



## PUBLIC WORKS AND UTILITIES STANDING COMMITTEE

Thursday, May 6, 2010

7:00 a.m.

Public Works Facility Conference Room

### MEETING NOTES

Danny Paggao called the meeting to order. Public Works Standing Committee Members in attendance were Danny, Rick Almborg and Scott Dudley. City staff in attendance were Mayor Slowik, Paul Schmidt, Cathy Rosen, Eric Johnston, Steve Powers, Steve Bebee, Kathy Wagoner and Debbie Mueller. Also in attendance was Brian Matson, P.E., Carollo Engineers.

1. **Review Meeting Notes - April 1, 2010** - Arnie Peterschmidt requested clarification changes to item #12, indicated in red.
2. **Franchise Agreements with Island Disposal** - Steve Bebee stated that, following annexations, notice must be given to Island Disposal that the City will take over garbage pick up in franchise areas after a minimum of seven years. Three franchise areas, "Wright, Littke and Oak Harbor Church of Christ", "Foreman" and "Gentry" properties have been recently annexed and notice has been sent to Island Disposal. It was indicated that there is not a lot of residential development yet in these areas, but development is likely to occur in the future.

Scott Dudley asked if the City is in the driver's seat with regard to negotiations. Cathy said state law allows seven years but we generally agree to ten, as we give them the opportunity to recoup their costs in those areas. Steve added that this also gives the City time to prepare for the capital expenditure of the roll cart purchases, etc. He said, this year, 500 new homes will be taken on by the Solid Waste Division. The Mayor indicated that they talk about a ten year term at County meetings. Steve said we are waiting to hear back from Island Disposal regarding the terms of the agreement before taking the issue to City Council.

3. **Oak Harbor Municipal Code Amendments - Enterprise Area Annexation Incentives** - Steve Powers prepared two handouts, a draft ordinance and a map. He recited a brief chronology regarding the north portion of the urban growth area. In the early-mid 1990's, the area was primarily slated for industrial/commercial growth. In the early 2000's, an Interlocal Agreement with the County was developed regarding land use in order to facilitate annexations.

## STANDING COMMITTEE

Thursday, May 6, 2010, 7:00 a.m.

Page 2

Recently, there have been fewer projects until the Goldie Road Sewer Project, which may help to encourage annexation and development to occur. Steve said staff is proposing to provide financial incentives for annexation: 1) no application fees, 2) no recovery cost for the Goldie Road Sewer Project, and 3) City assistance with the application process. He said there is also disincentive language in the current code which allows connections to the City's sewer system outside City limits. Staff would like to remove the ability to connect to sewer outside City limits unless annexation occurs - except for emergencies - but the applicant must then initiate annexation procedures. Steve said this ordinance will: 1) establish incentives to annex into the City, 2) remove disincentives to annexations, and 3) retain emergency provisions. He indicated the map shows the UGA boundaries from the Diversification Action Plan.

4. **Pioneer Way Project - Public Outreach Professional Services Contract** - Steve Powers handed out a draft agenda bill, which will be brought before City Council on May 18, requesting approval of a professional services contract with EnviroIssues, Inc. for assistance with communications regarding the SE Pioneer Way Street Improvements Project. The contract amount is \$61,008.92, and includes pre-construction activities only. Steve said the Mayor signed a preliminary contract with EnviroIssues on April 7 in the amount of \$29,986.04 for the development of a community involvement plan and business survey. A database with survey results and a summary of outreach activities with recommendations for the future will be included in this portion of the contract. Steve said the Pioneer Way project is a complex project, with the re-modeling of the existing downtown and rebuilding of the street and utilities. This project will affect all businesses and the community at large and the dynamics of the project will be challenging with regards to communications with the businesses. EnviroIssues will assist staff with the next major phase of the project. The survey will begin on Friday, May 7. The contract includes over 600 hours of staff time which includes organizing and facilitating meetings with merchants and property owners for input on the aesthetic features of the project, gathering input on options for construction signage and economic development techniques during construction, assistance with preconstruction marketing and economic sustainability efforts, development of a community wide project newsletter prior to construction, development of a project logo and the development of fact sheets and flyers during the final design.

Scott asked if the scope of work had changed. Steve responded that the contract was broken into two pieces. Scott asked why we do not have a contract with EnviroIssues for the full term of the project, as communications will be necessary throughout. Steve said in order to know what will be in that contract we need to learn what is needed during the construction phase, and this will be a stepping stone process. Eric added that the project details are not yet known, and we will be narrowing the scope of work and refining the services as needed. Scott asked

why a project logo is necessary. Steve indicated it is important to identify or brand the project in order to assist the businesses to encourage sales throughout construction. Scott asked if a representative from EnviroIssues will be at the May 18 City Council meeting. Steve said yes. Rick Almberg stated that we must go through these steps on projects of this size. He indicated that he supports the staff's proposal and appreciates the Mayor jump starting the process with EnviroIssues. Danny asked if staff anticipates major changes to the design. Steve responded perhaps minor changes but not major. He added that the role of EnviroIssues would shift when construction begins. Eric said during pre-construction, they will gather input for the project design, which is a one way configuration as determined by the City Council. They will also communicate the needs of the businesses during construction. EnviroIssues will be the point of contact through the implementation of the design. Scott asked when the survey would be completed. Steve said next week. Rick asked if the City could rent space downtown and have a storefront with a representative available to the businesses. Steve indicated that may be possible during the construction portion of the project. Rick said he would like the City to consider this idea so that the public can walk in and view project diagrams and 3D images, ask questions, etc. He asked if it would be appropriate for the Chamber to staff the storefront. Steve said that is an excellent idea. Danny asked about signage for the project. Steve said signage is included in the detailed scope of work. Scott asked about flyers and postcards. Steve said these are also included in the contract. Scott asked if staff could have accomplished most of these tasks. Steve responded, not without stopping other projects, as this contract covers over 600 hours of staff time. The Mayor added that he felt we did a good job with communication regarding the waterline project on Pioneer a couple years ago, but we were not down there to find out about businesses needs and requirements, and we don't know what the marketing plan will be with this project until we receive feedback from the downtown businesses. The Mayor said the goal is to keep the downtown businesses thriving during construction.

5. **Pioneer Way Project Update** - Eric Johnston said, as indicated, EnviroIssues will begin the business survey on Friday. He said this information was posted to the City's blog site and letters were mailed yesterday. Eric stated the SEPA and shoreline application permits will come before City Council in July or August. The City was not successful in receiving the Community Development Block Grant. Eric said there were 53 applicants. The successful projects were water and sewer related, and were ready to begin work. Eric said staff met with Puget Sound Energy regarding the relocation of utilities and we will contract with them for the LED street lighting. He said after we receive the first completed work from EnviroIssues, a public meeting will be scheduled in early June. Scott asked about funding for the project. Eric said REET funds are available, but using those would reduce their availability to other projects. Scott asked when we will know what the cost of the project will be to property owners. Eric said we may

## STANDING COMMITTEE

Thursday, May 6, 2010, 7:00 a.m.

Page 4

know the cost to convert the overhead to underground utilities in the September time frame, and this will be property owners' responsibility. Scott asked how we will accommodate the digestibility of the cost to the property owners. Eric said he is not sure there is a way to accommodate that and he does not know the cost at this point. He said the cost to the businesses is complicated as the design of the individual utilities needs to be worked through, and transformers must also be underground. Rick asked when the contract with Puget Sound Energy will be ready. Eric responded in July or August. Steve added that it is important to remember that idea for undergrounding the utilities has been coming primarily from the downtown business owners.

6. **Wastewater Facilities Plan** – Eric Johnston introduced Brian Matson, Carollo Engineers, who is working on the City's Wastewater Facilities Plan. Carollo Engineers was selected based on qualifications. It was explained that the scope of work would be reviewed today and next meeting the cost of the scope will be reviewed. The goal is to obtain the highest level of water quality practical and the Facilities Plan will include an extensive public process. Eric said this is a major project for the City, the location is critical and the project will affect the community for next 40-50 years. He added that it may involve a large effort between the City and the Navy. Eric said the RBC Plant has reached its useful life and the Lagoon will require a higher level of treatment to meet water quality standards. The Facilities Plan is a proactive measure to reach the long term goal and completion is anticipated in 2017. Mr. Matson handed out a draft scope with thumbnail overviews of the various tasks. He explained the scope, indicating that the public process will engage all stakeholders, the public and the Navy.

Scott asked what direction they are looking for from the committee members today. Eric said they would be interested in receiving input on the scope. Brian added, if they are on the right track, they will proceed with the next steps. Scott said he is pleased with the selection of Carollo Engineers and is looking forward to working with them. The Mayor asked what public involvement firm Carollo plans to use. Brian said they may use Triangle. Eric said they are not yet certain that Triangle will be the public involvement group and they may consider using EnviroIssues. Rick said he had spoken with Senator Cantwell and she did not seem to like the salt water salmon recovery marsh and WWTP facility at the same location. He added that the legislature and the Navy are very much aware of the project. The Mayor added that he'd received assurances from the Under Secretary of the Navy that the City would have the support of the Navy on this project if it is located on the Seaplane Base. Scott asked if the public relations firm would be a separate contract under Carollo. Eric said the firm would be a sub-contractor. Danny asked about task 500 – re-use opportunities – and who would have the water rights. Eric said Anacortes has the water rights from the Skagit River, but once the water is re-captured from discharge, a new water right may be required. He added that the cost for water re-use would be a big factor.

## STANDING COMMITTEE

Thursday, May 6, 2010, 7:00 a.m.

Page 5

7. **Ordinance, City Council Administration and Personnel Rules** – Paul Schmidt indicated he has been working with the Law Department on an ordinance that would change how the Standing Committee meetings are noticed to the public. He indicated that the Standing Committees have been operating informally since January 2008 and no action is taken at these meetings. The meetings are currently scheduled and posted as special meetings. The change would be that the meetings would be scheduled and posted as regular meetings, but that would mean no meetings could be canceled. They prefer to have all three committee members present at the meetings and when a member is not available a substitute may be used. Paul added that, at City Council meetings, excused absences are required, but that would not be necessary for these meetings.

Scott asked if input from the public would be allowed at Standing Committee meetings. Paul said this ordinance allows that, but they have been allowing public input all along. Scott asked about the cost to televise Standing Committee meetings. Paul said the indirect costs would be considerably more than the direct cost, which would be Jim Riney, the technician. He said the amount of staff preparation time is a considerable effort and a large production. The Mayor said this issue could be discussed during the biannual budget process, and a majority vote of the City Council would be necessary.

Scott asked if the monthly special TV programs are budgeted. The Mayor stated that the bi-monthly programs are budgeted and they try to highlight municipal issues that the newspaper generally does not cover. He added that he feels it is important to cover the vast array of what the City does, as not a lot about some of these issues are generally known. Rick asked if advertisements could be sold. Paul responded that the City is greatly restricted with regards to public broadcasting. Danny asked about the rules of special meetings with regards to action taken by Council. Paul said no action can be taken at Standing Committee meetings and there is no quorum, as there are only three of seven Councilmembers on each committee. He said final action is taken only at the bi-monthly City Council meetings.