, lanes, public places and ways, to the pavement, turnouts, gutters, ditches, walks, drain pipes, rails, bridges, trestles, wharves or landings by the Grantee, the Grantee shall immediately repair said damage at its sole cost and expense. After providing written notice to the Grantee, the Public Works Director may at any time do, order and have done any and all work considered necessary to restore to a safe condition any such streets, avenues, roads, alleys, lanes, public places and ways, or pavement, turnouts, gutters, ditches, walks, drain pipes, rails, bridges, trestles, wharves or landings, or other city property left by the Grantee or its agents in a condition dangerous to life or property, and the Grantee, upon demand, shall pay to the City all costs of such construction or repair and of doing such work.

Whenever any of the streets, avenues, alleys, roads or public places designated in this Franchise shall be eliminated from the city limits by reason of the subsequent disincorporation or reduction of city limits, then all the rights, privileges and franchises so granted shall terminate in respect to said streets, alleys, avenues, roads and public places so eliminated, but otherwise this Franchise shall continue in full force and effect in respect to all streets, avenues, alleys, roads and public places not so eliminated by such reduction or disincorporation.

Before undertaking any of the work or improvements authorized by this Franchise, the Grantee, its successors or assigns shall on reasonable request by the City, furnish a bond, executed by the Grantee and a corporate surety

authorized to do a surety business in the State of Washington, in a sum to be set and approved by the Public Works Director as sufficient to insure performance of the Grantee's obligations under this Franchise, conditioned that the Grantee shall well and truly keep and observe all of the covenants, terms and conditions and faithfully perform all of the Grantee's obligations under this Franchise; shall correct or replace forthwith, on receipt of notice thereof, any defective work or materials used in the replacement of the city streets or property discovered within a two-year period of the date of the replacement and acceptance of such repaired streets by the City; and shall restore the streets or property to the condition in which they existed prior to any commencement of work thereon by the Grantee, where the change was occasioned by the work being performed thereon by the Grantee, within the period of time specified by the Director of Public Works in the permit issued for such work.

Section 8. Indemnification. By accepting this Franchise, the Grantee hereby agrees, for itself, its successors and assigns, to indemnify the City from and against claims made against the City for injuries or damages arising out of work performed by the Grantee within the public right-of-way, but only to the extent that such claims for such injuries or such damages are caused by the negligence of the Grantee in the prosecution of such work. Any claim from and against which the City intends to seek indemnity from the Grantee shall be submitted to the Grantee in writing, and Grantee shall have the right at its election and sole cost and expense to settle, compromise or defend such claim by attorneys of its own election. The Grantee hereby waives its immunity from suit under RCW 51 if necessary to comply with this provision.

Section 9. Cleanup. On completion of said work herein contemplated, all rubbish and debris shall be immediately removed and the roadway and roadside shall be left neat and presentable and satisfactory to the Public Works Director.

Section 10. Insurance. The Grantee shall at all times during the existence of this Franchise maintain in force, at its own expense, a general comprehensive liability insurance policy for loss or damages for personal injury, death and property damage occasioned by the construction, operation, and/or maintenance of the Grantee under this Franchise, with minimum liability limits of One Million Dollars (\$1,000,000) for personal injury or death of any one person, and One Million Dollars (\$1,000,000) for personal injury or death of two or more persons in any one occurrence.

The policies mentioned in the foregoing paragraph shall name the City as certificate holder and shall contain a provision that a written notice of any cancellation or reduction in coverage of said policy shall be delivered to the City not less than thirty (30) days in advance of the effective date thereof. If such insurance is provided in either case by a policy which also covers the Grantee or any other entity or person other than those above named, then such policy shall contain the standard cross-liability endorsement.

Section 11. Conformity to New Grades. If at any time the City deems it advisable to improve any of its streets, avenues, alleys, county roads or public places, by grading, regrading or draining, or installing or relocating municipally owned sewers, drains or water mains, the Grantee, upon thirty (30) days written notice by the City, shall at its own expense so raise, lower or move its line of pipes to conform to such new grades as may be

established, or place said property in such location or positions as shall cause the least interference with any such improvements or work thereon as contemplated by the City, and the City shall in nowise be held liable for any damages to the Grantee that may occur by reason of the such relocation or by the exercise of any rights so reserved in this section; provided, the Grantee shall be required to relocate its facilities only if such facilities interfere with the proposed improvement and if no cost-effective alternative plan is available.

The laying, construction, maintenance and operation of the system of improvements granted under this Franchise shall not preclude the City, its accredited agents or its contractors, from blasting, grading or doing other necessary road work contiguous to the Grantee's improvements; provided, that the Grantee shall have forty-eight (48) hours notice of said blasting or excavating in order that the Grantee may protect its lines and property.

If at any time the City installs a line of pipes for sewage, drainage, or water upon any of the streets, avenues, alleys, roads or public places herein described, the Grantee, upon written notice by the City, shall relocate its line of pipes or improvements at its own expense during said installation and replace same at its own sole cost and expense under the supervision of the City, provided that the Grantee shall only be required to relocate its facilities if they interfere with such improvements and if no cost effective alternative plan is available.

Section 12. Extent of Grantee's Obligations. The obligations imposed upon the Grantee by the express terms of this Ordinance shall be deemed to include every

employee, nominee or independent contractor of the Grantee performing work in the city streets, or other city property, under contract direction, request, or authority of the Grantee under this Franchise. All of the provisions, conditions, regulations and requirements herein contained shall be binding upon the successors, assigns and independent contractors of the Grantee, and all privileges of the Grantee shall inure to its successors, assigns and independent contractors as if they were specifically mentioned wherever the Grantee is mentioned. Transfer of the rights granted by this Franchise to any person, corporation, company or entity requires the consent of the City Council.

Section 13. Violation of Franchise Terms. If the Grantee shall willfully violate or fail to comply with any of the provisions of this grant, or through willful or unreasonable neglect shall fail to heed or comply with any notice given to the Grantee under the provisions of this grant, then the Grantee, its successors or assigns, shall at the election of the City Council forfeit all rights conferred hereunder and this Franchise may be revoked or annulled by the City, provided, however, that the City Council shall give thirty (30) days written notice of its intentions to revoke or annul the Franchise during which period the Grantee shall have the opportunity to remedy the situation. Prior to the expiration of the thirty (30) day period, the Grantee may obtain from the City a reasonable time, not to exceed forty-five (45) days, within which to remedy the situation.

Section 14. Effective Date.

This Franchise shall take effect upon the City's passage and the Grantee's acceptance of same. If within thirty (30) days after the granting of this Franchise the Grantee

shall have failed to execute its written acceptance of same, then the rights and privileges granted herein shall be deemed forfeited and this Franchise shall be declared null and void.

PASSED BY THE COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, AND APPROVED BY ITS MAYOR AT A REGULAR MEETING OF SAID COUNCIL HELD ON THIS 9th DAY OF July, 1991.

CITY OF BONNEY LAKE, WASHINGTON

BY: [Signature]

ATTEST:

BY: [Signature]

CITY CLERK

The undersigned hereby accepts all rights and privileges of the above-granted franchise, subject to all the terms, conditions and obligations contained therein.

DATED this 23rd day of July, 1991.

WASHINGTON NATURAL GAS COMPANY

BY: [Signature]

R. R. Golliver
Its President