

**City of Oak Harbor
City Council Meeting**

**Agenda
For**

**October 5, 2010
6:00 p.m.**

Oak Harbor City Council
REGULAR MEETING
6:00 p.m.
Tuesday, October 5, 2010

Welcome to the Oak Harbor City Council Meeting

As a courtesy to Council and the audience, PLEASE TURN YOUR CELL PHONES OFF before the meeting begins. During the meeting's Public Comments section, Council will listen to your input regarding subjects of concern or interest that are not on the agenda. For scheduled public hearings, please sign your name to the sign up sheet, located in the Council Chambers if you wish to speak. The Council will take all information under advisement, but generally will not take any action during the meeting. To ensure your comments are recorded properly, state your name and address clearly into the microphone. Please limit your comments to three minutes in order that other citizens have sufficient time to speak. Thank you for participating in your City Government!

CALL TO ORDER

INVOCATION Ron Lawler, Family Bible Church

ROLL CALL

MINUTES 9/21/10 Regular Meeting

NON-ACTION COUNCIL ITEMS:

1. Proclamation – Ladies Auxiliary VFW Day.
2. Public Comments.

COUNCIL CONSIDERATION AND ACTION ON THE FOLLOWING MATTERS:

3. Consent Agenda:
 - a. Approval of Accounts Payable Vouchers (Pay Bills).
Page 39
4. Public Hearing and Final Consideration – Ordinance, Utility Rates.
Page 45
5. Dredging Fee Resolution.
Page 68
6. Introduction – Ordinance(s) Property Tax Increase for 2011.
Page 71
7. 2011-2012 Legislative Priorities.
Page 74
8. Council Rules Amendment – Standing Committees.
9. City Administrator's Comments
 - Comments on RBC Plant Outfall Repair.
10. Council Members' Comments.
 - Standing Committee Reports.
11. Mayor's Comments.

ADJOURN

*“Look at a day when you are supremely satisfied at the end.
It's not a day when you lounge around doing nothing;
it's when you had everything to do, and you've done it.”
- Margaret Thatcher*

If you have a disability and are in need of assistance, please contact the City Clerk at (360) 279-4539 at least two days before the meeting.

**City Council Meeting
Tuesday, September 21, 2010, 6:00 p.m.
City Hall – Council Chambers**

CALL TO ORDER Mayor Slowik called the meeting to order at 6:00 p.m.

INVOCATION Ben Norris, Church of the Nazarene

ROLL CALL

Mayor Jim Slowik	Paul Schmidt, City Administrator
Seven Members of the Council,	Margery Hite, City Attorney
Rick Almberg	Doug Merriman, Finance Director
Jim Campbell	Steve Powers, Development Services Director
Scott Dudley	Cathy Rosen, Public Works Director
Beth Munns	Eric Johnston, City Engineer
Danny Paggao, Mayor Pro Tem	Rhonda Severns, Utility Services Coordinator
Jim Palmer	Rick Wallace, Chief of Police
Bob Severns	Mark Soptich, Fire Chief
	Ray Merrill, Battalion Chief
	Mike McIntyre, Senior Services Director
	Renée Recker, Executive Assistant to the Mayor

MINUTES

MOTION: Councilmember Campbell moved to approve the 9/7/10 regular meeting minutes. The motion was approved by Councilmember Palmer and carried unanimously.

NON-ACTION COUNCIL ITEMS

Proclamation – Fire Prevention Week

Councilmember Dudley read and presented this proclamation to Oak Harbor Fire Department Battalion Chief, Ray Merrill. This year's theme, "Smoke Alarms: A Sound You Can Live With," actively works to motivate Oak Harbor residents to implement smoke alarm recommendations in their homes. Free smoke detectors will be handed out during a safety fair which will be held at Home Depot, October 2, 2010, 9:00 a.m.

Public Comments

Fred Henninger, 580 SE Ireland, Oak Harbor. Dr. Henninger spoke about the \$4,400 error which had occurred during the Pioneer Way survey and how this will be negotiated with the surveyor. He noted that this surveyor had volunteered his services for the Waterfront Walkway. Mayor Slowik responded that there is no connection between this volunteered time and the contracted work for Pioneer Way. The contractor stepped up and said he made the mistake, corrected the mistake, and is willing to work off the dollar amount as compensation to the City which is a fair and equitable decision by the contractor.

Mel Vance, P.O. Box 2882, Oak Harbor. Mr. Vance spoke about the Annual Whidbey Island Kite Festival which is being held on September 25 and 26, 2010 at Camp Casey and the Camp Casey Conference Center. There will be outdoor and indoor kite flying, children's activities, and the festival is an enjoyable event which is free to the public.

There were no other public comments.

Consent Agenda

- A. Jail Contract – Washington State Department of Corrections
- B. Excused Absence – Councilmember Bob Severns, from the 10/19/10 City Council Meeting
- C. Approval of Accounts Payable Vouchers (Pay Bills)

Councilmember Alberg asked that item A, Jail Contract – Washington State Department of Corrections, be removed from the consent agenda for discussion.

MOTION: Councilmember Alberg moved to approve consent agenda items B and C with item C paying accounts payable check numbers 142914 – 143088 in the amount of \$263,115.58; payroll check numbers 94106 – 94121 in the amount of \$405,489.35, and payroll check number 94122 in the amount of \$192.96. The motion was seconded by Councilmember Palmer and carried unanimously.

Item A, Jail Contract – Washington State Department of Corrections

Councilmember Alberg asked about prescription payment and the provision for medical care as shown in Section 3.07 – Medical Care. Chief Wallace responded that there is direct billing for all costs and the City is not paying for offenders' medical care. Mr. Alberg did not see this stipulated in the agreement. Chief Wallace will check with Mr. Hawkins and City Attorney Hite noted that she had a similar concern but the offenders' health plan is the State's plan and we would not pay for it. We have a responsibility for inmates in our care and the State does too.

MOTION: Councilmember Alberg moved to authorize the Mayor to sign the interlocal agreement for jail services between the Washington State Department of Corrections and the Oak Harbor City Jail. The motion was seconded by Councilmember Severns.

Councilmember Dudley noted the language in Section 3.07.7 of the agreement which addresses medical billings.

VOTE ON THE

MOTION: The motion carried unanimously.

Public Hearing – West Meadows Final Plat Alteration

Development Services Director Steve Powers gave this report and PowerPoint presentation which requested City Council approval of an alteration to the West Meadows final plat. The alteration requested by the owner (West Meadows Partners, Inc.) would relocate the driveway access for Lot 54 for the purposes of accommodating a specific house plan. The plat alteration is in conformance with the engineering requirements for traffic safety and will not affect other improvements to the lot or within the subdivision. Staff has reviewed the application and has determined that the proposed alteration to the final plat meets the State's subdivision alteration requirements of RCW 58.17.

Mayor Slowik opened the public hearing at 6:20 p.m. but there were no comments so the public hearing was closed.

Council Discussion

Council discussion followed about reference to the alteration in the plat map's notes, staff's review of traffic, access to corner lots, and the resolution number to be assigned to the accompanying resolution.

MOTION: Councilmember Munns moved to approve Resolution 10-23. The motion was seconded by Councilmember Palmer and carried unanimously.

Resolution 10-23 describes the alteration of the West Meadows final plat to revise Lot 54 and allow access from NW Upsala Drive.

Introduction of Ordinance – Establishing Utility Rates

Public Works Director Cathy Rosen presented this agenda bill and introduced Shawn Koorn from HDR Engineering, Inc. Over the past three months, Council has adopted ordinances that establish policies to be used in setting rates for the water, wastewater, and storm drain utilities. This evening's proposed ordinance will set the rates. Mr. Koorn gave a PowerPoint presentation reviewing what has been presented to Council and staff in the past. The complete presentation and discussion points are attached to the minutes as Exhibit A. The rate setting process compares revenues of the utility to its expense to determine the overall level of adjustment, allocates the revenue requirement between customer service classifications, and designs rates for each class of service to meet the revenue needs of the utility along with rate design goals and objectives. This study is the first the City has done from a cost of service perspective and will help establish a trend for future studies.

Mayor Slowik called for public comments.

Fred Henninger, 580 SE Ireland, Oak Harbor. Dr. Henninger spoke with concern over charging rates from meters; receiving water from a certain size meter should be the guide for a base water rate. Only one utility is metered with regard to water. The State of Washington has not taxed us for the food we buy, but the legislature allowed that

water be taxed. If you do not pay your storm drain fee, then they will turn off your water and water is essential. You are taxed from receipt of water through the flush of water. My monthly water rate will incur an 18.75% increase. Why do we use cubic feet as a measurement instead of gallons? My stormwater rate will incur a 10.9% increase. Adding up all of the increases in my utilities will incur 113.3% increase over what I presently pay. Call the meter fee a capital improvement fee. The 6 ¼ percent interest on what we charge for water adds \$259,000 into the general fund. It is about the same for sewer. Only 2/100s goes to the State of Washington and the rest goes to the general fund. The City's general fund goes up by 113% for the first year of this increase.

Mel Vance, P.O. Box 2882, Oak Harbor. This presentation should have been given two months ago. The largest water consumers, their rates are going up by small amounts, whereas the single family rates are going up much faster. For the water rate, bring in the inclining block much sooner. Waiting five years is not fast enough, three years should be adequate. With ERUs, the only item I see for conservation is in water consumption. Runoff should be considered with conservation. We need to penalize the construction of larger homes.

With no other comments coming forth, Mayor Slowik closed comments on this introductory ordinance.

Council Discussion

Discussion followed about the definition of debt service, financing of capital projects through a revenue bond and the annual repayment (debt service) for a bond over its time period. Noting Mr. Vance's remarks, discussion continued about the months of study and Council workshops which have been held for this rate study, the different classifications of utility customers, administrative and fixed costs – meters have to be tested, replaced, and read, pipes must be maintained, and Department of Health testing is required. These costs are capitalized into a meter fee rather than a capital improvement fee; it is called a ready-to-serve charge, an administrative fee.

Discussion followed about churches as a commercial class, how often rates are reviewed (annually, but a rate study is not done annually), and inclusion of this review timeline in the ordinance along with all of the rate charts. Mr. Koorn noted that it is difficult to show these so far out. Councilmember Campbell asked that it be shown out to 2015 and that citizens need to have this information that far into the future. Ms. Rosen clarified that what Council was being asked to do is adopt the rates and we do not know what the rates should reflect that far out; this ordinance is asking for the next three years. Mayor Slowik asked Ms. Rosen if the proposed ordinance calls for review on an annual basis (no), but Mr. Koorn is asking that the rate structure be reviewed every three to five years. Discussion continued about the positive effect of this rate study and that the City can now act in a proactive rather than reactive mode with the rates ordinance and the adopted rates policies. Discussion followed about the consumption for commercial customers and residential customers, the use of ccf instead of gallons, and the beginning dates for these rates. Storm drain rates and impervious surface were discussed, the use of this study as a scale to help Council stay in budget, and the amount of time that has been given to this study and the proposed rates. Mr. Koorn talked about the use of an average residential customer bill on all

three utilities and the increase by the proposed rate adjustment; the cumulative adjustment at 45% is the average increase for the average customer over five years. For the combined utility, the overall increase in the bill is 20%. Council concurrence ran toward seeing five years called out in the final ordinance since rates can be reviewed annually. Discussion followed about storm water rates and square footage, Councilmember Dudley read the letter from Mr. Wallin and Mr. Wallin's concerns about the impact of stormwater rates and Mr. Dudley also talked about a letter from Dr. Schulte, OHSD, concerning utility costs. Discussion continued about line size, meter size, commercial use, and increase percentages. The Anacortes agreement and Navy agreement were also discussed along with clarification about the invoice from the City to the Navy. The water the Navy pulls from the 24" line goes into their own stand-alone system; this water does not come through the City's distribution system. To charge the Navy as we charge our citizenry would not be fair or equitable since they pull off of the 24" line. The existing Navy contract asks that they pay for half of the maintenance costs on the 24" line, and half of capital projects when they occur. The Navy, as well as the State Park, is also asked to conserve water. Discussion continued about rates for areas not annexed but served by the City (they pay one and a half times more) and the benefit of annexation to drop this figure. The five-year transition period instead of a three-year transition period was discussed. Mr. Koorn felt the City can be more proactive concerning capital improvements by going out that far, but rates are considered in a shorter time period. And to clarify ccf's, one ccf is 748 gallons. It was suggested that the utility bills show a gallon to ccf equivalent.

MOTION: Councilmember Campbell moved to schedule a public hearing on October 5, 2010 for the ordinance establishing rates for water, wastewater and storm drain services, and include the five year charts and language specifying an annual review of rates. The motion was seconded by Councilmember Dudley.

Councilmember Almberg asked about the beginning date and Ms. Rosen responded that the effective date is December 20, 2010 which will begin the 2011 schedule.

VOTE ON THE

MOTION: The motion carried unanimously.

Break

Mayor Slowik called for a break at 7:30 p.m. and the meeting reconvened at 7:40 p.m.

Public Art Site Recommendations – Oak Harbor Arts Commission

City Administrator Paul Schmidt presented these recommendations and introduced Rick Lawler, Chair of Oak Harbor's Arts Commission. The Commission completed a Visual Arts Collection Management Plan Policies and Procedures which was adopted by the City Council in February of 2007. A policy regarding the display and placement of works of art is contained in the document which states the Commission will establish and recommend an Artwork Site Plan. For the past year, the Arts Commissioners have held numerous discussions regarding possible art locations throughout the City as well

as the types of art that may be appropriate. Site criteria taken into consideration included the need to locate art where people frequent and the importance of placing art within sight of SR 20. The Commissioners would like art to become a part of life in Oak Harbor – a passive encounter. The sites chosen for public art include the Farmer's Market area by the Chamber of Commerce, Freund Marsh, Pioneer Way, the "Freund Wall" and Pasek Park on Pioneer Way. The "Freund Wall" refers to the large retaining wall located on the corner of SR 20 and Erie on which a mural could be painted or decorative tile work done. The Arts Commissioners acknowledge both the Farmer's Market area and "Freund Wall" are not located on City property, but feel those locations are highly visible and art would be a welcome addition for those who pass by. Should those sites be accepted, staff would prepare agreements with the property owners. These site recommendations were presented to the Parks Board in May of 2010 and were unanimously approved.

Public Comments

Mel Vance, P.O. Box 2882, Oak Harbor. Mr. Vance spoke with concern about the Freund Wall and felt ownership should be transferred to the City. Mr. Vance also spoke about two murals on Pioneer Way, one of which is still in place and needs repainting. Mr. Vance recommended that this be done instead of incorporating new sculpture or art; it would be less expensive.

There were no other public comments.

Council Discussion

Discussion followed about the ¼ percent collected on behalf of public art (approximately \$2,800 per month), that it could be used to acquire an easement, if there is a time limit on accrued funds, and the each piece of art will come back before Council for approval. Council members concurred that, as Mr. Vance suggested, easements in perpetuity (perpetual permanent easements) should be established. Mr. Schmidt noted that there have been conversations with the school district regarding the Farmer's Market site, and that any significant cost for an easement would come back before Council. These recommendations are for planning purposes. Discussion followed about a developed or developing theme for public art and if this might return to Council in the future.

MOTION: Councilmember Almberg moved to approve the proposed list of art sites as recommended by the Arts Commission: Farmer's Market area by the Chamber of Commerce, Freund Marsh, Pioneer Way, the "Freund Wall," and Pasek Park on Pioneer Way; and that whenever an easement is required, the easements would be granted in perpetuity. The motion was seconded by Councilmember Palmer and carried unanimously.

Council Rules Amendment – Standing Committees Rule No. 27

City Administrator Paul Schmidt presented this agenda bill which is a follow-up to Councilmember Palmer's request that a rule be drafted to deal with procedures to be followed at standing committee meetings. An ordinance was adopted on June 15,



2010 which formalized the nature and meeting times of standing committees. During Council discussion, Councilmember Palmer indicated that he would like to establish procedures for the conduct of standing committee meetings. This agenda bill proposed adoption of standing committee rule no. 27 as part of the "Administration and Personnel Council Rules" to address Mr. Palmer's procedural concerns. The four provisions of the proposed rule are:

1. Every standing committee will have a chair who will preside at standing committee meetings and provides for selection of a chair *pro tempore* if the chair is not present.
2. Only assigned committee members will sit at the dais or at the table for Councilmembers.
3. The chair may, but is not required to, allow public comment.
4. Councilmembers not assigned to the standing committee as a primary member () may participate in the standing committee discussions.
() may not participate in the standing committee discussions.

Public Comments

Fred Henninger, 580 SE Ireland, Oak Harbor. It bothers me that I cannot find an agenda and I think this discourages the public from attending.

Mel Vance, P.O. Box 2882, Oak Harbor. There are two issues with these rules, and there is still some question about interpretation of the Open Public Meetings Act. Be careful; it may need to be changed. Bring in the State. The other issue is about public comment. The committees are where business is done; and then they vote on it.

Mayor Slowik corrected the record concerning Mr. Vance's comments. No action is taken at standing committees. All action is taken during City Council's regular meetings. Also, we have written, through Barbara Bailey, to ask about the standing committees in general. There is still no answer from the Attorney General. Many other groups are weighing in on this issue. Mayor Slowik also noted, regarding Dr. Henninger's comments, that the agendas are posted on the City's website and the bulletin boards once they are available.

Council Discussion

Discussion followed about Councilmember participation, the lack of response from the Attorney General, and quorums and the perception of the doctrine of fairness. Discussion continued about incorporating the June 15th standing committees ordinance into the "Administration and Personnel Council Rules" book. Councilmembers felt it is helpful to attend standing committee meetings as a member of the public to hear the committees' discussion. City Attorney Hite noted that if you take public comment, you are subject to the Open Public Meetings Act. The ordinance made standing committee meetings Council meetings. Councilmember Palmer had asked about the process for conducting a standing committee meeting. Standing committee meetings are already open public meetings. Discussion continued about the number of Councilmembers who should attend and the perception of a quorum, that Councilmembers should attend only their assigned committee meetings, and that standing committee meetings should always allow public comment. Discussion followed about the quorum issue and that

when Chapter 1.04 was amended, the standing committees are regular open public meetings, all Councilmembers can attend them, and quorum ceases to be an issue. Chapter 1.04.015 (4) states: *Any City Councilmember may attend any standing committee meeting and there shall be no quorum requirement for standing committee meetings.*

Discussion followed about the public comment that Council does not discuss issues at the regular meeting level and that, if questions are discussed during standing committee meetings and not discussed again during the regular Council meetings, it could be perceived as "rubber-stamping." Mayor Slowik noted that Council did not appear to have this issue settled. As suggested earlier in this discussion by Councilmember Campbell, Councilmember Palmer and City Attorney Hite talked about including Ordinance 1578 into the Rules booklet and if that would then become Rule No. 28. This was not a formal motion.

MOTION: Councilmember Palmer moved to remand this back to staff, the motion was seconded by Councilmember Campbell and carried unanimously.

North Oak Harbor Street Project – Council Agenda Bill Per OHMC 1.04

City Administrator Paul Schmidt presented this agenda bill in response to a motion and second by the Council on September 7, 2010 to place this report on the September 21, 2010 Council agenda. To respond to a City Council inquiry request in the time provided and involving a project with such breadth in duration and design complexity as the North Oak Harbor Street Project, staff prepared a binder of documents which was distributed to Council members as a CD similar to a response to a public records request. City Engineer Eric Johnston also provided a memorandum which specifically addressed some of the known questions that have surfaced regarding the North Oak Harbor Street Project.

Mayor Slowik called for public comments.

Mel Vance, P.O. Box 2882, Oak Harbor. Mr. Vance asked that public comments be reopened after Council discussion. Mayor Slowik said he would not do that; Council conducts the business of the City.

There were no other comments.

Council Discussion

Since Councilmember Dudley had made the motion on September 21, 2010 to have this agenda bill in place for this evening's meeting, discussion began with his statements and questions. Mr. Dudley talked about the construction and consulting contracts, contract costs, in-house versus consultant and contractor duties on this project, the number of Reid-Middleton staff on this project, the original design, asbuilts and topographic work, and the project timeline. Mayor Slowik noted that Councilmember Dudley had spoken for ten minutes and asked for the amount of time needed to conclude his discussion.

MOTION: Councilmember Dudley moved to extend his time for an additional thirteen minutes after all other Council members had made their comments. The motion was seconded by Councilmember Campbell.

It was asked if each Council member would then have 23 minutes to discuss this project. City Attorney Hite and Mayor Slowik noted that such a decision would be up to Council. Discussion followed about this issue as a contract administration issue that deals with staff and that it is not relevant to go through this contract review, with discussion then countering that there have been questions and concerns about the project. Discussion continued about the intent of this agenda bill – what is its real intent: fact-finding, financial impact, blame, delay?

VOTE ON THE

MOTION: Councilmembers Dudley, Campbell, Paggao, and Severns voted in favor of the motion. Councilmembers Almberg, Palmer, and Munns opposed. The motion carried.

Discussion continued about the nature of a street project, delays on other projects, the notice of substantial completion issued on September 8, 2010, the excellent work that G.G. Construction has done on past projects, and that changes occur with every project. Discussion followed about Council as a body inadvertently interfering with a contract and to not prejudice the City's position. The City has done construction management work with larger and smaller projects, G.G. Construction was the prime contractor on Department of Transportation projects, the standard specifications of the City's contract documents, that the level of documentation ran to funding and use of City staff's time, that staff and the contractor should be supported with regard to finishing this project, and that the contractor's schedule is not relevant to this Council. The project allows safer access and is a good project for the City. Discussion followed about wheelchair access, ADA compliancy, a light pole on the sidewalk and accessibility for a wheelchair in that area, steepness, the need for a crosswalk where there are ADA ramps, emergency vehicle accessibility, and pervious material and standing water. Councilmember Campbell asked for an answer to these concerns now or later.

City Engineer Eric Johnston talked about Mr. Campbell's observations: The pervious asphalt runs from Crosby to Columbia and there are areas that are patched with non-pervious material, but the pervious material is draining appropriately. Concerning wheelchair access, there are "up and down" areas but these are addressed in the standard; the sidewalk meets the ADA standard. The power pole north of the mobile home park also meets ADA standards. Mr. Johnston noted that he would answer this discussion and questions in written format.

Councilmembers Munns and Paggao in earlier comments responded that everyone is excited and proud of this street and how it looks.

Councilmember Dudley's final remarks addressed the sidewalk ramps at Oak Harbor Street and Whidbey which he felt are wrong, sidewalk ramps at Columbia and at NE 10th which do not have crosswalks, and he generally felt the street is not pedestrian-friendly. Mr. Dudley asked to see the compliance for the power pole in the sidewalk. His remarks continued to the driveway grade, trees planted under power lines, the pervious surface compliance, bus stops, the school district, medians and sprinkler heads which have been damaged, and the safety of the stop sign on Columbia due to its visibility. Councilmember Dudley expressed concern about the City's in-house projects, the City's relationship with contractors, and if the City would gain a reputation of not being user-friendly. Mr. Dudley asked if G.G. Construction's representatives could address this discussion since they were in the audience. City Administrator Schmidt responded that we bring authorization for bids before Council as an added step in the contract process. Arterial street projects are fairly straight-forward. If the City deviates from standards, that could open the City to liability. The City relies on its traffic engineer to stay to the standard. This project has not been unusually long and it is not uncommon to have project questions from the public. The City was pleased to be able to do this project and had to move ahead on it or risk losing the Transportation Improvement Board funding. Based on this project being not completely closed out, Mayor Slowik did not allow the G.G. Construction representatives to speak. Mr. Dudley felt the City could learn from this project and Mr. Johnston noted that he would rather discuss this evening's mentioned issues rather than what would be done in the future and there are still issues to be worked out on this project. Councilmember Almberg stated that, it is totally inappropriate for the Council to comment on anything that would prejudice the City or contractor and resented the implication that the City does not have good working relationships with this contractor or other contractors. Councilmember Palmer agreed and Councilmember Campbell stated that he hoped staff would recognize that his questions were probably more in-depth than he should have asked but constituents call with questions and concerns. Mr. Campbell asked for funding status and issues updates during projects which would help him field questions. Mayor Slowik responded that status reports are given to standing committees, the roundabout on this project had been removed and that was presented to standing committees along with the open house presentations presented to the public in a timely manner.

City Administrator's Comments

City Administrator Schmidt talked about upcoming meeting and budget workshops and the tour of Blaine's wastewater treatment facility.

Council Members' Comments

Councilmembers gave their standing committee reports. Mayor Pro Tem Paggao thanked Ms. Munns and Lt. Dyer for staying with Mrs. Paggao until she found her car following the Island Thrift Board of Directors meeting. He also thanked Chief Wallace for help in retrieving the car. Councilmember Campbell thanked his wife for the wonderful birthday party she organized for him. Councilmember Palmer asked about the length of the budget workshops (two hours). Councilmember Munns talked about the upcoming AWC regional meeting on October 20th and encouraged Council

members and staff to attend this Bellingham meeting. Ms. Munns also talked about the AWC website as a wonderful resource for the public. Ms. Munns talked about the Military Appreciation Picnic and thanked the agencies and individuals who helped make this day such a success. Councilmember Munns has been chair of this event for nine years. Councilmember Almborg talked about the Sustainability Coalition meeting at Angelo's and the presentation on Pioneer Way and its Green Roads Pilot Project status. Oak Harbor High School is having an open house this Friday for A Wing along with a spaghetti feed. Councilmember Dudley talked about the filmed roundtable regarding the High School Resource Officer and thanked Chief Wallace. Councilmember Campbell talked about the County Tourism Committee's activity noting that Oak Harbor has been given good attention by its public relations representative. Mr. Campbell asked if a memo from that representative could be distributed to other Council members (yes).

Mayor's Comments

Mayor Slowik talked the High School's A Wing open house which also coincides with the school's homecoming game.

ADJOURN

With no other comments coming before Council, Mayor Slowik adjourned the meeting at 9:50 p.m.

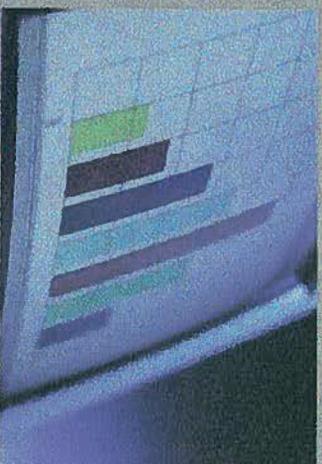
Connie T. Wheeler
City Clerk

Exhibit A

HDR



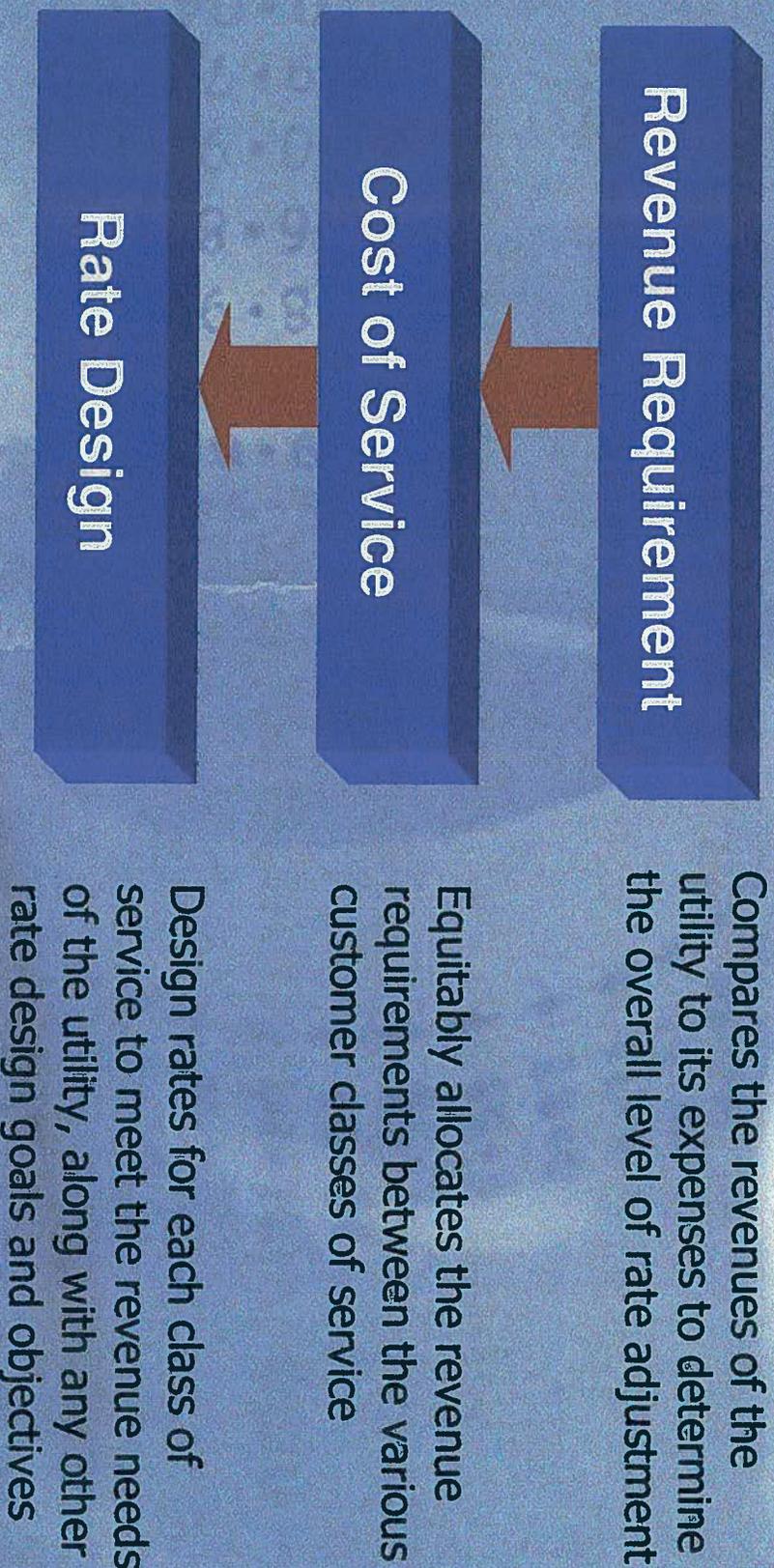
Sewer, Storm Drain, Water, and Solid Waste Comprehensive Rate Study Results City of Oak Harbor Council Workshop



Presented by Shawn Koorn, HDR Engineering, Inc.

September 21, 2010

Overview of the Rate Setting Process



19

Rate Study Goals and Objectives

- **Development of a long-term financial plan**
 - ✓ **Rate transition plan (next three years)**
- **Meet prudent financial planning criteria**
- **Develop cost-based and equitable rates**
- **Develop rates with a conservation incentive**
 - ✓ **Minor rate structure adjustments**

Sewer Analysis



HDR

Summary of the Sewer Rate Study

- **Utility is financially stable**
- **Rate adjustments needed to fund treatment plant**
 - ✓ **Annual debt service**
 - ✓ **No “outside” funding assumed**
 - ✓ **Long-term transition plan**
- **Minor cost differences do exist**
 - ✓ **1st cost of service**
 - ✓ **Takes into consideration customer volumes and strength of wastewater**
- **Recommend minor interclass adjustments through the rate design process**
 - ✓ **Multi-family and school rate structure adjustments**

Present and Proposed Sewer Rates

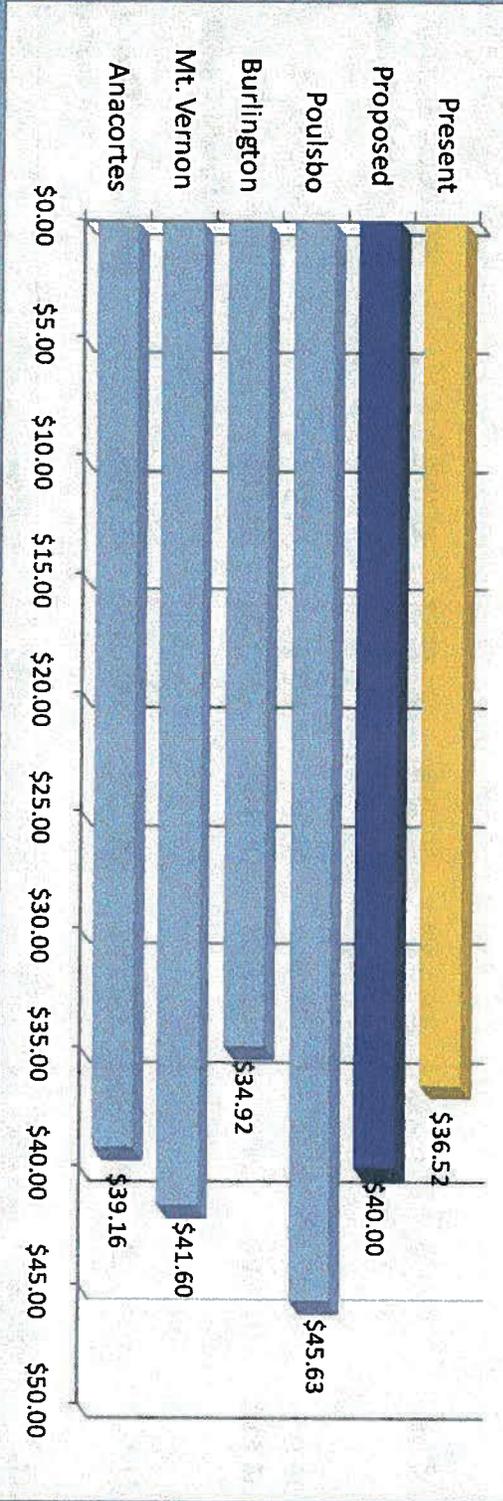
	Present		Proposed				
	2009	2010	2011	2012	2013	2014	2015
Residential							
Monthly Base Rate	\$36.52	\$40.00	\$42.00	\$47.00	\$52.00	\$57.50	\$64.75
Multi-Family/Unit							
per Customer	\$32.65	\$30.40	\$31.90	\$35.70	\$39.50	\$43.70	\$49.20
per Account	3.87	4.00	4.20	4.65	5.15	5.70	6.40
Commercial							
Monthly Base Rae	\$36.55	\$35.75	\$38.00	\$41.00	\$45.25	\$50.00	\$56.25
Volume/Flow (\$/CCF)							
First CCF	\$0.00	N/A	N/A	N/A	N/A	N/A	N/A
Above 1 CCF	4.34	N/A	N/A	N/A	N/A	N/A	N/A
All Volume/CCF	N/A	\$4.55	\$4.70	\$5.00	\$5.50	\$6.05	\$6.80
Schools							
Monthly Base Rae	\$3.87	\$20.00	\$25.00	\$30.00	\$34.50	\$40.00	\$45.00
Volume/Flow (\$/CCF)							
All CCF	\$4.34	\$4.55	\$4.70	\$5.00	\$5.50	\$6.05	\$6.80

Note: Outside City Limits rates are 1 1/2 times the Inside City Limits rates.

5

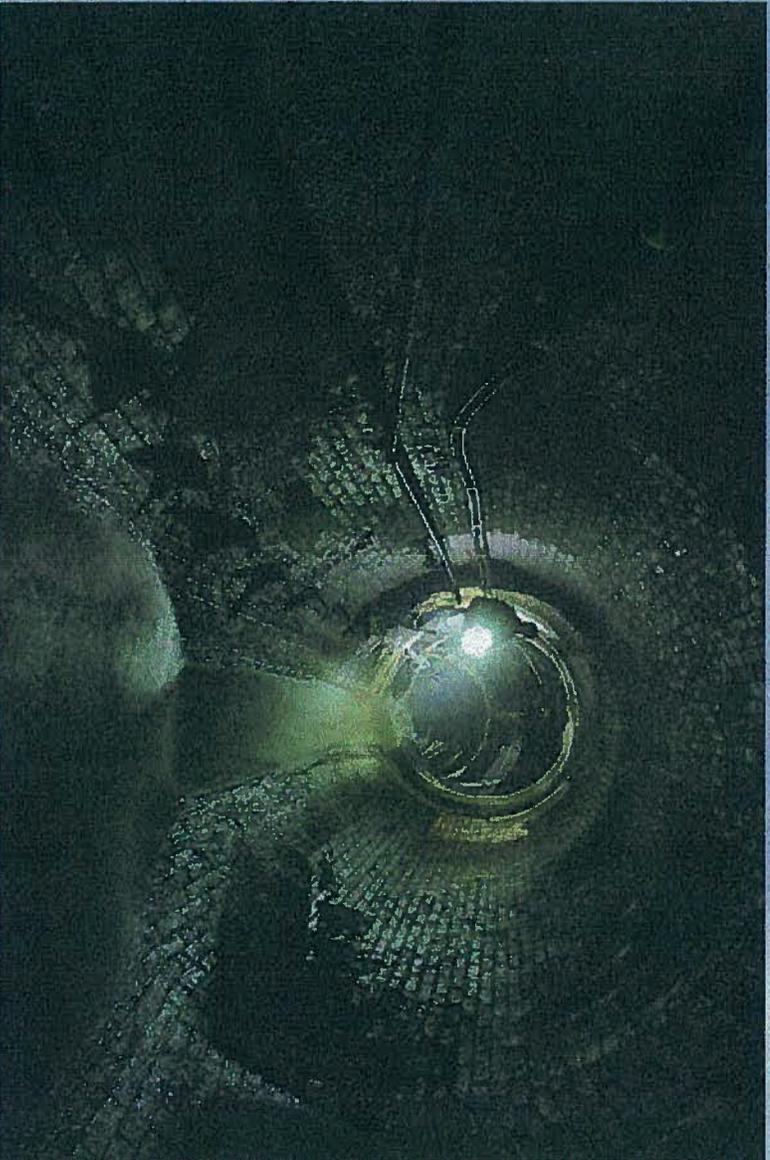
Local Sewer Rate Comparison

Average Monthly Residential Sewer Bill Comparison



20

Storm Drain Utility Analysis



HDR

Summary of the Storm Drain Rate Study

- **Inflationary rate adjustments**
 - ✓ **3.25% per year**
 - ✓ **Need to fund capital through rates and new long-term debt**
- **Minor cost differences do exist between the current customer classes of service**
- **Proposed adjustment to the size of the ERU**
 - ✓ **2,500 sq. ft. to 3,300 sq. ft**
- **Transition away from discounts over the five-year period**
 - ✓ **Schools/non-profits**

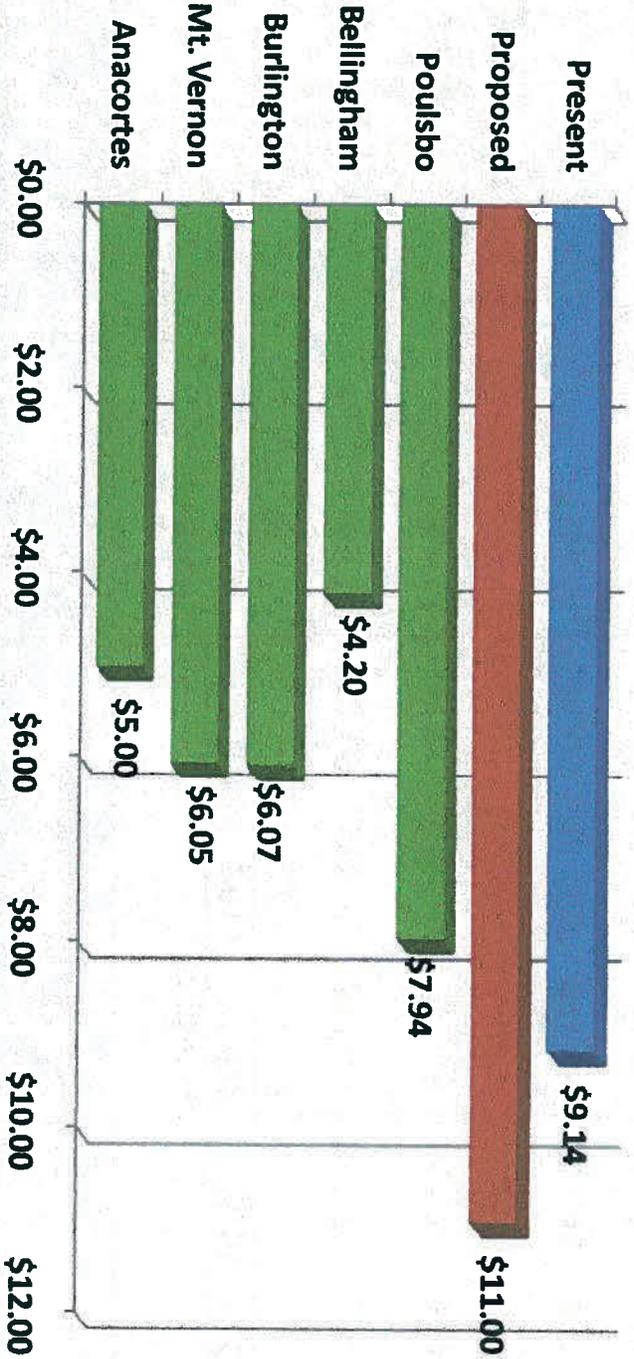
Present and Proposed Storm Drain Rates

	Present		Proposed			
	2009	2010	2011	2012	2013	2014
<u>Residential</u>						
Single Family per account	\$9.14	\$11.00	\$11.20	\$11.45	\$11.70	\$11.95
Multi Family per unit	\$9.14	\$11.00	\$11.20	\$11.45	\$11.70	\$11.95
<u>Commercial per ERU</u>						
Commercial	\$9.14	\$11.00	\$11.20	\$11.45	\$11.45	\$11.95
Multi-Commercial	9.14	11.00	11.20	11.45	11.45	11.95
Hotel/Motel	9.14	11.00	11.20	11.45	11.45	11.95
Commercial/Residential	9.14	11.00	11.20	11.45	11.45	11.95
Schools	6.86	8.80	9.52	10.31	11.12	11.95
Church	2.29	4.40	6.16	8.02	9.95	11.95

23

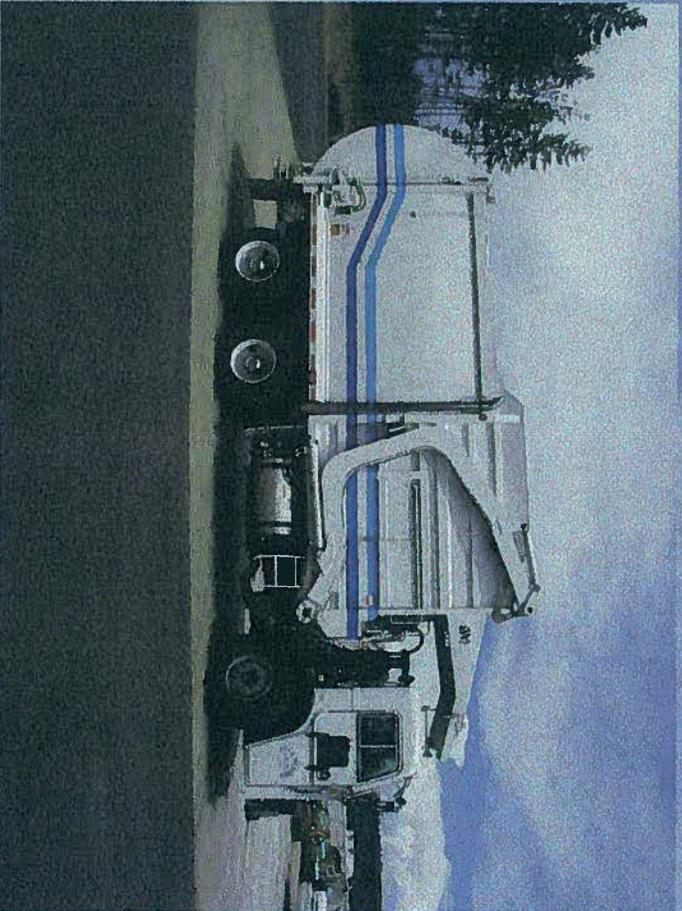
Local Storm Drain Rate Comparison

Monthly Residential Stormwater Bill Comparison



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Solid Waste Analysis



+ 10-0
+ 82-3
+ 65-0
+ 68-9
+ 66-86

HDR

Summary of the Solid Waste Rate Study

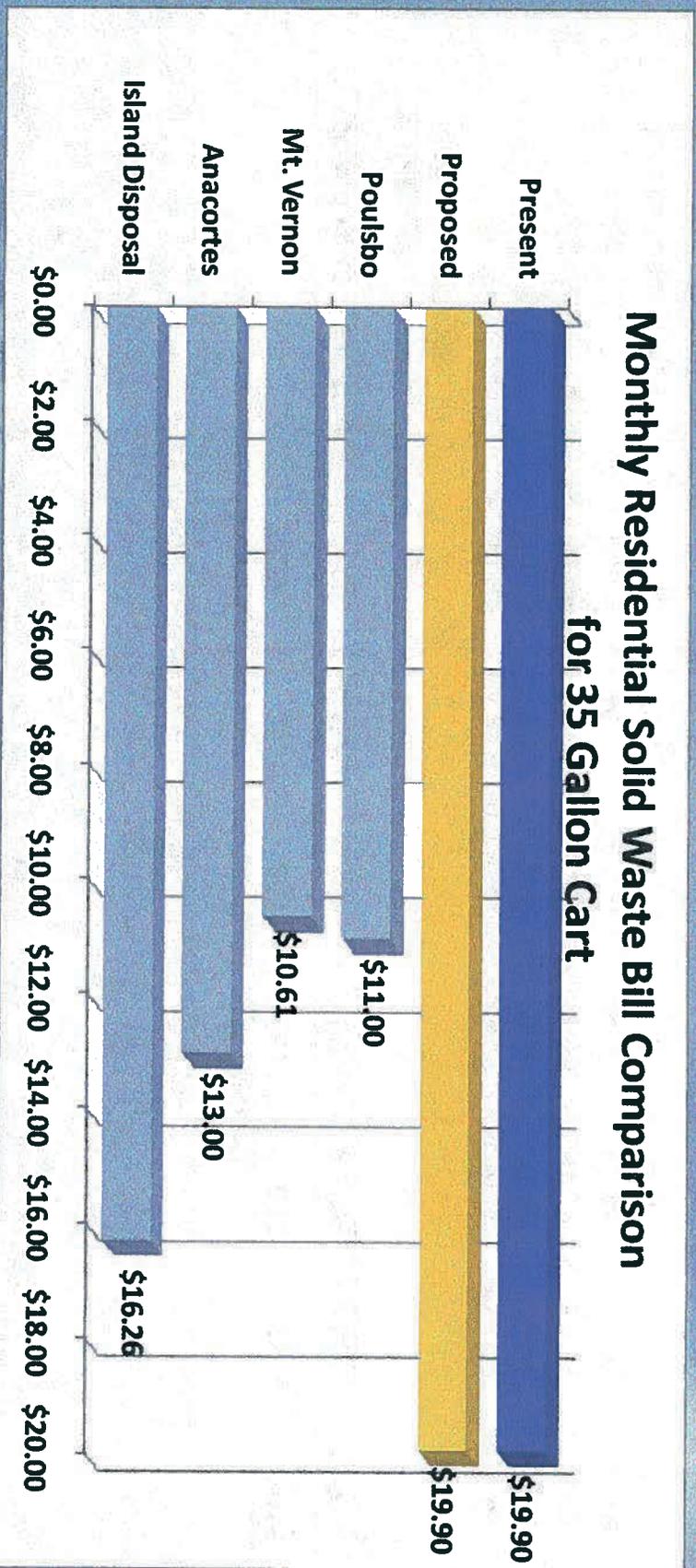
- **Utility is financially stable**
- **Utilizing existing reserves to defer and minimize the rate increases**
- **Inflationary rate adjustments to fund operating and capital needs**
 - ✓ **2.5% per year starting in 2013**
- **Minor cost differences do exist**
- **Recommend no interclass adjustments at this time**
- **Maintained current rate structure**
 - ✓ **Meets current goals and objectives**

Residential Present and Proposed Solid Waste Rates

	Present		Proposed				
	2009	2010	2011	2012	2013	2014	2015
Proposed Rate Adjustment		0.00%	0.00%	0.00%	2.50%	2.50%	2.50%
<u>Residential</u>							
<u>Roll-Car Charges</u>							
1 - 20 Gal.	\$14.53	\$14.53	\$14.53	\$14.53	\$14.89	\$15.26	\$15.64
1 - 35 Gal.	19.90	19.90	19.90	19.90	20.40	20.91	21.43
1 - 65 Gal.	33.36	33.36	33.36	33.36	34.19	35.04	35.92
1 - 95 Gal.	44.37	44.37	44.37	44.37	45.48	46.62	47.79
Xtra Garbage Bag	4.85	4.85	4.85	4.85	4.97	5.09	5.22
<u>Yardwaste</u>							
Mar-Nov	\$9.72	\$9.72	\$9.72	\$9.72	\$9.96	\$10.21	\$10.47
Dec-Feb	3.25	3.25	3.25	3.25	3.33	3.41	3.50

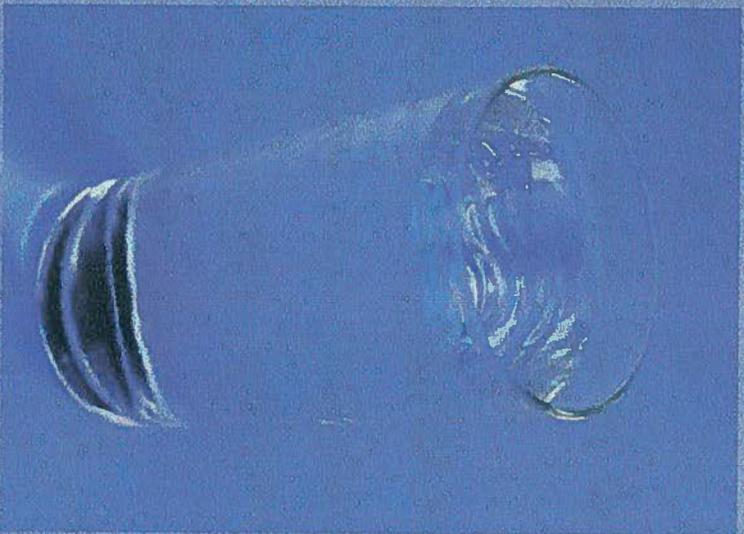
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Local Solid Waste Rate Comparison



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Water Utility Analysis



HDR

Summary of the Water Rate Study

- **Rate adjustments are necessary to adequately fund operating and capital needs**
 - ✓ Increased purchased water costs,
 - ✓ Capital funding (rates and long-term debt)
- **Continue to prudently fund utility and meet financial requirements**
- **Rate design includes minor cost of service adjustments**
- **Rate structure changes**
 - ✓ Conservation oriented
 - ✓ Addressed equity issues
- **Legal decision needed on the Lane vs. Seattle fire protection cost allocation**

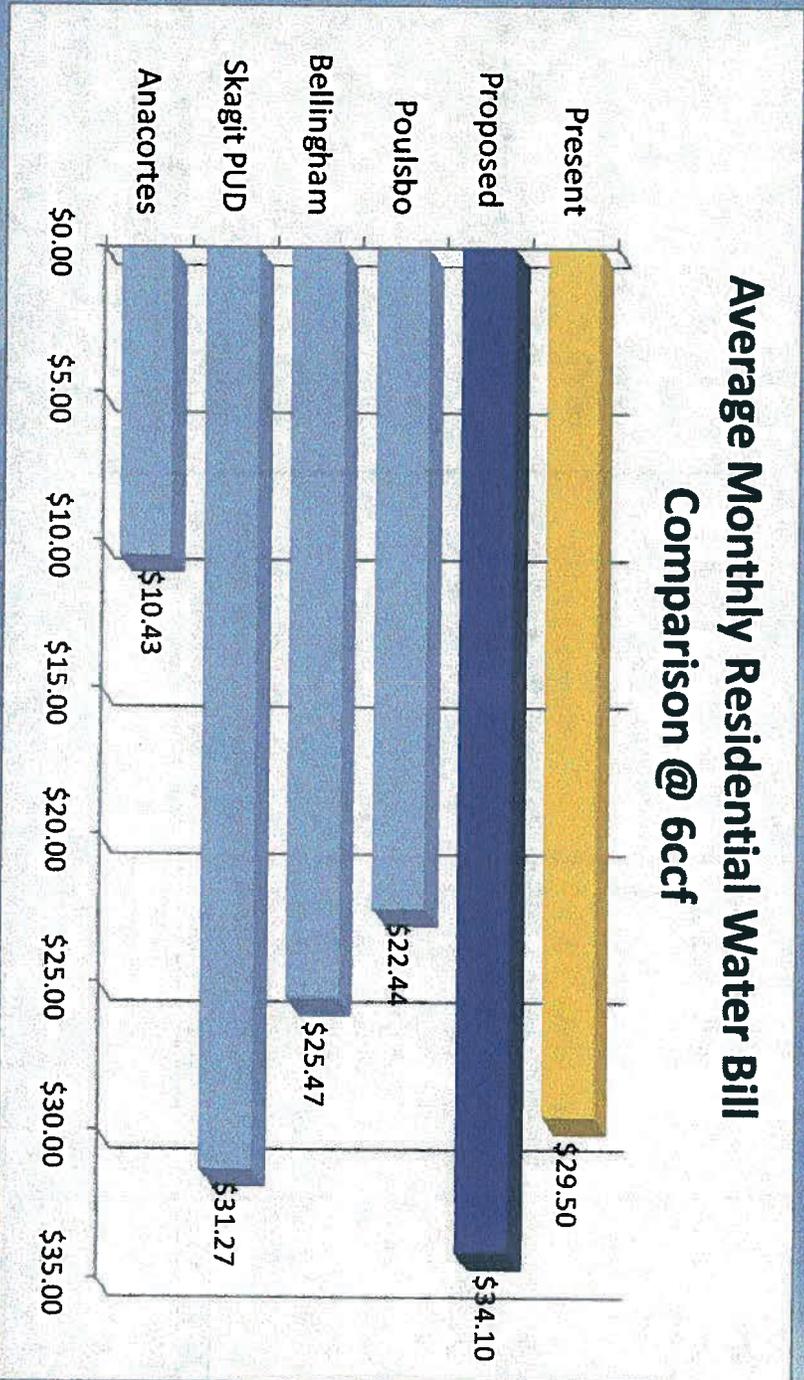
Present and Proposed Water Rates

		Proposed					
		2010	2011	2012	2013	2014	2015
		0.0%	8.0%	8.0%	6.0%	6.0%	6.0%
Present Rates							
Monthly Water Base Rate							
5/8" or 3/4"	\$18.75						
1"	27.22						
1 1/2"	38.22						
2"	54.27						
3"	92.51						
4"	152.82						
Consumption - \$/CCF							
Single Family							
First 5 CCF	\$7.29						
Over 5 CCF	3.46						
Multi-Family / Unit							
First 5 CCF	\$7.29						
Over 5 CCF	3.46						
Commercial, Irrigation, and Schools							
First 2 CCF	\$1.81						
Next 3 CCF	7.45						
Next 20 CCF	3.82						
Rest of Consumption (\$/CCF)	1.99						
Proposed Rate Adjustment							
Monthly Water Base Rate (Res, Comm, Schools, Irr)							
5/8" or 3/4"	\$22.25	\$23.50	\$24.25	\$25.00	\$25.50	\$26.25	
1"	27.80	32.30	36.40	40.65	44.65	47.80	
1 1/2"	55.65	64.65	72.75	81.25	89.25	95.65	
2"	89.00	103.40	116.40	130.00	142.80	153.00	
3"	166.90	193.90	218.25	243.75	267.75	286.90	
4"	278.15	323.15	363.75	406.25	446.25	478.15	
6"	367.15	387.75	400.15	412.50	420.75	433.15	
8"	587.40	620.40	640.20	660.00	673.20	693.00	
Monthly Water Base Rate (Multi-Family & Multi-Commercial)							
Per Unit Base Rate	\$18.90	\$19.95	\$20.60	\$21.25	\$21.70	\$22.30	
Consumption - \$/CCF							
Single Family & Multi Family (per Unit)							
0 - 3 CCF	\$1.65	\$1.75	\$2.10	\$2.35	\$2.60	\$2.85	
4 - 6 CCF	2.30	2.55	2.80	3.15	3.75	4.30	
Above 7 CCF	4.10	4.80	5.45	5.95	6.35	6.75	
Commercial (per unit) & Schools							
0 - 10 CCF	\$4.40	\$4.20	\$4.25	\$3.75	\$3.45	\$3.50	
11 - 20 CCF	3.60	3.80	4.00	3.75	3.70	3.75	
Above 21 CCF	2.35	2.60	3.15	3.75	3.95	4.10	
Irrigation							
0 - 10 CCF	\$4.75	\$4.50	\$4.50	\$4.20	\$4.20	\$4.45	
Above 11 CCF	2.55	3.00	3.60	4.20	5.00	5.50	

***Outside rates are subject to a 1 1/2 rate differential

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Local Residential Water Rate Comparison



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Customer Average Bill Impacts

	Current	1st Year	2nd Year	3rd Year
Single Family				
Water Base Rate	\$18.75	\$22.25	\$23.50	\$24.25
Consumption-3 ccf	\$7.29	\$4.95	\$5.25	\$6.30
Residential Sewer	\$36.52	\$40.00	\$42.00	\$47.00
20 Gallon Can	\$14.53	\$14.53	\$14.53	\$14.53
Storm Drain (3300 sq ft)	\$9.14	\$11.00	\$11.20	\$11.45
Total	\$86.23	\$92.73	\$96.48	\$103.53
Minimum Bill 3ccf				
Water Base Rate	\$18.75	\$22.25	\$23.50	\$24.25
Consumption-3 ccf	\$7.29	\$4.95	\$5.25	\$6.30
Residential Sewer	\$36.52	\$40.00	\$42.00	\$47.00
20 Gallon Can	\$14.53	\$14.53	\$14.53	\$14.53
Storm Drain (3300 sq ft)	\$9.14	\$11.00	\$11.20	\$11.45
Total	\$86.23	\$92.73	\$96.48	\$103.53
Average Bill 6ccf				
Water Base Rate	\$18.75	\$22.25	\$23.50	\$24.25
Consumption 6ccf	\$10.75	\$11.85	\$12.90	\$14.70
Residential Sewer	\$36.52	\$40.00	\$42.00	\$47.00
35 Gallon Can	\$19.90	\$19.90	\$19.90	\$19.90
Storm Drain (3300 sq ft)	\$9.14	\$11.00	\$11.20	\$11.45
Total	\$95.06	\$105.00	\$109.50	\$117.30
Multi Family 38 units				
Water Base Rate	\$712.50	\$718.20	\$758.10	\$782.80
Consumption 83ccf	\$277.02	\$138.95	\$161.70	\$183.65
Residential Sewer	\$1,244.57	\$1,159.20	\$1,216.40	\$1,361.25
20 Gallon Can	\$552.14	\$552.14	\$552.14	\$552.14
Storm Drain (3300 sq ft)	\$347.32	\$418.00	\$425.60	\$435.10
Total	\$3,128.94	\$2,986.49	\$3,113.94	\$3,314.94

Customer Average Bill Impacts (cont'd)

	Current	1st Year	2nd Year	3rd Year
School #1				
Water Base Rate	\$152.82	\$278.15	\$323.15	\$363.75
Consumption 307ccf	\$661.74	\$754.45	\$826.20	\$986.55
Sewer	\$1,336.25	\$1,416.85	\$1,467.90	\$1,565.00
2yd Dumpster 1 pickup	\$175.22	\$175.22	\$175.22	\$175.22
6yd Dumpster 3 pickups	\$1,188.90	\$1,188.90	\$1,188.90	\$1,188.90
Storm Drain (706831 sq ft)	\$1,941.38	\$1,883.20	\$2,037.28	\$2,206.34
Total	\$5,451.65	\$5,696.77	\$6,018.65	\$6,485.76

School #2				
Water Base Rate	\$54.27	\$89.00	\$103.40	\$116.40
Consumption 57ccf	\$164.24	\$166.95	\$176.20	\$199.05
Sewer	\$251.25	\$279.35	\$292.90	\$315.00
Storm Drain (185130 sq ft)	\$507.64	\$492.80	\$533.12	\$577.36
Total	\$977.02	\$1,028.10	\$1,105.62	\$1,207.81

School #3				
Water Base Rate	\$152.82	\$278.15	\$323.15	\$363.75
Consumption 41ccf	\$131.41	\$129.35	\$134.60	\$148.65
Sewer	\$179.64	\$206.55	\$217.70	\$235.00
6yd Dumpster 3pickups	\$1,188.90	\$1,188.90	\$1,188.90	\$1,188.90
Storm Drain (95900 sq ft)	\$260.68	\$255.20	\$276.08	\$298.99
Total	\$1,915.54	\$2,058.15	\$2,140.43	\$2,235.29

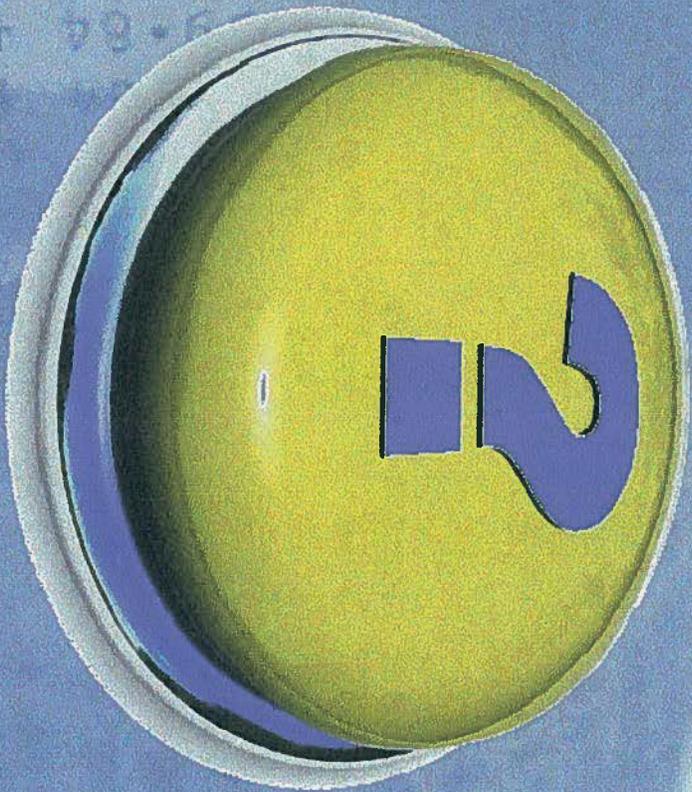
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Customer Average Bill Impacts (cont'd)

	Current	1st Year	2nd Year	3rd Year
High Use Commercial				
Water Base Rate	\$38.22	\$55.65	\$64.65	\$72.75
Consumption 304ccf	\$655.77	\$747.40	\$818.40	\$977.10
Commercial Sewer	\$1,351.57	\$1,418.95	\$1,466.80	\$1,561.00
2-95g Cans 3 pickups	\$266.22	\$266.22	\$266.22	\$266.22
Storm Drain (12590 sq ft)	\$45.70	\$44.00	\$44.80	\$45.80
Total	\$2,357.81	\$2,532.22	\$2,660.87	\$2,922.87
Restaurant				
Water Base Rate	\$18.75	\$22.25	\$23.50	\$24.25
Consumption 28ccf	\$106.53	\$98.80	\$100.80	\$107.70
Commercial Sewer	\$153.73	\$163.15	\$169.60	\$181.00
4 yd dumpster 2 pickups	\$599.72	\$599.72	\$599.72	\$599.72
Storm Drain (5332 sq ft)	\$18.28	\$22.00	\$22.40	\$22.90
Total	\$898.23	\$905.92	\$916.02	\$935.57
Multi Commercial 6 units				
Water Base Rate	\$112.50	\$113.40	\$119.70	\$123.60
Consumption 13ccf	\$29.17	\$54.80	\$53.40	\$54.50
Commercial Sewer	\$88.63	\$94.90	\$99.10	\$106.00
No Garbage				
No Storm Drain				
Total	\$230.30	\$263.10	\$272.20	\$284.10

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Questions and Answers



HDR

City of Oak Harbor

OFFICE OF THE MAYOR
JIM SLOWIK
MAYOR



PROCLAMATION IN RECOGNITION OF LADIES AUXILIARY VFW DAY OCTOBER 6, 2010

WHEREAS, The Ladies Auxiliary to the Veterans of Foreign Wars of the United States is conducting its 97th year of volunteer service to America; and,

WHEREAS, year after year the organization continues to honor those who have made the ultimate sacrifice in the name of freedom by maintaining memorials to their service and sharing their history with our nation's youth so that what our nation's veterans have done for America will not be forgotten; and,

WHEREAS, the Ladies Auxiliary VFW supports the troops currently deployed in the War on Terrorism; and,

WHEREAS, the nearly 600,000 members represent the families of those who have served or are currently on foreign soil protecting our freedom; and,

WHEREAS, the Ladies Auxiliary VFW promotes our American heritage by conducting an annual patriotic ceremony and providing financial assistance for the preservation and beautification of this country's most treasured symbol of freedom, the Statue of Liberty; and,

WHEREAS, members volunteer nearly 2 million hours in Veterans Affairs Medical Centers and other hospitals throughout this country; and,

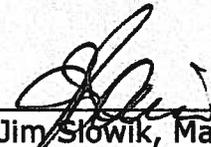
WHEREAS, the organization provides awards and scholarships to students based on their expressions of patriotism through art, speech, and volunteerism; and,

WHEREAS, the 2010-2011 National President Cortina Barnes visited our city on September 2nd to rally local Ladies Auxiliary members behind her theme, "**United by Love for Our Veterans and Country**".

NOW, THEREFORE, WE, Jim Slowik, Mayor, and Councilmembers of the City of Oak Harbor do hereby proclaim, **October 6, 2010** as **Ladies Auxiliary VFW Day** in honor of National President Cortina Barnes and all members of the Ladies Auxiliary VFW for their outstanding service to veterans and their families.

Signed this 5th day of October, 2010

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Jim Slowik, Mayor

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 2

Date: OCTOBER 5, 2010

Subject: **PUBLIC COMMENTS**

FROM: Jim Slowik, Mayor

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:



Jim Slowik, Mayor

Paul Schmidt, City Administrator

Doug Merriman, Finance Director

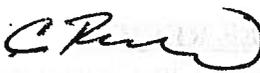
Margery Hite, City Attorney

SUMMARY STATEMENT

City Council will accept public comments for items not otherwise on the agenda for the first 15 minutes of the Council meeting. You may also speak to any of the consent agenda items.

City of Oak Harbor
City Council Agenda Bill

Agenda Bill No. 4
Date: October 5, 2010
Subject: Ordinance Establishing Utility
Rates – Public Hearing

FROM: Cathy Rosen, Public Works Director 

**INITIALED AS APPROVED FOR
SUBMITTAL TO THE COUNCIL BY:**

 Jim Slowik, Mayor
 Paul Schmidt, City Administrator
 Doug Merriman, Finance Director
 Margery Hite, City Attorney, as to form

SUMMARY STATEMENT:

Purpose: Over the past three months, the City Council has adopted ordinances that establish the policies to be used in setting the rates for the Water, Wastewater and Storm Drain utilities. This proposed ordinance sets the rates for the City's Water, Wastewater and Storm Drain utilities for a 5-6 year period beginning December 20, 2010 utilizing the rate setting policies recently adopted by the City Council. This bill proposes conducting a public hearing and adopting the ordinance establishing utility rates.

Authority: RCW 35.67.020 provides the authority for cities to construct and operate sewerage and storm water systems, and RCW 35.92.010 provides the authority for cities to construct and operate waterworks, as well as fix rates and charges for these systems.

Description: The City contracted with HDR Engineers, Inc., to prepare a comprehensive Rate Study for the City's utilities. This included an analysis of the revenue requirements for the utilities, a cost of service analysis to determine the cost of providing services to the various classes of customers, and a rate design to provide a fair and equitable means to distribute costs to the various classes of customers and to meet the City's goal of encouraging conservation.

The utility rates ordinance uses the policies adopted for water, sewer and storm water to establish classes of customers for each utility service and to set the dollar amount of the fees charged for each utility service.

This ordinance was introduced at the September 21, 2010 City Council meeting. At that meeting, City Council directed that the ordinance be modified to:

- 1) Include the rate tables that show the rates for the next 5-6 years, as shown in HDR's presentation;
- 2) Include a clause requiring an annual review of the rates; and
- 3) Specify which rates apply to schools, churches and other non-profits.

The attached ordinance reflects these changes for the Water, Wastewater and Storm Drain Utilities. Staff will bring forward an ordinance addressing Solid Waste rates in the near future. Solid Waste rates were not included in the proposed rate ordinance because the rate study determined that these rates do not need to be amended for the next three years.

STANDING COMMITTEE REVIEW:

These issues were discussed at City Council workshops that were held on November 17, 2009 and May 27, 2010, and at the July 21, 2010 Finance Standing Committee meeting.

RECOMMENDED ACTION:

It is recommended that the City Council:

- 1) Open the public hearing and receive public testimony; and
- 2) Adopt the rates for the Water, Wastewater and Storm Drain Utilities, as proposed.

ATTACHMENTS:

Ordinance No. 1587 Establishing Water, Wastewater and Storm Drain Utility Rates.

MAYOR'S COMMENTS:

ORDINANCE NO. 1587

“THE UTILITY RATES ORDINANCE”

AN ORDINANCE OF THE CITY OF OAK HARBOR ESTABLISHING RATES FOR WATER, WASTEWATER, AND STORM DRAIN SERVICES.

WHEREAS, the City of Oak Harbor has adopted a Comprehensive Water System Plan, a Comprehensive Sewer Plan and a Comprehensive Storm and Surface Water Plan which are on file with the City Clerk and which describe the City’s plan for these utilities; and

WHEREAS, the City of Oak Harbor wishes to encourage conservation and careful use of its water resources; and

WHEREAS, the City of Oak Harbor is a Phase II city under the NPDES (National Pollutant Discharge Elimination System) Permit administered by the Department of Ecology and is required to meet the conditions of the Phase II NPDES Permit; and

WHEREAS, the City of Oak Harbor wishes to establish water, wastewater and storm drain utility rates which will cover the costs of operating these utility systems and the costs of necessary capital improvements and which are fair and equitable to all classes of customers; and

WHEREAS, the City of Oak Harbor retained the services of HDR Engineering Inc. (HDR) to perform a comprehensive rate study of the City’s Water, Wastewater, Storm Drain and Solid Waste utilities; and

WHEREAS, the comprehensive rate study prepared by HDR considered the operating costs and capital improvements necessary to provide service to each customer class of service in the Water, Wastewater, Storm Drain and Solid Waste utilities; and

WHEREAS, HDR has concluded that the current rate structures for the Water, Wastewater and Storm Drain utilities require amendments to reflect the financial needs for operating costs and capital improvements for each utility and to equitably allocate those costs to customer classes of service; and

WHEREAS, the City Council has adopted policies for the establishment of rates for water, wastewater and storm water service; and

WHEREAS, the utility rates must be set by ordinance in accordance with OHMC 12.40.085 (storm water); OHMC 13.32.025(2) (water); and OHMC 14.05.030 (wastewater).

Now, therefore,

THE CITY COUNCIL OF THE CITY OF OAK HARBOR do ordain as follows:

Section One. Pursuant to the policies established in Ch. 13.32 OHMC, the following rates are set for water service by the City of Oak Harbor Water Utility:

MONTHLY WATER BASE RATE Residential & Commercial (including non- residential, Schools, Churches, Non-Profits, Industrial & State Parks) & Irrigation	Effective 12/20/10	Effective 12/20/11	Effective 12/20/12	Effective 12/20/13	Effective 12/20/14	Effective 12/20/15
5/8" or 3/4"	\$22.25	\$23.50	\$24.25	\$25.00	\$25.50	\$26.25
1"	\$27.80	\$32.30	\$36.40	\$40.65	\$44.65	\$47.80
1 1/2"	\$55.65	\$64.65	\$72.75	\$81.25	\$89.25	\$95.65
2"	\$89.00	\$103.40	\$116.40	\$130.00	\$142.80	\$153.00
3"	\$166.90	\$193.90	\$218.25	\$243.75	\$267.75	\$286.90
4"	\$278.15	\$323.15	\$363.75	\$406.25	\$446.25	\$478.15
6"	\$367.15	\$387.75	\$400.15	\$412.50	\$420.75	\$433.15
8"	\$587.40	\$620.40	\$640.20	\$660.00	\$673.20	\$693.00
MONTHLY WATER BASE RATE Multi-Family & Multi-Commercial						
Per Unit Base Rate	\$18.90	\$19.95	\$20.60	\$21.25	\$21.70	\$22.30
Consumption - \$/CCF						
Single Family & Multi-Family (per unit)						
0 - 3 CCF	\$1.65	\$1.75	\$2.10	\$2.35	\$2.60	\$2.85
4 - 6 CCF	\$2.30	\$2.55	\$2.80	\$3.15	\$3.75	\$4.30
Above 7 CCF	\$4.10	\$4.80	\$5.45	\$5.95	\$6.35	\$6.75
Commercial (including non- residential, Schools, Churches, Non-Profits, Industrial & State Parks)						
0 - 10 CCF	\$4.40	\$4.20	\$4.25	\$3.75	\$3.45	\$3.50
11 - 20 CCF	\$3.60	\$3.80	\$4.00	\$3.75	\$3.70	\$3.75
Above 21 CCF	\$2.35	\$2.60	\$3.15	\$3.75	\$3.95	\$4.10
Irrigation						
0 - 10 CCF	\$4.75	\$4.50	\$4.50	\$4.20	\$4.20	\$4.45
Above 11 CCF	\$2.55	\$3.00	\$3.60	\$4.20	\$5.00	\$5.50
* Outside City limit rates are subject to a 1 1/2 rate differential						
** Commercial Laundromats will receive a 10% reduction in the water consumption rate to accommodate for evapotranspiration that occurs during the drying process.						

Section Two. Pursuant to the policies established in Ch.14.05 OHMC, the following rates are set for wastewater (sewer) service by the City of Oak Harbor Wastewater Utility:

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MONTHLY WASTEWATER RATE	Effective 12/20/10	Effective 12/20/11	Effective 12/20/12	Effective 12/20/13	Effective 12/20/14	Effective 12/20/15
<i>Residential</i>						
Monthly Base Rate	\$40.00	\$42.00	\$47.00	\$52.00	\$57.50	\$64.75
<i>Multi-Family (per unit)</i>						
per Customer	\$30.40	\$31.90	\$35.70	\$39.50	\$43.70	\$49.20
per Account	\$4.00	\$4.20	\$4.65	\$5.15	\$5.70	\$6.40
<i>Commercial (including non-residential, Churches, Non-Profits, Industrial, State Parks, Hotel-Motel, Marina)</i>						
Monthly Base Rate	\$35.75	\$38.00	\$41.00	\$45.25	\$50.00	\$56.25
<i>Volume/Flow (\$CCF)</i>						
All Volume/CCF	\$4.55	\$4.70	\$5.00	\$5.50	\$6.05	\$6.80
<i>Schools</i>						
Monthly Base Rate	\$20.00	\$25.00	\$30.00	\$34.50	\$40.00	\$45.00
<i>Volume/Flow (\$/CCF)</i>						
All CCF	\$4.55	\$4.70	\$5.00	\$5.50	\$6.05	\$6.80
* Outside City limit rates are subject to a 1 1/2 rate differential						
** Commercial Laundromats will receive a 10% reduction in the water consumption rate to accommodate for evapotranspiration that occurs during the drying process.						

Section Three. Pursuant to Ch. 12.40 OHMC, the following rates are set for storm water service by the City of Oak Harbor Storm Drain Utility:

MONTHLY STORM DRAIN RATE	Effective 12/20/10	Effective 12/20/11	Effective 12/20/12	Effective 12/20/13	Effective 12/20/14
<i>Residential</i>					
Single Family (per account)	\$11.00	\$11.20	\$11.45	\$11.70	\$11.95
Multi-Family (per unit)	\$11.00	\$11.20	\$11.45	\$11.70	\$11.95
<i>Commercial (including non-residential, Schools, Churches, Non-Profits, Industrial, Hotel-Motel, Marina) (per ERU)</i>					
Commercial	\$11.00	\$11.20	\$11.45	\$11.45	\$11.95
Multi-Commercial	\$11.00	\$11.20	\$11.45	\$11.45	\$11.95
Hotel/Motel	\$11.00	\$11.20	\$11.45	\$11.45	\$11.95
Commercial & Residential	\$11.00	\$11.20	\$11.45	\$11.45	\$11.95
Schools	\$8.80	\$9.52	\$10.31	\$11.12	\$11.95
Churches & Non-Profits	\$4.40	\$6.16	\$8.02	\$9.95	\$11.95

Section Four. Copies of Utility Rate Ordinance Posted and On File. A copy of this utility rate ordinance shall be on file with the city clerk and shall be available for inspection and copying by the public. A copy of this utility rate ordinance shall also be posted on the City's website.

Section Five. Rate Review. On an annual basis, the Mayor shall direct the review of all utility rates included in this chapter to determine whether adjustments should be recommended to City Council. Proposed rate adjustments shall be made with the intent of meeting the purpose of Oak Harbor Municipal Code Chapter 13.32.

Section Six. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances is not affected.

Section Seven. Effective Date. This Ordinance shall be in full force and effective on December 20, 2010.

PASSED by the City Council this _____ day of _____, 2010.

THE CITY OF OAK HARBOR

Veto ()
Approve ()

Mayor

Date

Attest:

City Clerk

Approved as to Form:

City Attorney

Published: _____

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 5
Date: October 5, 2010
Subject: Marina Rates – Fee Increase for
Dredging Project

FROM: Steve Powers, Development Services Director *SP*

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

[Signature] Jim Slowik, Mayor
[Signature] Paul Schmidt, City Administrator
[Signature] Doug Merriman, Finance Director
[Signature] Margery Hite, City Attorney, as to form

PURPOSE

This agenda bill presents a resolution for City Council consideration which if approved increases permanent and guest moorage rates at the Oak Harbor Marina in order to fund the Redevelopment Project, Phase 2, dredging.

AUTHORITY

Oak Harbor Municipal Code Section 6.36.020(2) authorizes the City Council to set rates for service and moorage by resolution.

SUMMARY STATEMENT

On September 7, 2010 the City Council awarded a contract for the Marina Redevelopment Project, Phase 2, Dredging, to Northwest Marine in the amount of \$1,893,794.00 (see Attachment A for the agenda bill from this meeting). This approval occurred through the adoption of Resolution No. 10-22 (see Attachment B). The resolution included the following statements:

WHEREAS, the City Council approves of funding the Oak Harbor Marina dredging project through the issuance of revenue bonds, the repayment of which will be derived through the Marina's rate structure; and

WHEREAS, the City Council directs staff to prepare, for Council consideration, the required bond issuance and moorage fee increase ordinances needed to fully support the repayment of the revenues bonds referred to above

The rate resolution presented with this agenda bill follows the direction provided to staff by City Council.

DISCUSSION

Estimated Project Cost

The total project cost is estimated as follows:

Dredging and mitigation	\$1,893,794
Additional 35% in Bid Additive 2	151,550
Change order authority	189,380
Mitigation payment	50,000
Design and construction administration	145,322
DNR disposal fee	<u>25,853</u>
Total	\$2,455,899

The total shown above is an estimate. The final project cost will be dependent on final quantities and actual field conditions.

Project Funding

Staff has obtained information on issuing Marina revenue bonds to pay for the project. The bond fund amount was set at \$2,500,000 (slightly above the estimated project cost). The bond size (including reserve fund requirement and financing costs) is \$2,745,000; this equates to an average annual payment of \$194,014. The dredging fee necessary to support this payment is \$1.08 per lineal foot per month (see Attachment C).

Staff recommends setting the dredging fee at \$1.15 per lineal foot per month for permanent moorage customers as was previously discussed with the City Council, the Marina Advisory Board and the public. This recommendation is made to provide a very slight hedge against fluctuations in the moorage occupancy rate. A prorated dredging fee of \$0.04 per night per foot is recommended to apply to guest moorage customers. The attached resolution (see Attachment D) incorporates the dredging fee in the permanent and guest moorage rate categories in the Marina Rate Schedule.

STANDING COMMITTEE REPORT

The dredging project was presented to the Governmental Services Standing Committee in various meetings during 2009 and 2010. The estimated fees were part the most recent conversations with the Committee and were discussed with the full Council on September 7th.

RECOMMENDED ACTION

Adopt Resolution No. 10-24

ATTACHMENTS

- A. City Council Agenda Bill from September 7, 2010
- B. Resolution No. 10-22
- C. Dredging Fee Calculation Table
- D. Resolution No. 10-24

MAYOR'S COMMENTS

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City of Oak Harbor
City Council Agenda Bill

Bill No. 11

Date: September 7, 2010

Subject: Marina Dredging Contract Award

FROM: Steve Powers *SP*
Development Services Director

**INITIALED AS APPROVED FOR
SUBMITTAL TO THE COUNCIL BY:**

JS Jim Slowik, Mayor

PS Paul Schmidt, City Administrator

DM Doug Merriman, Finance Director

____ Margery Hite, City Attorney, approved as to form

PURPOSE

This agenda bill recommends awarding a contract for the Marina Redevelopment Project, Phase 2, Dredging, to Northwest Marine in the amount of \$1,893,794.00.

AUTHORITY

Oak Harbor Municipal Code Chapter 2.330.010 provides for the contracting for Public Works and Improvements as follows:

Except as otherwise authorized by Chapters 39.04 and 39.28 RCW, or RCW 35.22.620, relating to emergency public works, or other applicable general state law, as now enacted or as hereafter amended, all public works and improvements shall be done by contract pursuant to public notice and call for competitive bids in accordance with this chapter whenever the estimated cost of such public work or improvement, including the cost of materials, supplies, equipment and labor, will exceed the sum of \$30,000 if more than one craft or trade is involved with the public works project, or in excess of \$20,000 if only a single craft or trade is involved with the public works project or the public works project is street signalization or street lighting; provided, the city may use a small works roster pursuant to RCW 35.22.620. It is further provided, that the council may authorize public works construction projects without bid up to the bid limitation in RCW 35.22.620 as now in effect or as hereafter amended.

The project was advertised for bidding in the Daily Journal of Commerce on July 29 and Aug 5 and Whidbey News Times on July 31. The City's standard construction contract is used for this award. The contract form is included with this agenda bill as Attachment 1.

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SUMMARY STATEMENT

This contract involves maintenance dredging of the Oak Harbor Marina, both in open fairways and under and around existing dock structures. Included in the contract is environmental mitigation as required by the project permits. This work is Phase 2 of the Marina Redevelopment Project.

DISCUSSION

Amount of the Contract: Staff received and opened four sealed bids on August 18, 2010. Bids consisted of a Base Bid (dredging of the landing float, A-dock, near shore area and fuel float plus environmental mitigation), Bid Additive 1 (dredging of F-dock/breakwater area) and Bid Additive 2 (limited dredging near the main walkway intersection with B, C, D and E docks). The bid totals are tabulated below (amounts include Washington State Sales Tax in the amount of 8.7%):

Contractor	Location	Bid Total
Pacific Pile		\$2,371,922
American Construction		\$2,633,010
Northwest Marine		\$1,893,794
Redside Construction		\$2,368,364

<i>Engineer's Estimate</i>	<i>Oak Harbor, WA</i>	<i>\$1,850,325</i>
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The bid totals shown above include the contractors' bids for the Base Bid, Bid Additive 1 and Bid Additive 2. Bid details by category and sub-area are shown on Attachment 2. The apparent low bid submitted by Northwest Marine is \$43,468 or approximately 2.3% higher than the engineer's estimate. Staff reviewed the bid prices and the qualifications and experience of the low bidder. It is recommended that a contract in the amount of \$1,893,794 be awarded to Northwest Marine who is the lowest responsible bidder as defined by the contract documents.

In addition to the contract amount noted above, staff seeks additional expenditure authority. The contract specification for Bid Additive 2 includes the following language:

The quantities listed in the Bid Schedule are for the purpose of establishing unit prices. The quantity may be increased or decreased up to 35 percent by the Contracting Agency without re-negotiating the unit prices.

After reviewing the unit prices included in the low bid it is possible that the City could undertake the additional dredging allowed by this quantity increase. However, some additional work is necessary to determine the location and quantity of the additional dredging. With this in mind the proposed contract amount does not include the additional dredging, but the staff recommendation requests Council grant staff the authority to increase the contract by a predetermined amount (\$151,550). This amount is based on a 35% increase over fairway and slip dredging quantities for Bid Additive 2.

Marina Dredging Contract Award

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Dredging Quantity Decision: The staff's recommendation noted above is based on the following:

1. Although slightly higher than the engineer's estimate the lowest bid is in line with the estimated contract amount previously discussed with the City Council.
2. The estimated dredging fee necessary to support the proposed dredging for the Base Bid, Bid Additive 1 and Bid Additive 2 is slightly higher (\$1.05/linear foot/month) than previously estimated but does not generally increase the total moorage fee to an amount greater than the area average.
3. The total dredging fee necessary fund the work noted above and to increase the quantity in Bid Additive 2 by 35% is estimated at \$1.15/linear foot/month. This fee exceeds the area average for smaller slip sizes but is less than the average for large slip sizes. Please note the actual fee will be determined by the bond financing process (see Finance Director comments below).
4. The proposed contract responds to customer and Council sentiment to undertake as much dredging as possible in this permit window, but without significantly revising the estimated dredging fee amount.

Construction Contingency: Most construction projects involve change orders and modifications to the contract plans. Delays in processing change order requests can result in costly delay claims against the City. To minimize the possibility of delays and the resulting claims, staff requests that the City Engineer be authorized to administratively approve up to \$189,380 or approximately 10% of the contract amount, for change orders.

Construction Administrative Services: Due to the nature of the proposed work it necessary for the City to contract for construction administrative services. This circumstance was anticipated when the City Council authorized the Mayor to sign the dredging design contract with Reid Middleton on December 15, 2009 in the amount of \$145,322. The scope of work included with the contract covers two phases of work. Phase A (\$95,272) was for design, project management and bidding assistance while Phase B (\$50,050) was for construction administrative services and mitigation monitoring. The Phase B amount was only to be expended if the City awarded a dredging contract. Staff recommends that these funds now be authorized for expenditure.

Funding:

Finance Director's Comments:

The award of this dredging contract will require funding through the proceeds received via the issuance of a revenue bond. This revenue bond would be entirely repaid through annual payments coming from revenues generated through Marina operations. It is anticipated that the revenue bond term will be for a twenty (20) year period at an interest rate of approximately 4%, depending on the date of closing. Currently, the financial position of the Marina does not allow for the issuance of a revenue bond without a corresponding increase in revenues. Accordingly, the bonds will be supported by the implementation of a dredging fee to be collected from each moorage customer, in addition to their regular moorage fee. *It will be mandatory that the*

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approval of this contract also gives approval to the issuance of the required financing, along with the required rate increase to ensure timely repayment. While separate action will be brought forward for the debt issue and related rate adjustment, please be aware the Council's approving this contract essentially commits the City to approving these two related functions as well.

Caution should be taken regarding the amount of total financing being considered with this project. The recreational boating industry has historically been subject to diverse economic fluctuations, which at times has resulted in the Marina experiencing reductions in revenues as boat owners have curtailed boating activities during difficult financial times. It is critical that the financial assumptions being used are conservative, and reflect the potential economic "perfect storm" scenario that may be experienced during the next twenty year period during which the City will be repaying the bonds. Examples of critical assumptions would be utilizing a model vacancy ratio that is less than the average vacancy ratio, analyzing the financial impact between slip sizes of changes in rate competitiveness against the revenue stream of the Marina, ensuring that the Marina accumulate and maintain sufficient contingency reserves to pay for operations, to repair or replace aging infrastructure, and to have a fallback "bond repayment" reserve should the economy weaken to such a degree that Marina revenues are not sufficient to fully fund one or more annual bond payments.

Finally, the Marina should budget to retain the current operating surplus as a capital facilities replacement program funding source. With the proposed bond issue, the Marina will have fully reached its capacity to pay for long-term financing without an additional rate increase that might potentially erode the Marina's competitive rate pricing as compared to neighboring marinas. The current operating rate structure should be maintained to pay for needed repairs and assets replacements on an ongoing basis, or to be used as a potential funding source should any large scale asset failure occur during the next twenty years. It might be tempting to tap into this current surplus to accomplish the dredging project. Again, caution should be exercised as this is the only funding source available for the Marina for the contingencies referred to previously. In the worst case scenario, if Marina revenues were to fall below required levels to repay the bond, the City's General Fund would be required to subsidize any shortfall, thereby reducing funding for other essential City services.

Justification: The maintenance dredging that will take place under this contract is necessary to prevent damage to marina structures during low tides, to improve access to the fuel float and to generally improve the usability of the marina.

Staff Recommendation: The staff recommendation is presented to the City Council in the form of a resolution. The resolution addresses contract award specifics and indicates the manner in which the project is to be funded (revenue bonds supported by a moorage rate increase).

STANDING COMMITTEE REPORT

This project was presented to the Governmental Services Standing Committee in various meetings during 2009 and 2010.

Marina Dredging Contract Award
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ATTACHMENT A

RECOMMENDED ACTION

Approve resolution awarding dredging contract

^ #10-22

ATTACHMENTS:

1. Contract Form
2. Bid Tabulation
3. Resolution

MAYOR'S COMMENTS:

RESOLUTION 10-22

A RESOLUTION OF THE CITY OF OAK HARBOR AWARDING A CONTRACT FOR DREDGING OF THE OAK HARBOR MARINA

WHEREAS, the City Council of the City of Oak Harbor approved the Oak Harbor Marina Redevelopment Program on July 5, 2006; and

WHEREAS, maintenance dredging of the Marina was identified in that Program as a necessary project and has been identified as Phase 2 of the redevelopment project; and

WHEREAS, on December 15, 2009 the City Council authorized a contract with Reid Middleton in the amount of \$145,322 for design of the dredging project; and

WHEREAS, on July 6, 2010 the City Council authorized staff to advertise the marina dredging project for public bid; and

WHEREAS, the project was advertised for bidding in the Daily Journal of Commerce on July 29, 2010 and Aug 5, 2010 and Whidbey News Times on July 31, 2010; and

WHEREAS, on August 18, 2010 staff received and opened four sealed bids; and

WHEREAS, the bids consisted of a Base Bid (dredging of the landing float, A-dock, near shore area and fuel float plus environmental mitigation), Bid Additive 1 (dredging of F-dock/breakwater area) and Bid Additive 2 (limited dredging near the main walkway intersection with B, C, D and E docks); and

WHEREAS, the lowest responsible bidder as defined by the contract documents is Northwest Marine who submitted a bid in the amount of \$1,893,794; and

WHEREAS, additional project costs including environmental mitigation, dredging disposal fee and project financing costs apply, bringing the total estimated project amount to \$2,750,546; and

WHEREAS, the City Council approves of funding the Oak Harbor Marina dredging project through the issuance of revenue bonds, the repayment of which will be derived through the Marina's rate structure; and

WHEREAS, the City Council directs staff to prepare, for Council consideration, the required bond issuance and moorage fee increase ordinances needed to fully support the repayment of the revenues bonds referred to above;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Oak Harbor that the following actions be taken:

- 1) Authorize the Mayor to sign a contract with Northwest Marine in the amount of \$1,893,794 for the Marina Redevelopment Project, Phase 2, Dredging.
- 2) Authorize the Development Services Director to increase the dredging quantity in Bid Additive 2 by a dollar amount not totaling more than \$151,550.

- 3) Authorize the City Engineer to administratively approve changes to the construction contract totaling not more than \$189,380.
- 4) Authorize Phase B, construction administrative services, as described in the contract with Reid Middleton, Inc (approved December 15, 2009) in a not to exceed amount of \$50,050.

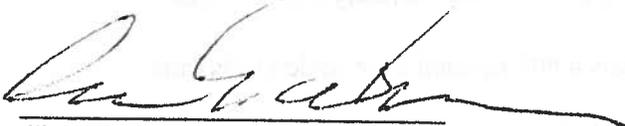
PASSED and approved by the City Council this 7th day of September, 2010.

THE CITY OF OAK HARBOR



Jim Slowik
Mayor

Attest:



City Clerk

Approved as to form:

Margery Hite
City Attorney

Marina Dredging Funding - Revised Fee Calculation - September 22, 2010
 Based on contract awarded to Northwest Marine

Project Item	Base Bid Plus Add. 2 + 35%
Dredging & mitigation	2045344
Change order authority	189380
Mitigation payment	50000
Design & const. admin.	145322
DNR disposal fee (\$0.45/cy)	25853
Sub-total	2455899
	0
Project total	2455899

Bond size (includes reserve fund requirement and financing costs)	2,745,000
Annual payment	194,014
Annual Marina offset	-50,000
Adjusted annual payment	144,014

Monthly fee calculation	
Total lineal feet of slip = 13,367 lf	
83% occupancy rate	
13,367 lf * (83%) = 11,095 lf of occupied slip space	
Annual payment / occupied slip space = per lineal foot annual payment	
Per lineal foot annual payment / 12 months = per lineal foot monthly payment	
Per lineal foot annual payment	12.98008112
Per lineal foot monthly payment	1.081673426
	\$1.08

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RESOLUTION No. 10-24

A RESOLUTION OF THE CITY OF OAK HARBOR SETTING CERTAIN MARINA RATES AND CHARGES

WHEREAS, the Oak Harbor City Council conducted a public meeting on October 5, 2010, and determined that certain City of Oak Harbor Marina rates and charges should be increased in order to fund the Marina Redevelopment Project, Phase 2, Dredging.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Oak Harbor that the following rates shall be established pursuant to OHMC 6.36.020 and shall be referred to as the 'Marina Rate Schedule' for the period November 1, 2010 through December 31, 2012:

SEE ATTACHED TABLES

PASSED and approved by the City Council this 5th day of October, 2010.

THE CITY OF OAK HARBOR

Jim Slowik
Mayor

Attest:

City Clerk

Approved as to form:

Margery Hite
City Attorney

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Moorage Rates: Uncovered Slips

Marina
Rate Schedule – 2010
Effective November 1, 2010

Boat or Slip Length	Rate	Subtotal Moorage	State Leasehold Excise Tax 12.84%	Customer Total
15	x \$5.97	\$89.55	\$11.50	\$101.05
16		\$95.52	\$12.26	\$107.78
17		\$101.49	\$13.03	\$114.52
18		\$107.46	\$13.80	\$121.26
19		\$113.43	\$14.56	\$127.99
20		\$119.40	\$15.33	\$134.73
21		\$125.37	\$16.10	\$141.47
22		\$131.34	\$16.86	\$148.20
23		\$137.31	\$17.63	\$154.94
24		\$143.28	\$18.40	\$161.68
25		\$149.25	\$19.16	\$168.41
26		\$155.22	\$19.93	\$175.15
27	x \$6.369	\$171.96	\$22.08	\$194.04
28		\$178.33	\$22.90	\$201.23
29		\$184.70	\$23.72	\$208.42
30		\$191.07	\$24.53	\$215.60
31	x \$6.474	\$200.69	\$25.77	\$226.46
32		\$207.17	\$26.60	\$233.77
33		\$213.64	\$27.43	\$241.07
34		\$220.12	\$28.26	\$248.38
35	x \$6.621	\$231.74	\$29.75	\$261.49
36		\$238.36	\$30.60	\$268.96
37		\$244.98	\$31.46	\$276.43
38		\$251.60	\$32.31	\$283.90
39	x \$6.736	\$262.70	\$33.73	\$296.44
40		\$269.44	\$34.60	\$304.04
41		\$276.18	\$35.46	\$311.64
42		\$282.91	\$36.33	\$319.24
43		\$289.65	\$37.19	\$326.84
44		\$296.38	\$38.06	\$334.44
45		\$303.12	\$38.92	\$342.04
46		\$309.86	\$39.79	\$349.64
47		\$316.59	\$40.65	\$357.24
48		\$323.33	\$41.52	\$364.84
49	x \$7.167	\$351.18	\$45.09	\$396.27
50		\$358.35	\$46.01	\$404.36
51		\$365.52	\$46.93	\$412.45
52		\$372.68	\$47.85	\$420.54
53		\$379.85	\$48.77	\$428.62
54		\$387.02	\$49.69	\$436.71
55		\$394.19	\$50.61	\$444.80
56		\$401.35	\$51.53	\$452.89
57		\$408.52	\$52.45	\$460.97
58		\$415.69	\$53.37	\$469.06
59		\$422.85	\$54.29	\$477.15
60		\$430.02	\$55.21	\$485.23

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Moorage Rates: Covered Slips

Marina
Rate Schedule – 2010
Effective November 1, 2010

Boat or Slip Length	Rate	Subtotal Moorage	State Leasehold Excise Tax 12.84%	Customer Total
15	x \$7.744	\$116.16	\$14.91	\$131.07
16		\$123.90	\$15.91	\$139.81
17		\$131.65	\$16.90	\$148.55
18		\$139.39	\$17.90	\$157.29
19		\$147.14	\$18.89	\$166.03
20		\$154.88	\$19.89	\$174.77
21		\$162.62	\$20.88	\$183.50
22		\$170.37	\$21.88	\$192.24
23		\$178.11	\$22.87	\$200.98
24		\$185.86	\$23.86	\$209.72
25		\$193.60	\$24.86	\$218.46
26		\$201.34	\$25.85	\$227.20
27	x \$8.154	\$220.16	\$28.27	\$248.43
28		\$228.31	\$29.32	\$257.63
29		\$236.47	\$30.36	\$266.83
30		\$244.62	\$31.41	\$276.03
31	x \$8.574	\$265.79	\$34.13	\$299.92
32		\$274.37	\$35.23	\$309.60
33		\$282.94	\$36.33	\$319.27
34		\$291.52	\$37.43	\$328.95
35	x \$9.445	\$330.58	\$42.45	\$373.02
36		\$340.02	\$43.66	\$383.68
37		\$349.47	\$44.87	\$394.34
38		\$358.91	\$46.08	\$404.99
39	x \$9.928	\$387.19	\$49.72	\$436.91
40		\$397.12	\$50.99	\$448.11
41		\$407.05	\$52.26	\$459.31
42		\$416.98	\$53.54	\$470.52
43		\$426.90	\$54.81	\$481.72
44		\$436.83	\$56.09	\$492.92
45		\$446.76	\$57.36	\$504.12
46		\$456.69	\$58.64	\$515.33
47		\$466.62	\$59.91	\$526.53
48		\$476.54	\$61.19	\$537.73
49		\$486.47	\$62.46	\$548.94
50	x \$10.432	\$521.60	\$66.97	\$588.57
51		\$532.03	\$68.31	\$600.34
52		\$542.46	\$69.65	\$612.12

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**Marina
Rate Schedule - 2010
Effective November 1, 2010**

Guest Moorage Rates

Based on Overall Length of Vessel	Nightly Rate
May 1 – September 15	\$.84
September 16 – April 30	\$.64
Charge for electricity	\$3.00

Electricity

Metered slips

Account service charge (applies to all accounts)	\$4.73 per month
Charge per kilowatt hour consumed (per meter)	\$0.110 per kwh
Minimum charge, regardless of consumption (includes account service charge)	\$10.24 per month

Unmetered slips, nonliveboard (flat fee)

Boats to 30 feet	\$10.24 per month
Boats 31 through 36 feet	\$15.75 per month
Boats greater than 36 feet	\$23.10 per month

Unmetered slips, liveboard (flat fee)

Boats to 36 feet	\$42.00 per month
Boats greater than 36 feet	\$55.65 per month

Note: If a tenant utilizes more than one electrical connection, he shall be charged for all power terminals used in accordance with the above rates.

Storage Sheds

Monthly Rate (subtotal)	State Leasehold Excise Tax (12.84%)	Total Monthly Rental Rate	Temporary Daily Rate
\$89.07	\$11.44	\$100.51	\$3.68

**Marina
Rate Schedule - 2010
Effective November 1, 2010**

Use of Hoist

Fees for hoist services performed for customers by marina staff

Launching or retrieving (one way)	\$25.00
Round trip	\$50.00

Monthly contract rates

Non-commercial	\$40.00
Commercial	\$55.50

Environmental Compliance Fee

A monthly fee of \$1.05 shall be charged to each moorage and mini-storage account.

Parking Lot Storage Rate

Monthly Rate (subtotal)	State Leasehold Excise Tax (12.84%)	Total Monthly Rental Rate	Temporary Daily Rate
\$42.81	\$5.50	\$48.31	\$2.00

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Moorage Rates: Uncovered Slips

Marina
Rate Schedule – 2011
Effective January 1, 2011

Boat or Slip Length	Rate	Subtotal Moorage	State Leasehold Excise Tax 12.84%	Customer Total
15	x \$6.211	\$93.17	\$11.96	\$105.13
16		\$99.38	\$12.76	\$112.14
17		\$105.59	\$13.56	\$119.14
18		\$111.80	\$14.35	\$126.15
19		\$118.01	\$15.15	\$133.16
20		\$124.22	\$15.95	\$140.17
21		\$130.43	\$16.75	\$147.18
22		\$136.64	\$17.54	\$154.19
23		\$142.85	\$18.34	\$161.20
24		\$149.06	\$19.14	\$168.20
25		\$155.28	\$19.94	\$175.21
26		\$161.49	\$20.73	\$182.22
27	x \$6.63	\$179.01	\$22.98	\$201.99
28		\$185.64	\$23.84	\$209.48
29		\$192.27	\$24.69	\$216.96
30		\$198.90	\$25.54	\$224.44
31	x \$6.74	\$208.94	\$26.83	\$235.77
32		\$215.68	\$27.69	\$243.37
33		\$222.42	\$28.56	\$250.98
34		\$229.16	\$29.42	\$258.58
35	x \$6.895	\$241.33	\$30.99	\$272.31
36		\$248.22	\$31.87	\$280.09
37		\$255.12	\$32.76	\$287.87
38		\$262.01	\$33.64	\$295.65
39	x \$7.015	\$273.59	\$35.13	\$308.71
40		\$280.60	\$36.03	\$316.63
41		\$287.62	\$36.93	\$324.54
42		\$294.63	\$37.83	\$332.46
43		\$301.65	\$38.73	\$340.38
44		\$308.66	\$39.63	\$348.29
45		\$315.68	\$40.53	\$356.21
46		\$322.69	\$41.43	\$364.12
47		\$329.71	\$42.33	\$372.04
48		\$336.72	\$43.23	\$379.95
49	x \$7.468	\$365.93	\$46.99	\$412.92
50		\$373.40	\$47.94	\$421.34
51		\$380.87	\$48.90	\$429.77
52		\$388.34	\$49.86	\$438.20
53		\$395.80	\$50.82	\$446.63
54		\$403.27	\$51.78	\$455.05
55		\$410.74	\$52.74	\$463.48
56		\$418.21	\$53.70	\$471.91
57		\$425.68	\$54.66	\$480.33
58		\$433.14	\$55.62	\$488.76
59		\$440.61	\$56.57	\$497.19
60		\$448.08	\$57.53	\$505.61

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Moorage Rates: Covered Slips

Marina
Rate Schedule – 2011
Effective Date January, 2011

Boat or Slip Length	Rate	Subtotal Moorage	State Leasehold Excise Tax 12.84%	Customer Total
15	x \$8.074	\$121.11	\$15.55	\$136.66
16		\$129.18	\$16.59	\$145.77
17		\$137.26	\$17.62	\$154.88
18		\$145.33	\$18.66	\$163.99
19		\$153.41	\$19.70	\$173.10
20		\$161.48	\$20.73	\$182.21
21		\$169.55	\$21.77	\$191.32
22		\$177.63	\$22.81	\$200.44
23		\$185.70	\$23.84	\$209.55
24		\$193.78	\$24.88	\$218.66
25		\$201.85	\$25.92	\$227.77
26		\$209.92	\$26.95	\$236.88
27	x \$8.504	\$229.61	\$29.48	\$259.09
28		\$238.11	\$30.57	\$268.69
29		\$246.62	\$31.67	\$278.28
30		\$255.12	\$32.76	\$287.88
31	x \$8.945	\$277.30	\$35.60	\$312.90
32		\$286.24	\$36.75	\$322.99
33		\$295.19	\$37.90	\$333.09
34		\$304.13	\$39.05	\$343.18
35	x \$9.86	\$345.10	\$44.31	\$389.41
36		\$354.96	\$45.58	\$400.54
37		\$364.82	\$46.84	\$411.66
38		\$374.68	\$48.11	\$422.79
39	x \$10.367	\$404.31	\$51.91	\$456.23
40		\$414.68	\$53.24	\$467.92
41		\$425.05	\$54.58	\$479.62
42		\$435.41	\$55.91	\$491.32
43		\$445.78	\$57.24	\$503.02
44		\$456.15	\$58.57	\$514.72
45		\$466.52	\$59.90	\$526.42
46		\$476.88	\$61.23	\$538.11
47		\$487.25	\$62.56	\$549.81
48		\$497.62	\$63.89	\$561.51
49		\$507.98	\$65.23	\$573.21
50	x \$10.896	\$544.80	\$69.95	\$614.75
51		\$555.70	\$71.35	\$627.05
52		\$566.59	\$72.75	\$639.34

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Marina
Rate Schedule – 2011
Effective January 1, 2011

Guest Moorage Rates

Based on Overall Length of Vessel	Nightly Rate
May 1 – September 15	\$.89 per foot
September 16 – April 30	\$.69 per foot
Charge for electricity	\$3.00

Electricity

Metered slips

Account service charge (applies to all accounts)	\$4.96 per month
Charge per kilowatt hour consumed (per meter)	\$0.116 per kwh
Minimum charge, regardless of consumption (includes account service charge)	\$10.75 per month

Unmetered slips, nonliveaboard (flat fee)

Boats to 30 feet	\$10.75 per month
Boats 31 through 36 feet	\$16.54 per month
Boats greater than 36 feet	\$24.26 per month

Unmetered slips, liveaboard (flat fee)

Boats to 36 feet	\$44.10 per month
Boats greater than 36 feet	\$58.43 per month

Note: If a tenant utilizes more than one electrical connection, he shall be charged for all power terminals used in accordance with the above rates.

Storage Sheds

Monthly Rate (subtotal)	State Leasehold Excise Tax (12.84%)	Total Monthly Rental Rate	Temporary Daily Rate
\$93.53	\$12.01	\$105.53	\$3.86

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Use of Hoist

Fees for hoist services performed for customers by marina staff

Launching or retrieving (one way)	\$26.25
Round trip	\$52.50

Monthly contract rates

Non-commercial	\$42.00
Commercial	\$58.25

Environmental Compliance Fee

A monthly fee of \$1.10 shall be charged to each moorage and mini-storage account.

Parking Lot Storage Rate

Monthly Rate (subtotal)	State Leasehold Excise Tax (12.84%)	Total Monthly Rental Rate	Temporary Daily Rate
\$44.95	\$5.77	\$50.72	\$2.21

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Moorage Rates: Uncovered Slips

Marina
Rate Schedule – 2012
Effective January 1, 2012

Boat or Slip Length	Rate	Subtotal Moorage	State Leasehold Excise Tax 12.84%	Customer Total
15	x \$6.464	\$96.96	\$12.45	\$109.41
16		\$103.42	\$13.28	\$116.70
17		\$109.89	\$14.11	\$124.00
18		\$116.35	\$14.94	\$131.29
19		\$122.82	\$15.77	\$138.59
20		\$129.28	\$16.60	\$145.88
21		\$135.74	\$17.43	\$153.17
22		\$142.21	\$18.26	\$160.47
23		\$148.67	\$19.09	\$167.76
24		\$155.14	\$19.92	\$175.06
25		\$161.60	\$20.75	\$182.35
26		\$168.06	\$21.58	\$189.64
27	x \$6.904	\$186.41	\$23.93	\$210.34
28		\$193.31	\$24.82	\$218.13
29		\$200.22	\$25.71	\$225.92
30		\$207.12	\$26.59	\$233.71
31	x \$7.02	\$217.62	\$27.94	\$245.56
32		\$224.64	\$28.84	\$253.48
33		\$231.66	\$29.75	\$261.41
34		\$238.68	\$30.65	\$269.33
35	x \$7.182	\$251.37	\$32.28	\$283.65
36		\$258.55	\$33.20	\$291.75
37		\$265.73	\$34.12	\$299.85
38		\$272.92	\$35.04	\$307.96
39	x \$7.308	\$285.01	\$36.60	\$321.61
40		\$292.32	\$37.53	\$329.85
41		\$299.63	\$38.47	\$338.10
42		\$306.94	\$39.41	\$346.35
43		\$314.24	\$40.35	\$354.59
44		\$321.55	\$41.29	\$362.84
45		\$328.86	\$42.23	\$371.09
46		\$336.17	\$43.16	\$379.33
47		\$343.48	\$44.10	\$387.58
48		\$350.78	\$45.04	\$395.82
49	x \$7.784	\$381.42	\$48.97	\$430.39
50		\$389.20	\$49.97	\$439.17
51		\$396.98	\$50.97	\$447.96
52		\$404.77	\$51.97	\$456.74
53		\$412.55	\$52.97	\$465.52
54		\$420.34	\$53.97	\$474.31
55		\$428.12	\$54.97	\$483.09
56		\$435.90	\$55.97	\$491.87
57		\$443.69	\$56.97	\$500.66
58		\$451.47	\$57.97	\$509.44
59		\$459.26	\$58.97	\$518.22
60		\$467.04	\$59.97	\$527.01

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Moorage Rates: Covered Slips

Marina
Rate Schedule – 2012
Effective January 1, 2012

Boat or Slip Length	Rate	Subtotal Moorage	State Leasehold Excise Tax 12.84%	Customer Total
15	x \$8.42	\$126.30	\$16.22	\$142.52
16		\$134.72	\$17.30	\$152.02
17		\$143.14	\$18.38	\$161.52
18		\$151.56	\$19.46	\$171.02
19		\$159.98	\$20.54	\$180.52
20		\$168.40	\$21.62	\$190.02
21		\$176.82	\$22.70	\$199.52
22		\$185.24	\$23.78	\$209.02
23		\$193.66	\$24.87	\$218.53
24		\$202.08	\$25.95	\$228.03
25		\$210.50	\$27.03	\$237.53
26		\$218.92	\$28.11	\$247.03
27	x \$8.872	\$239.54	\$30.76	\$270.30
28		\$248.42	\$31.90	\$280.31
29		\$257.29	\$33.04	\$290.32
30		\$266.16	\$34.17	\$300.33
31	x \$9.335	\$289.39	\$37.16	\$326.54
32		\$298.72	\$38.36	\$337.08
33		\$308.06	\$39.55	\$347.61
34		\$317.39	\$40.75	\$358.14
35	x \$10.296	\$360.36	\$46.27	\$406.63
36		\$370.66	\$47.59	\$418.25
37		\$380.95	\$48.91	\$429.87
38		\$391.25	\$50.24	\$441.48
39	x \$10.828	\$422.29	\$54.22	\$476.51
40		\$433.12	\$55.61	\$488.73
41		\$443.95	\$57.00	\$500.95
42		\$454.78	\$58.39	\$513.17
43		\$465.60	\$59.78	\$525.39
44		\$476.43	\$61.17	\$537.61
45		\$487.26	\$62.56	\$549.82
46		\$498.09	\$63.95	\$562.04
47		\$508.92	\$65.34	\$574.26
48		\$519.74	\$66.74	\$586.48
49		\$530.57	\$68.13	\$598.70
50	x \$11.383	\$569.15	\$73.08	\$642.23
51		\$580.53	\$74.54	\$655.07
52		\$591.92	\$76.00	\$667.92

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Marina
Rate Schedule – 2012
Effective January 1, 2012

Guest Moorage Rates

Based on Overall Length of Vessel	Nightly Rate
May 1 – September 15	\$.94 per foot
September 16 – April 30	\$.74 per foot
Charge for electricity	\$3.00

Electricity

Metered slips

Account service charge (applies to all accounts)	\$5.21 per month
Charge per kilowatt hour consumed (per meter)	\$0.122 per kwh
Minimum charge, regardless of consumption (includes account service charge)	\$11.29 per month

Unmetered slips, nonliveaboard (flat fee)

Boats to 30 feet	\$11.29 per month
Boats 31 through 36 feet	\$17.36 per month
Boats greater than 36 feet	\$25.47 per month

Unmetered slips, liveaboard (flat fee)

Boats to 36 feet	\$46.31 per month
Boats greater than 36 feet	\$61.35 per month

Note: If a tenant utilizes more than one electrical connection, he shall be charged for all power terminals used in accordance with the above rates.

Storage Sheds

Monthly Rate (subtotal)	State Leasehold Excise Tax (12.84%)	Total Monthly Rental Rate	Temporary Daily Rate
\$98.20	\$12.61	\$110.81	\$4.05

Use of Hoist

Fees for hoist services performed for customers by marina staff

Launching or retrieving (one way)	\$27.50
Round trip	\$55.00

Monthly contract rates

Non-commercial	\$44.00
Commercial	\$61.25

Environmental Compliance Fee

A monthly fee of \$1.16 shall be charged to each moorage and mini-storage account.

Parking Lot Storage Rate

Monthly Rate (subtotal)	State Leasehold Excise Tax (12.84%)	Total Monthly Rental Rate	Temporary Daily Rate
\$47.20	\$6.06	\$53.26	\$2.32

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City of Oak Harbor City Council Agenda Bill - Introduction

Bill No. 6

Date: **October 5, 2010**

**SUBJECT: Property Tax ordinance to set
2011 Property Tax Levy.**

FROM: Doug Merriman, Finance Director 

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

 Jim Slowik, Mayor
Paul Schmidt, City Administrator
Margery Hite, City Attorney, as to form

SUMMARY STATEMENT

This agenda bill introduces the ordinance required to establish the property tax levy rate for the City of Oak Harbor for 2011. Under RCW 84.55.005(1) and RCW 84.55.005(2)(c), the City may increase the collection of property tax revenues by the lower of 1% or the rate of inflation as set by the Implicit Price Deflator (IPD) as published by the Bureau of Economic Analysis (BEA). The IPD measurement to be utilized for 2011 is 1.539. Accordingly, the proposed property tax increase is 1%.

AUTHORIZATION

RCW 84.55.010 provides that a taxing jurisdiction may levy taxes in an amount no more than the limit factor multiplied by the highest levy of the most recent three years plus additional amounts resulting from new construction and improvements to property, newly constructed wind turbines, and any increase in the value of state-assessed utility property.

RCW 84.55.005(1) defines "inflation" as the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent 12-month period by the Bureau of Economic Analysis of the federal Department of Commerce in September of the year before the taxes are payable;

RCW 84.55.005(2)(c), provides the limit factor for the City of Oak Harbor, a taxing jurisdiction with a population of over 10,000, is the lesser of 101 percent or 100 percent plus inflation;

RECOMMENDED ACTION

- 1) This agenda item is for introducing the ordinance.
- 2) Set a public hearing date for October 19, 2010 for presentation and action.

ATTACHMENTS:

- ◆ Draft Ordinance

MAYOR'S COMMENTS

ORDINANCE NO. _____

AN ORDINANCE TO INCREASE BY \$37,459.84 THE AMOUNT TO BE RAISED BY AD VALOREM TAXES FOR THE 2011 PROPERTY TAX LEVY WHICH REPRESENTS A 1% INCREASE OVER THE ACTUAL LEVY ASSESSED IN 2010.

WHEREAS, proper public notice of this ordinance and the related public hearing was given in the Whidbey News Times on October 6, 2010, and

WHEREAS, a public hearing was held October 19, 2010, to consider the City of Oak Harbor's Current Expense budget for the Year 2011; and

WHEREAS, the 1996 Public Safety Bond issue has been fully repaid and no longer requires a special assessment; and

WHEREAS, RCW 84.55.010 provides that a taxing jurisdiction may levy taxes in an amount no more than the limit factor multiplied by the highest levy of the most recent three years plus additional amounts resulting from new construction and improvements to property, newly constructed wind turbines, and any increase in the value of state-assessed utility property;

WHEREAS, under one provision of RCW 84.55.005(2)(c), the limit factor for the City of Oak Harbor, a taxing jurisdiction with a population of over 10,000, is the lesser of 101 percent or 100 percent plus inflation;

WHEREAS, RCW 84.55.005(1) defines "inflation" as the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent 12-month period by the Bureau of Economic Analysis of the federal Department of Commerce in September of the year before the taxes are payable;

WHEREAS, inflation as evidenced by the change in the for the twelve month period ending July 2010 as measured by the change in the implicit price deflator (IPD) is 1.539 percent meaning the taxes levied in Oak Harbor in 2010 for collection in 2011 would potentially increase by this percentage, plus additional amounts resulting from under-utilized levy capacity, new construction and improvements to property, new annexations, newly constructed wind turbines, and any increase in the value of state-assessed utility property;

WHEREAS, the City Council, after hearing and after duly considering all relevant evidence and testimony presented, has determined that the City of Oak Harbor requires an increase in property tax revenue from the previous year, in order to discharge the expected expenses and obligations of the City of Oak Harbor.

WHEREAS, the City Council has further determined that in order to discharge the expected expenses and obligations of the Current Expense budget for 2011, the ad valorem taxes for the 2011 tax levy shall be increased by an amount of one percent (1%) equaling 101.00% of the property tax assessment that could have been received during the previous year. This increase is exclusive of any additional revenues received from under-utilized levy capacity, from the addition of new construction, improvements to property, any annexations that have occurred, newly constructed wind turbines, and from any increase in the value of state-assessed property.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAK HARBOR do hereby ordain as follows:

Section One: An increase in the regular property tax levy is hereby authorized for the levy to be collected in 2011 tax year. The dollar amount of the increase over the actual levy amount of the previous year shall be \$37,459.84, which is an increase of one percent (1%). This increase is exclusive of any additional revenues received from under-utilized levy capacity, from the addition of new construction, from improvements to property, any annexations that have occurred and refunds made, from newly constructed wind turbines, and from any increase in the value of state-assessed property. The total regular property taxes will be budgeted at \$4,127,522.00 for 2011.

Section Two: The City Clerk shall file a certified copy of this ordinance with the Island County Auditor.

Section Three: Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances is not affected.

Section Four: Effective Date. This ordinance shall take effect five days after publication as provided by law.

PASSED by the City Council this _____ day of _____ 2010.

CITY OF OAK HARBOR

Approved () _____
Vetoed () Jim Slowik, Mayor

Date

Attest:

City Clerk

Approved as to Form:

City Attorney

Published: _____

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 7
Date: October 5, 2010
Subject: Legislative Priority Issues

FROM: Paul Schmidt
City Administrator

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

 Jim Slowik, Mayor
 Doug Merriman, Finance Director
 Margery Hite, City Attorney, as to form

PURPOSE

The purpose of this agenda bill is to seek approval of the draft Legislative Priority Issues for 2011.

AUTHORITY

The City Council has been granted the authority to plan and organize its internal affairs by RCW 35A.11.020.

SUMMARY STATEMENT

As a direct means in which to convey City of Oak Harbor wishes to the State Legislature for the upcoming Legislative session, we have prepared a resolution with an attached list of priority issues.

A resolution by City Council conveying its wishes to our Legislators is a more powerful message than by sending or voicing individual requests. Moreover, a resolution provides a concise listing as a priority of those needs the City Council deems crucial.

The attached 2011 Legislative Priority Issues list is a draft proposal until City Council approves the resolution, and as such is subject to change by the City Council.

STANDING COMMITTEE REPORT

The draft 2011 Legislative Priority Issues was presented to the Governmental Services Committee on August 10, 2010 and to the Finance Committee on August 11, 2010.

RECOMMENDED ACTION

Approve Resolution 10-25.

ATTACHMENTS

Resolution 10-25.

MAYOR'S COMMENTS

RESOLUTION NO. 10-25

A RESOLUTION BY THE CITY OF OAK HARBOR IDENTIFYING 2011 LEGISLATIVE PRIORITY ISSUES

WHEREAS, the City of Oak Harbor has a keen interest in how the Washington State Legislature actions can and do impact the City; and

WHEREAS, it is the City's intention to work with the Governor's Office and the leadership throughout the Senate and House with specific help from the City's 10th District Legislators, and

WHEREAS, the City of Oak Harbor has a good positive working relationship with the current 10th District Legislators; and

WHEREAS, this positive working relationship does depend upon the frequent and ongoing exchange of information where the specific needs and priorities of the City of Oak Harbor are clearly expressed to our 10th District Legislators; and

WHEREAS, by the attached Exhibit "A" the City of Oak Harbor wishes to extend to Washington State Senator Haugen, Representative Smith, and Representative Bailey the City of Oak Harbor's 2011 Legislative Priority Issues.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Oak Harbor, Washington, that the attached Exhibit "A" is hereby adopted as the 2011 Legislative Priority Issues of the City of Oak Harbor.

PASSED by the City Council of the City of Oak Harbor and approved by its Mayor this 5th Day of October, 2010.

CITY OF OAK HARBOR

MAYOR

ATTEST:

Approved as to Form:

City Clerk

City Attorney

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EXHIBIT "A"

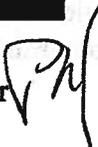
CITY OF OAK HARBOR 2011 LEGISLATIVE PRIORITY ISSUES

1. **Retain** CAPRON Transportation funding as a critical resource for Whidbey Island surface transportation needs.
2. **Restore** funding for the Public Works Trust Fund Program which was eliminated by the Legislature in 2009.
3. **Refrain** from supporting any Legislative proposals that would establish a mandate upon local government without providing the necessary funds to fully support the mandate.
4. **Support** funding for the ongoing City of Oak Harbor affordable housing project effort.
5. **Support** a Legislative effort to limit local government liability and financial burdens caused by spurious and/or unlimited public records requests.
6. **Support** a Legislative effort to begin planning for the definite replacement of the Deception Pass Bridge.
7. **Support** a Legislative effort to repeal those portions of RCW 36.70A.070(6) requiring Island County and its cities such as Oak Harbor to include State highways and ferry route capacity in determining transportation concurrency in local comprehensive plans.
8. **Support** a Legislative effort to replace those city revenues lost from the passage of any Statewide initiative(s) affecting the existing Liquor Control Board funding.
9. **Support** a Legislative effort to continue funding assistance for Phase II cities subject to NPDES storm water regulation and permitting.
10. **Support** a balanced approach to a communication/information technology policy that allows new technologies to flourish while maintaining local regulatory and taxing authority.
11. **Support** increased State financial and other assistance to replace and upgrade aging infrastructure and fund new infrastructure to ensure public health and safety.

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City of Oak Harbor
City Council Agenda Bill

Bill No. 8
Date: October 5, 2010
Subject: Council Rules Amendment
- Standing Committees

FROM: Paul Schmidt, City Administrator 

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

 Jim Slowik, Mayor
 Paul Schmidt, City Administrator
 Doug Merriman, Finance Director
 Margery Hite, City Attorney, as to form

PURPOSE

This agenda bill follows upon the request of Councilmember Palmer and Councilmember Campbell and vote of the Council that rules be drafted to encompass the procedures to be followed at standing committee meetings.

AUTHORITY

The Council has the authority to determine its own rules and order of business, and establish rules for the conduct of Council meetings and the maintenance of order pursuant to RCW 35A.12.120.

SUMMARY STATEMENT

An ordinance was adopted on June 15, 2010 which formalized the nature and meeting times of standing committees. At the Council discussion, Councilmember Palmer indicated that he would like to establish some procedures for the conduct of standing committee meetings. At the September 21, 2010 Council meeting, Councilmember Campbell indicated that he believed that all the rules relative to council procedures should be in the Council Rules booklet. The entire council voted for staff to re-draft two rules in order to incorporate the rules on standing committees from the ordinance into the Council Rules. This agenda bill summarizes the rules applicable to standing committees adopted by amendment to Ch. 1.04 OHMC on June 15, 2010 into a new Rule No. 27. The entire ordinance addressing City Council meetings will also be attached to the Council Rules as Appendix "A". It also proposes adoption of standing committee rule (Rule #28) as part of the "Administration and Personnel Council Rules" to address Councilmember Palmer's procedural concerns.

STANDING COMMITTEE REPORT

This matter is for full City Council discussion and has not been before a Standing Committee.

RECOMMENDED ACTION

1. Adoption of the Motion adding a new Rule No. 27 to the "Administration and Personnel Council Rules" (Resolution No. 04-02) regarding Standing Committees.
2. Adoption of the Motion adding a new Rule No. 28 to the "Administration and Personnel Council Rules" (Resolution No. 04-02) regarding Standing Committees.

ATTACHMENTS

1. Motion to add Council Rule 27.
2. Motion to add Council Rule 28.

MAYOR'S COMMENTS

MOTION

MOTION AMENDING RESOLUTION NO. 04-02, "ADMINISTRATION AND PERSONNEL COUNCIL RULES" TO ADD A NEW RULE NO. 27 – STANDING COMMITTEES

WHEREAS, the Council amended Ch. 1.04 OHMC on June 15, 2010 to provide for standing committees; and

WHEREAS, the Council wishes to address procedures to apply during standing committee meetings;

NOW, THEREFORE, UPON MOTION, the City Council hereby amends Resolution No. 04-02, "Administration and Personnel Council Rules" to add a new Rule No. 27 on standing committees.

RULE NO. 27 -- STANDING COMMITTEES

Pursuant to Ordinance No. 1578, Standing Committees were established to facilitate the legislative functions of the City Council.

- (1) The four committees and their regular meeting dates and locations are:
 - (a) Finance – the second Wednesday of the month at City Hall at 3:30 p.m.;
 - (b) Governmental Services – the second Tuesday of the month at City Hall at 8:00 a.m.;
 - (c) Public Safety – the third Thursday of the month at the Fire Department at 7:00 a.m.;
 - (d) Public Works – the first Thursday of the month at the Public Works Department at 7:00 a.m.
- (2) The standing committee meetings are regular open public meetings of the city council. Any city councilmember may attend any standing committee meeting.
- (3) The purpose of the standing committees is to receive information for education purposes or for preparation of matters to come before the city council. No final action shall be taken at a standing committee meeting.
- (4) Upon recommendation of the mayor, the city council shall assign a chair and two members of the city council to have primary responsibility for each committee annually. There is no quorum requirement for standing committee meetings and while councilmembers assigned to standing committees are encouraged to attend their assigned standing committee meetings, all councilmember absences are excused.
- (5) Meetings of standing committees should be conducted with a prepared agenda which should be posted on the City's website at least two(2) business days prior to the meeting.
- (6) The committee chair may cancel a standing committee meeting at any time. In the event that regular meeting of a standing committee is cancelled, cancellation shall be

MOTION AMENDING "ADMINISTRATION AND PERSONNEL COUNCIL RULES" ADOPTED MARCH 2, 2004 TO ADD A NEW RULE NO. 27 ON STANDING COMMITTEES

posted on the door of the location set by this section prior to the regular time of the meeting.

PASSED by the City Council this _____ day of _____, 2010.

THE CITY OF OAK HARBOR

Jim Slowik, Mayor

ATTEST:

Connie Wheeler, City Clerk

APPROVED AS TO FORM:

Margery Hite, City Attorney

MOTION

MOTION AMENDING RESOLUTION NO. 04-02, "ADMINISTRATION AND PERSONNEL COUNCIL RULES" TO ADD A NEW RULE NO. 28 – STANDING COMMITTEE PROCEDURES

WHEREAS, the Council amended Ch. 1.04 OHMC on June 15, 2010 to provide for standing committees; and

WHEREAS, the Council wishes to address procedures to apply during standing committee meetings;

NOW, THEREFORE, UPON MOTION, the City Council hereby amends Resolution No. 04-02, "Administration and Personnel Council Rules" to add a new Rule No. 28 on standing committee procedures:

RULE NO. 28 -- STANDING COMMITTEE PROCEDURES

- (1) The chair of the standing committee shall preside at standing committee meetings. If the chair is not present, the attending primary committee members shall choose a presiding officer *pro tempore*.
- (2) The councilmembers assigned to the standing committee as primary members shall be seated at the table or dais. Councilmembers who attend standing committee meetings to which they are not assigned as primary member shall not sit at the council table or dais but in the seating designated for observers.
- (3) Public comment shall be allowed, unless the chair finds exceptional circumstances exist.
- (4) Councilmembers not assigned to the standing committee as a primary member may participate in the standing committee discussions.

PASSED by the City Council this _____ day of _____, 2010.

THE CITY OF OAK HARBOR

Jim Slowik, Mayor

ATTEST:

Connie Wheeler, City Clerk

APPROVED AS TO FORM:

Margery Hite, City Attorney

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MOTION AMENDING "ADMINISTRATION AND PERSONNEL COUNCIL RULES" ADOPTED MARCH 2, 2004 TO ADD A NEW RULE NO. 28 ON STANDING COMMITTEE PROCEDURES

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