

**PLANNING COMMISSION
REGULAR MEETING
CITY HALL – COUNCIL CHAMBERS
February 28, 2012**

ROLL CALL: Present: Keith Fakkema, Kristi Jensen, Jeff Wallin, Gerry Oliver and Jill Johnson-Pfeiffer.

Absent: Bruce Neil and Greg Wasinger.

Staff Present: Development Services Director, Steve Powers; Senior Planners, Ethan Spoo and Cac Kamak and Associate Planner, Melissa Sartorius.

Vice Chairman Fakkema called the meeting to order at 7:35 p.m.

MINUTES: MR. OLIVER MOVED, MR. WALLIN SECONDED, MOTION CARRIED TO APPROVE THE JANUARY 24, 2012 MINUTES AS PRESENTED.

PUBLIC COMMENT:

None present for comment.

SIGN CODE UPDATE – Public Meeting

Mr. Spoo reviewed previous discussions by the Planning Commission in which the Planning Commission discussed pre-post election time limits and the fact that we can't have pre-election time limits but post election time limits were acceptable. There was discussion about what types of public property are appropriate for temporary signs and about signs in the public right-of-way, signs in parks, and planter strips. There was also some discussion about placing size and height limits on signs, especially within the public right-of-way primarily for reasons of safety and visibility (vision triangles). To date discussion has centered on concerns that temporary signs on public property would cause clutter and detract from the primary purpose of public properties.

Mr. Spoo explained that the main purpose of tonight's meeting is to have a discussion about preferences for temporary signage and to talk briefly about what we've learned so far in regards to the legal principles that guide temporary signs.

Mr. Spoo said that there were three main legal principles:

1. **Can't** prohibit political signs on public property, if any commercial speech allowed.
2. **Can't** elevate commercial speech above political.
3. **Can't** regulate content. Time, manner, place can be regulated.
 - Too restrictive→time, manner, place, is effectively a content restriction. Aesthetics often seen as too restrictive for political signs.
 - No pre-election time limits.

Mr. Spoo displayed photos of temporary signs in the community to give the Planning Commission an idea what's going on in the community and was not intended to point out what was wrong or right about the signs.

Mr. Spoo explained that tonight's discussion would be about temporary signs on public property and then on temporary signs on private property.

Public Property

Mr. Spoo explained that public property includes street right-of-ways (ROW's), buildings, parks and city vehicles and asked the Planning Commission the following series of questions:

- What types of public property is appropriate for placement of temporary signs?
- If temporary signs are appropriate in X. Are commercial signs appropriate in the same places? Same general restrictions apply for real estate/garage sale/A-frames?
- What post-election time limit is appropriate for candidates to remove their signs? The Code currently says seven days.
- Commercial signs. A-frame signs that you see on sidewalks. How long should these be allowed to be up? Code currently calls for these to be removed outside of business hours.
- Garage sale/real estate/open house signs time limits?

Garage sale: placement preceding, remove as soon as sale ends?

Real estate: only while unit is for sale?

Open house, only during the open house or several days preceding?

Planning Commission Discussion

Mr. Wallin asked how to determine where the public ROW is. Mr. Powers explained that as a general rule, the measurement is from the centerline of the road to the back of the sidewalk in areas where there are no sidewalks it is a little more difficult to visually tell where the ROW is.

Ms. Jensen said that she thought there was a place for temporary signs on all of the public property listed by Mr. Spoo.

Mr. Spoo asked about city vehicles such as police vehicles. Mr. Fakkema didn't think police vehicles were appropriate because of the primary purpose of police vehicles.

Ms. Jensen asked if busses were city vehicles. Mr. Powers explained that busses e.g. Island Transit and school busses are governed by different agencies.

Ms. Johnson-Pfeiffer asked if the "Go Wildcats" signs on the city garbage trucks were considered public, political or commercial speech. She also commented that if you say yes to commercial speech on public property you are saying yes to political speech on public property. Mr. Spoo said that was correct. Mr. Spoo also said that we could look at banning all types of temporary signs on public property including commercial signs which would mean that you couldn't have the real estate sign, open house and garage sale signs. If you want some signs then you automatically have to include political signs too.

Mr. Wallin said that rather than a wide-spread ban of temporary signs we should be specific on what areas of the City we would want to protect, whether it is parks, vehicles etc.

Mr. Oliver commented that most of the signs that were displayed by Mr. Spoo looked junky.

Ms. Jensen brought up the baseball fields that have signs on the fence surrounding the field and that those signs are a method of raising funds for the Little League.

Ms. Jensen suggested issuing sign permits in order to standardize the signs and define the time line for the temporary signs. Mr. Spoo noted that a permit is not required for temporary signs currently.

Mr. Spoo asked the Commission if they wanted staff to look into banning temporary signs in public property.

Mr. Oliver said that it was worth looking into.

Ms. Johnson-Pfeiffer asked about the ball field signs. Mr. Spoo thought that they might be permanent signs and he would look into it.

Ms. Johnson-Pfeiffer asked who regulates the content of the ball field signs. Mr. Powers said that the City does not take an active role in regulating the content. Since it is a sponsorship for the Little League it was possible that the Little League expresses an opinion about the content.

Mr. Powers went on to say there is a distinction between the regulations and the enforcement of the regulations. The size, standardization, quality and the placement of signs are the body of regulations which are different than the enforcement. The junky and visual clutter issue is more of an enforcement issue of our existing regulations rather than whether the signs are allowed at all.

Mr. Oliver asked if enforcement would have a bigger impact on the City's budget. Mr. Powers said that currently the City uses a complaint process for enforcement which is true of almost all property issues. The City doesn't have staff that actively drives around to look for sign code violations. The only exception is for safety issues, staff is authorized to take action to eliminate the safety issue. If we go to active enforcement you would be spending a greater amount of staff time which would have a budgetary impact which could be partially offset by the fee for a permit that was suggested earlier.

Mr. Oliver asked Ms. Jensen how she thought a complete ban would impact the real estate businesses. Ms. Jensen responded that a complete ban would cause an uproar and working with a good temporary sign code would be better.

Ms. Johnson-Pfeiffer went back to the ball field signs and said, if there is no mechanism in place to regulate content, who would be able to say what speech was appropriate or not in public spaces. In this context there is nothing the City can do about content. There is only something that can be done about placement, time and manner. Ms. Johnson-Pfeiffer said that we like the "Go Wildcats" on our garbage trucks and we like the signs that support the Little League but if you get into a situation where you have to say no that signage can't be there because we don't like the content of the sign because we don't like the message that the sign puts forward to that audience. We are in the same situation with the political signs. Mr. Powers acknowledged that was true and he suggested that rather than have staff speculate he would like to have a chance to check to see if there is already an agreement between the City and the Little League that governs the ball fields and possibly addresses the issue of the sponsorship signs. Operating under the assumption that there is no agreement we have potentially identified a hole in the regulation that this group should discuss.

Ms. Jensen thought that those signs were self-disciplined and that if a cigarette sign were put up the parents would be in an uproar.

Ms. Johnson-Pfeiffer said that we can only regulate the time, place or manner. Her concern was that if a parent were to call and say they don't like the sign they would be told that we can only regulate time, place or manner and not the content. She said that we don't get to have a conversation about appropriateness, content, what we like and what we don't like and that is the part that was hard for her and that she would paint half the town purple and gold with a can of spray paint but that opens it up for someone who wants to paint it a different set of colors. We have determined if you allow commercial speech then you open the door for political speech so any place where you think I don't want to see a political sign you have to say we can't allow

commercial signs or if you say you want a commercial sign there then you have to be prepared to see a political sign regardless of what that political speech is. That speech could advocate for a candidate or an idea or it could be a statement about someone's negative feeling about the President or about war or about the military. There is no ability to control content.

Mr. Fakkema asked if we were confusing temporary signs with permanent signs in a lot of these cases. He thought that the "Go Wildcats" sign was a permanent sign because it would be there nine months out of the year. Mr. Spoo said that staff would have to discuss how the signs on the garbage trucks fit into the overall temporary signs scheme.

Mr. Spoo went back to the different types of public property (buildings and ROW's). Mr. Spoo clarified that the types of public property being discussed are those properties or structures owned by the City.

Mr. Wallin said that his preference was to not allow temporary signage on buildings, parks or vehicles. He thought that we could segregate some sections of ROW's.

Ms. Johnson-Pfeiffer said she agreed with Mr. Wallin.

Mr. Spoo asked which areas of the ROW are appropriate for temporary signs. Obviously, travel lanes, parking lanes, sidewalks, center medians and vision clearance triangles at intersections are not appropriate.

Ms. Johnson-Pfeiffer said she didn't like planters being used for temporary signs.

Mr. Spoo asked how the Commission feels about planter strips that are located in between the travel lane and the sidewalk. Commissioners agreed that they needed to allow temporary signage in planter strips. Mr. Spoo said staff will craft regulations that allow temporary signage within certain parts of the public ROW and on sidewalks provided that they don't obstruct pedestrian or ADA access on the sidewalk and present that language next month.

Mr. Spoo asked if the current code's time limit of removing signs seven days after an election was acceptable. Commissioners agreed that was an acceptable time limit.

Mr. Spoo asked what the time restrictions should be for garage sale, real estate and open house signs. Currently, the code is silent on garage sale signs. How far in advance of a garage sale should people be allowed to put up a sign and should it be take down the day that the sale is done? Ms. Johnson-Pfeiffer said that you can't limit their free speech on when it goes up. Mr. Spoo said that was only for political signs and that there is a different standard for political signs. Commercial and political can have different standards as long as they are not more permissive for commercial than political.

Commissioners agreed that garage sale signs should go up and down on the day of the garage sale.

Commissioners agreed that real estate signs are self governed by the Multiple Listing Service (MLS) and that the code should remain silent on real estate signs other than the number of directional signs allowed.

Mr. Oliver asked if there was a way to regulate the quality of A-frame signs. Mr. Powers said that the existing code says that the signs have to be professionally done. It is a question of the ability to enforce that regulation as opposed to having that regulation on the books. Mr. Powers asked the Commissioner's to think about the other side of the equation. A business owner who is trying to attract people to their business and the City comes and says you must spend X amount of dollars and they say they don't have X amount of dollars and the City says you don't get a sign. The City ends up in the unenviable position of trying to figure out how to fairly administer the regulations and also be respectful of someone's business activity. Mr. Oliver

said that as a small business owner he could appreciate that but when you make your sign it is your identity and you should care about that. Mr. Powers said that we could look at other jurisdictions to see if there is other language that can be added. Mr. Powers envisioned some public education process from the City side that provides information on what is regulated when it comes to temporary signs. We could work with the Chamber of Commerce and provide information to their businesses and go through an education process instead of an enforcement process.

Mr. Spoo moved on to looking at the manner of temporary signs on public property and asked if there certain manner restrictions we should think about?

- Can't block visibility – size and height limit would be appropriate.
- Aesthetics – easier to regulate for commercial. Political aesthetics is usually too restrictive.
- Number of A-frames. Number of garage sale/Real estate signs/open house signs?

Are there general principles that you would like to see applied to all temporary signs on public property? Examples of principles, blocking traffic, causing safety hazard, detracting from the primary purpose of the facility, be so distracting so as to create a safety problem?

Ms. Jensen suggested time limits.

Mr. Fakkema suggested temporary signs should not be a distraction to traffic. Mr. Powers said there was code language about streamers and flags etc. that say they should not cause a distraction to drivers.

Ms. Johnson-Pfeiffer said that the temporary signs should be proportionate to the permanent signs and not dominate the visual landscape. She believed that the City is very restrictive on permanent signs and very loose on temporary signs which encourages people to put up banners because they can get away with more with their temporary signs than they can with their permanent signage because we have created this culture that says you can do what you want on the temporary side of things.

Mr. Powers suggested that this conversation would take longer for the Planning Commission, community and the Council to get through than the length of time that we have left to work on the political side of things. Mr. Powers said that we won't abandon this conversation because Mr. Spoo has outlined a great process for the conversation. As we draw nearer to your solution on the political signs there is still a significant amount of work to do about the commercial signage which cuts across a lot of different topics and user groups that are not presently engaged in the conversation.

Mr. Fakkema asked if the Liberty Tax sign was considered as two signs. Mr. Spoo said it was considered to be two signs. Since there isn't a permit required for temporary signs it was put up without talking to the City.

Mr. Wallin asked if it would be considered a portable A-frame. Mr. Spoo said no and that anytime you come up with a classification of sign someone will come up with a sign that doesn't fit the classification.

Mr. Powers asked the Planning Commission if they felt the need to cover each bullet point under the private temporary signage since the conversation so far has overlapped between public and private and that staff could draw parallels from their concerns between public and private.

Ms. Jensen asked what merchants are allowed to do on the inside of the window. Mr. Powers said that window signs are regulated by the code and he believed the limitation is no more than 50% of the square footage of the window area.

Mr. Wallin suggested that the number of commercial signs on private property should be limited to reduce visual clutter.

Mr. Powers noted that the code currently says that A-frame signs need to be placed within three feet of the building. That part of the code is rarely followed and the majority of A-frame signs are placed close to the sidewalk or travel lane. Mr. Powers asked how the Commission feels about the placement of the A-frame signs for commercial messaging purposes. Mr. Powers noted that A-frame signs are allowed everywhere except within the Central Business District under the present code. This is also something that we need to correct given what we have done with our downtown environment.

Mr. Oliver said that it goes back to his point of junky signs that are not up to standard and it makes a difference.

Ms. Jensen said that keeping the distance to within the three feet of the building tends to obstruct the side walk and she would rather see them further away so as not to obstruct the sidewalks.

Mr. Oliver suggested an outright ban.

Mr. Powers offered combining Mr. Oliver's suggestion of the quality of the signs and Mr. Wallin's suggestion of limiting the number of signs. If those two things work together does the Commission comfortable with the signs being out further and closer to where the traveling consumer is?

Mr. Oliver said he would be comfortable with that. There were no other objections to Mr. Power's suggestion.

Mr. Spoo said that he would present a draft code at the next meeting and the Planning could possibly form a recommendation to the City Council in April. May and June will be City Council discussion and adoption.

Mr. Fakkema thought that more of the business community should be taking part in the discussion.

WASTEWATER TREATMENT FACILITY PLAN UPDATE – Public Meeting

Mr. Johnston reviewed the project timeline spanning seven years to date and the activities leading to the current recommendation to add a "sixth" site for review. Mr. Johnston explained the basics of planning for a new facility which includes looking at population projections to determine how much flow the City will need deal with in the 20 year planning horizon as well as 50 years into the future. Mr. Johnston detailed the current effluent quality and the future effluent quality goals. Effluent is the water that comes out of the treatment plant process.

Mr. Johnston displayed the following table of effluent quality goals:

	RBC Plant NPDES Permit Limit	Lagoon Plant NPDES Permit Limit	New Facility, Target/Goal
Total Suspended Solids	30 mg/L 30 mg/L 85% removal	75 mg/L 75 mg/L 85% removal	10 mg/L 10 mg/L 95% removal
CBOD5	25 mg/L85% removal	25 mg/L85% removal	10 mg/L95% removal
Turbidity	Not applicable	Not applicable	1 NTU
Chlorine Residual	0.114 mg/L	0.5 mg/L	No discharge
Fecal Coliform	200/100 mL (monthly)(monthly)	200/100 mL (monthly)(monthly)	<100/100 mL (monthly)(monthly)
Nitrogen	Not applicable	Not applicable	8 mg/L
Pathogen Barrier	No	No	Yes

Ms. Johnson-Pfeiffer asked if there was a cost difference between getting the effluent form 85% clean to 95% clean. Mr. Johnston said yes and that the facilities that we have today will not clean to 95% without adding additional facilities.

Ms. Johnson-Pfeiffer asked if any of the sites were only acceptable at 95% or are they all acceptable sites at 85%. Mr. Johnston said that all the sites were acceptable at 85% and 95%. Mr. Johnston noted that the big change is the nitrogen removal and pathogen barriers which are not required now. In terms of water quality nitrogen is now the target. Nitrogen results in growth of algae and other organics in the saltwater environment, when the organics die off that kills the oxygen which results in fish dying in the area. The area around Pen Cove and coming out of the Skagit River has a low dissolved oxygen level which means there is a realistic assumption that the State will require us to remove nitrogen and pathogens in the next 10 to 20 years which is an expensive thing to do.

Mr. Wallin asked if both Membrane Bioreactor (MBR) and the Activated Sludge (AS) technologies could meet those requirements. Mr. Johnston said they could if assembled the right way and we need to make sure the land area is enough to deal with the long term capacity and be able to expand the plant over a long period of time.

Mr. Oliver asked if we could expand the current site at the Windjammer Park area. Mr. Johnston said that we could expand it but the treatment plant would not be approvable by Ecology. Mr. Oliver asked if the system was updated, would the Windjammer Park be able to handle the flow in its current space. Mr. Johnston said no, the space would have to be bigger.

Ms. Johnson-Pfeiffer asked if the population goes down will as much space be needed in 50 years and if not will the facility be archaic before we have the demand for additional space? Mr. Johnston said that was possible but it is better to have a facility that has more space than it needs rather than to build a facility that doesn't have enough space to meet the demand. The MBR technology is fairly new in the United States and has been in use in Europe for the past 10 to 15 years.

Mr. Oliver asked if the MBR technology is in use in Blain. Mr. Johnston said it was and the MBR technology produces very high quality water and will likely be adequate technology for 40 to 50 years and so will activated sludge as long as you have space to add the processes on to the system to remove nitrogen and pathogens.

Mr. Powers added that given the complexity of the site selection process and the complexity of land acquisition, the community is better off securing ample room so there is plenty of room to address whatever technology that we need to use and a larger growth projection. This is not a process that you should have to do every 10 years.

Mr. Johnson talked about the MBR and the activated sludge treatment processes and explained that the MBR facility would be about three times the size of the facility at Windjammer Park to accommodate the 50 year span for treatment of wastewater but the solids handling would be handled off-site. The upshot is that the MBR process yields very clean water well within the capability of meeting the permit limits and beyond. MBR plants can be located on small sites and have been installed in highly visible areas.

Ms. Johnson-Pfeiffer asked what the difference is between how clean the water is now and what the MBR plant will provide. Mr. Johnston said that right now the water coming out of the Lagoon Plant is about 75 parts per million and the target goal is 10 parts per million and MBR facilities can get .1 parts per million. In terms of pathogens, most pathogens will not pass through the MBR facilities.

Ms. Johnson-Pfeiffer asked if there was a cost analysis with every incremental step. Mr. Johnston said yes there was and we know that the MBR facilities are about 10% more in cost than activated sludge facilities.

Mr. Oliver asked if MBR facilities are more of the trend that communities are going to. Mr. Johnston said yes and from the industry prospective, MBR has the best ability with the fewest need for additional upgrades to meet the permit requirements likely to come over time but it is more expensive.

Mr. Wallin asked if we were including in the cost, the additional buildings that need to be added to the activated sludge facilities as the regulations change. Mr. Johnston said yes because the target effluent goals are the same for both facilities and to meet that goal both plants would need to meet the goal on day one but activated sludge plants can be phased when the new regulations become effective.

Ms. Johnson-Pfeiffer asked how clean regular runoff water is. Mr. Johnston said it depends and that we don't treat stormwater runoff that runs from the roof drains through the wastewater treatment plant.

Mr. Wallin asked if it was true that the Brightwater Plant puts water into the Sound that is cleaner than the water in the Sound. Mr. Powers said that was correct.

Ms. Johnson-Pfeiffer asked if there was a point where you are cleaning the water beyond what is necessary. Mr. Johnston said that it is necessary if the permit requirements require it to be that way. Mr. Powers added that over time the permit conditions will become more restrictive and there is no indication on the horizon that the permits will become more lax than what they are right now so we are headed toward a situation where we think making that investment in infrastructure that can accommodate those greater levels of restrictions makes sense to do it sooner rather than later.

Mr. Johnston explained that the activated sludge process takes more space (about twice as much as MBR) because it is less mechanically intense and it uses more of a settling approach rather than the pressurize pushing of water through a filter. Activated sludge is about 10% less in cost and a little more energy efficient than MBR and uses a biological process to remove pollutants.

Mr. Oliver asked if it is cheaper in terms of labor to run and MBR as opposed to an activated sludge facility. Mr. Johnston explained that activated sludge is cheaper in terms of energy required to filter out the pollutants but it takes longer.

Ms. Jensen asked about maintenance costs. Mr. Johnston said it takes more people to run and activated sludge process and fewer people and more energy to run and MBR process. MBR is more mechanical.

Ms. Johnson-Pfeiffer asked what the longest life-span of an MBR plant was. Mr. Johnston said that the cartridges have about a ten year projected life-span. The treatment plant itself will run as long as you maintain it but in terms of design life we plan for about 40 years.

Ms. Johnson-Pfeiffer asked if an MBR plant has made it to 40 year or 10 or 5. Mr. Johnston said that the technology was introduced in the mid 1970's and became more widespread use in the United States in the 1990's. Mr. Johnston said he would look up whether a plant had made it to 40 years.

Mr. Johnston said that staff is also looking at where the solids would be dealt with. Solids can be dealt with on-site or off-site. Generally speaking, if we are looking at the Windjammer Park site the City would not be dealing with solids at that location. If you are at one of the other sites there would be more space available to deal with solids on-site. The same thing is true with activated sludge.

Mr. Johnston explained that there are choices for the discharge are Oak Harbor Bay, Crescent Harbor Bay and West Beach. The key consideration is shellfish issues that are applied to saltwater discharges. Several agencies either moved or relocated or extended outfalls to avoid having to deal with payments for the loss of shellfish habitat. Looking at Crescent Harbor, West Beach and Oak Harbor Bay, staff came to the conclusion that Oak Harbor Bay would be the best solution for locating the wastewater outfall.

Ms. Johnson-Pfeiffer asked if that was because the shellfish had already died. Mr. Johnston said no and explained that there are three things to look at for potential shellfish commercial viable habitat. 1) is the existence of wastewater treatment outfall, 2) is the location of the Marina, 3) is the location within an urban environment. If a wastewater outfall were put at West Beach the only thing that would result in a shellfish closure area would be the wastewater outfall. In Crescent Harbor there is a small area around the Navy Marina but by-and-large Crescent Harbor is closed because of the existing wastewater outfall. So removal of that outfall will open a significant area for shellfish habitat for commercial harvest. In Oak Harbor Bay you are never going to get away from the fact that it is an urban area and the Marina is not going anywhere so no matter what we do it will still not be a viable commercial shellfish harvest area. That is one of the reasons that Oak Harbor Bay is the most preferable place to install wastewater outfall.

Ms. Johnson-Pfeiffer asked if currents and water movement is considered. Mr. Johnston said they are considered and given the effluent qualities that we are looking for, the amount of water coming in and out of Oak Harbor and the dilution that would occur is adequate to support a wastewater outfall.

Ms. Johnson-Pfeiffer asked if it was 85% clean would it still be adequate. Mr. Johnston said yes under the existing permits today.

Mr. Johnston noted that in December of 2010 the public provided input about where they would put the wastewater treatment plant and that input was blended with the technical requirements to come up with a list of about 12 sites which were narrowed down further through a matrix of objectives. Zoning was considered as well as looking at the technical, financial, social and

environmental objectives. The public and the Council were asked which of the objectives is most important to them and there was no preference on whether a heavier weight should be placed on any categories over another.

Mr. Oliver asked if there was information on projected costs on each site to build either an MBR or an activated sludge plant and which one comes up cheapest? Mr. Johnston said there are projected costs and Windjammer Park is the cheapest site.

Mr. Oliver commented that he was pleasantly surprised when visiting the Blain plant because he could not tell that it was a treatment plant until he walked in. He asked if it was safe to say that a lot of the community does not understand what some of the newer technologies have to offer because a lot of what you hear from the community is, this is our beautiful waterfront and it will ruin it and it will stink but in all actuality even if we go to Crescent Harbor isn't there also going to be some sort of transfer station at Windjammer Park. Mr. Johnston said that no matter where we go there will be some facility at Windjammer Park. Mr. Oliver asked if it would make more sense, cost-wise to have the facility at Windjammer Park and will it take away some of the ball fields. Mr. Johnston said that it was important to look at all four objectives because at this point there has been no emphasis place on any single objective. There are people in the community that would say make it the cheapest place, we don't care where it goes just keep it cheap, but there are other people in the community, and we know this from the results of the surveys and the public forum, that have said we don't care what it cost, don't put it in Windjammer Park. Mr. Oliver asked if the fear was the smell at Windjammer Park. Mr. Johnston said there was a wide variety of opinion as to why it should not be at Windjammer Park but it was fair to say that there is a stigma associated with a wastewater treatment plant. None of the sites will meet all four objectives. Mr. Oliver admitted that he was one of the people that thought don't dare put it at Windjammer Park but after seeing the Blain plant he changed his mind and he thought that more education was key. Mr. Powers said that the City can provide education but may not be able to overcome the social stigma of having it in the park simply by education but there still may be people that say no to putting it at Windjammer Park.

Mr. Johnston went on to explain that the basis of narrowing down the sites to the Windjammer Park site, the Old City Shops site and Crescent Harbor came from the evaluation of the four objectives.

Ms. Johnson-Pfeiffer asked if the population grows less than anticipated would the financial reality change for the Beachview Farm site. Mr. Johnston said no. The cost is really driven by what it costs to get wastewater out to the Beachview Farm site and back into Oak Harbor Bay. Mr. Johnston said that you would think it would be cheaper to run an outfall out to West Beach from Beachview Farm but it is not. It is cheaper to pump wastewater to Beachview Farm and then pump it back to Oak Harbor Bay.

Mr. Oliver asked if the cost of acquisition was included in the cost. Mr. Johnston said that there was some cost of acquisition but the cost of acquisition would be more refined as we narrow the site selection down to two or three rather than five or six.

Mr. Johnston explained that City Council was to narrow the sites to three sites but opted to add a sixth site for evaluation and the sixth property is located in an area inside the urban growth area north of Crescent Harbor Road and east of Regatta Drive. The same objectives will be used to evaluate the sixth site. In the next couple of months the City Council will narrow the site selection from six sites to two or three sites.

Mr. Johnston said that the next steps are to analyze the sixth site and to get more specific cost analysis as to the phasing opportunities of individual projects which will factor into the initial capital costs which affect the rate payers. Then the City will move forward with public outreach

and eventually getting to a short list of two or three sites and then to City Council for action probably in April or May. The target goal is to meet the deadline of December 2012.

Mr. Fakkema asked how long it would take to complete the project once we get to shovels in the ground. Mr. Johnston said it would take about two years to build a plant. Mr. Fakkema asked if Ecology would restrict the time for completing the project. Mr. Johnston said the project was assigned on the City's schedule to get the facility plan to Ecology by the fall of 2012. We expect that once the facility plan is in and we start the design process that we would know what the construction schedule and the permit will reflect that activity. Mr. Johnston said that because of the operational issues at the RBC plant and that we don't have an operating outfall out to Oak Harbor Bay we have crossed a threshold that requires us to start the process to add additional capacity to our treatment system. We have crossed what is called an 85% threshold in capacity in our treatment system. Once the facility plan is approved that will trigger the requirement for us to take action and implement the facility project. Ecology should be accommodating to the City as we move forward and are likely to issue the permits based on input that we gave them as opposed to saying that we aren't doing anything and put the City on Ecology's schedule. The target is to have the wastewater treatment facility operational by 2017.

Mr. Wallin asked if mitigation was factored into the project. Mr. Johnston said to some extent the initial elements reflect some sort of mitigation. We put an assumption on dollars to mitigation if the plant is built at Windjammer Park than we did for building it at Crescent Harbor. Mr. Johnston noted that Brightwater had significant mitigation. Mitigation is pretty typical. The assumption is that the City will likely affect to some extent either the use of the park or the ball fields themselves then mitigation would have to deal with that.

Mr. Oliver asked if it was possible to use the area by the school bus barn for the ball fields. Mr. Johnston said that he hasn't heard of that as a possibility. Mr. Oliver suggested looking into it.

Ms. Johnson-Pfeiffer asked what would happen if we can't afford to do what we want to do and in what part in the process do we know what is realistic and what isn't. Mr. Johnston said the financial planning is critical and something that the City Council started three years ago. As part of their look at utility rates they factored into the utility rate study the cost of infrastructure improvements and one was the wastewater treatment plant. In rate study they looked at rates five years and into the future. In doing so they factored in a seventy-million dollar cost to the utility which means that the increase to the rate payers would pay for seventy-million dollars of expenditures which would set the rates to about \$65 to \$70 per month by 2017, essentially, a little more than doubling the sewer rates over a period of 4 to 5 years. As for the question of affordability, the City can afford it, provided that they can raise their rates sufficient to cover the costs. So the next question is can the rate payers afford to pay those rates which is a difficult question to ask. Typically, cities that are building a wastewater treatment plant will be in the range between \$60 and \$100 per month for wastewater. Blain is about \$95 per month now. It is a major change from the 1970's/1980's when the Federal government was paying for about 80% of wastewater treatment plants and right now they are paying next to nothing so the burden has been shifted back to the rate payers. If you are connecting to the new Brightwater facility you are going to pay about \$110 per month for just the wastewater treatment in addition to whatever your collection system is charging.

Ms. Johnson-Pfeiffer asked at what point in the process does the City start to scale back and make alternate decisions. How far do you get into the process before you realized that it is not affordable? Mr. Johnston said that Council is saying that they want the costs kept consistent to the seventy-million dollar range.

Ms. Johnson-Pfeiffer asked if we are not able to keep within the seventy-million dollar range will we scale back on how clean the water will be? Mr. Johnston said that the Council would have

to make that decision at that point. That is probably a decision after the facility plan has been submitted and approved and we have chosen a process and a site that will target that reasonable cost range. Once you get into the specific design is when you start taking things down to the next step.

Ms. Johnson-Pfeiffer talked about the football stadium that ended costing more than they thought and they had to make that up in other places and that was a small example but this is a big example and she was a little worried it may be a little bit too expensive for what we can sustain.

Mr. Powers said that you would likely see those types of choices being made once you have a site selected and once the facility plan is approved and then we are down to the nuts and bolts of designing the facility and assigning hard estimated engineering cost to each of the components. If because of whatever circumstances we find that that cost is significantly greater than what we have been planning for the Council will have to make choices as to what are the things that we are not going to provide in the facility.

Ms. Johnson-Pfeiffer said that if one of the things we give up is smell and we have chosen the Windjammer Park site then people will think that this was a poor selection because they were promised certain deliverables which during the process we determined we could not deliver. Mr. Powers said that in a sense Ms. Johnson-Pfeiffer's is asking the same question the Council is asking which is a difficult thing to do in looking for an incredible amount of detail relative to cost and design for each of the six alternatives which is not something that we have the time or the dollars to devote to that process. We believe that this process will take into consideration enough of the factors so that as we whittle down from the big list to the six then to three and finally to the one, we will develop a comfort level with our ability to build that particular project in the range of the cost that we have been talking about. There is always going to be a caveat that the world changes on us between the time that Council makes a choice and the time we award the construction contract than we will have to deal with those circumstances. Mr. Johnston added that the Council has directed staff to get specific rate impacts and that tries to get to the affordability to our residential customer. The Council is focusing on this but it is a difficult thing to do when you are looking at a ten-thousand foot level when you want a hundred foot level of detail.

Mr. Wallin asked if the Council set aside 70 million and the estimate is 90 million. Mr. Johnston said that it is not the estimate. The comparison of the sites in the process is around 90 to 95 million between the five sites and he would not characterize that as the estimate of construction costs. The 70 million is the City's contribution to the project. At some point we are assuming that the Navy wastewater will come into the City to be treated and the Navy will pay their fair share of the costs as well. What we have not determined yet is the phasing. Depending on the location, site and process that is picked there will be different phasing alternatives and different needs for expenditures on year one. We have made an assumption that the City is going to assume 70 million in bonds being issued to build something in 2017, so a 35 million dollar bond in 2016 and a 35 million dollar bond in 2017. If you phase that over time and there are more opportunities at different locations then you may be looking at 20 million dollars in 2015 and 20 million dollars in 2025 which has a huge affect to rate payers. The 90 million is a comparative tool. If we look at two sites and their associated objectives and if the cost of one site is 90 million and the most expensive is 95 million then the cost is not the most significant decision-making factor. It is an important tool but there is not enough separation over that margin of cost. At some point the cost will become a major decision making tool but at this point it is not.

Planning Commission had no further questions or comments.

ADJOURN: 9:45 p.m.