



PUBLIC WORKS AND UTILITIES STANDING COMMITTEE
Thursday, October 7, 2010, 7:00 a.m.
Public Works Facility Conference Room

MEETING NOTES

1. Due to the absence of Chairman Danny Paggao, Committee Member Scott Dudley called the meeting to order at 7:00 a.m. Committee Member Rick Almberg was also in attendance. City staff in attendance was Mayor Slowik, Paul Schmidt, Eric Johnston, Steve Powers, Rich Tyhuis, and Kathy Wagoner.
2. **Review Meeting Notes – September 2, 2010** – Notes are incomplete; they will be completed by meeting in November.
3. **SE Pioneer Way Project Update** – Copy of conversion documents are in the packet. Eric pointed out the aerial photo of the Pioneer Way parking. Most of the public meeting discussions centered on loading zones. There are four proposed loading zones which will continue as now used. The next figure showed loading signs. The intent is to present to the Public Works Committee today and then go to the public; also on the agenda for the Government Services meeting on Tuesday. Puget Sound Energy (PSE) drawings are a draft; they are the first submittals by PSE. Shows where new lines will go ... will get info from K Engineering. Perteet is prime contractor. Perteet has subcontracted. Questions asked concerning additional parking ... it didn't look like additional parking was in the works. Still going to show the additional parking because going to design it for the future. It may be built as the owner will be contacted. Need footprint for construction to show property owner ... may also be able to buy the property. Sidewalk will go through.
4. **Wastewater Treatment Plant Facility Plan Project Update** – The project is underway. A precon meeting was held with Carollo. Rough schedule of meetings attached in packet. There is much coordination to be done with various groups. Navy meeting goal is to get with the environmental and real estate people, also the discuss acquisition of property. Full council meetings are also tentatively schedules. Stakeholder workshops with state and federal environmental agencies. Information will be gathered from all four groups concerning criteria then alternatives can also be looked at. Starting with project and moving forward. November 18, 2010, meeting is tentatively an evening meeting. Need to clarify with Navy to see if coming. Website will be established by Carollo linked to the City of Oak Harbor's website. Will have meeting schedules, FAQ's, etc. January 19, 2012, will be the date for the formal submittal to Department of Ecology (DOE) with permission of the City Council. Once sent to DOE they can take their time; however DOE knows what we are trying to do as they've been in on meetings. Two years for planning, one for permitting, two for design, and build in 2017. However, could be longer depending on the City Council's acceptance of the plan. Right now we are going to go very slow with the Navy ... part of the reason meeting with them right off the bat. There are many federal agencies the City has to go through. Will keep in close contact with Senator Cantwell and staff ... they know our situation. Once the preferred site is identified then can begin the permitting process. No drawings until after DOW approval. If know for certain where

needed to put in plant then that's the way staff will proceed. The Mayor's Point Trail took two years to get permission to put in trail on property we don't own. Has been done ... in Bremerton the city has a water fountain display on the navy property. Scott asked if this will take property acquisition or a long term lease. City wants a property acquisition rather than a long lease. Asked if this will be a pressing issue to mention in March when go back? Yes, the Secretary of the Navy said he'd support the project, as well as Senator Cantwell. She has followed up. Don't always get to see the Senator but will at least discuss will staff. 42" outfall not related to WWTP. Last March Mayor Slowik had a packet he passed around to everyone he could at the Pentagon showing the flooding, etc. As long as Senator Cantwell is in Washington, DC, then she's the go to person. Senator Cantwell and Congressman Dix are the two strongest people for the City of Oak Harbor in Washington DC. This issue will go to Congressman Dix this year. Asked concerning dates and sent to Renee Recker. Upcoming trip to Blaine ... is it a facility we want to emulate. Blaine has similar problems concerning their wastewater treatment plant so they are a good example to learn from; they have a state of the art facility. By touring, gives the council understanding what staff discussing. In Edmonds designed as part of the park ... many people don't even know there is a wastewater treatment plan there. It is right in the middle of the business district. RBC plant in Oak Harbor was built before the park was put in. The council will be excited about looking at the timeline and the process.

5. **Public Works Budget / Follow-up on Council Workshop** – Not to rehash ... in packet summary sheet. Break down by division, by funds, and where funds come from for parks to use to do their jobs. Very little general fund goes to the Streets Division unrestricted funds. 104 capital projects fund. Funds from utilities must stay in utilities. 501 is repair and maintenance of city fleet and related maintenance on fleet. Budget set up on an estimated amount. 502 replacement fund and revenue comes from individual dept who uses the equipment. 505 is technology fund ... pays for use of technology. Some vehicle replacements have been frozen. Money there to buy a new equipment but staff chose not to replace it. Example used is the vector truck. Once the deposit made for that vehicle it stays there for the vehicle. Interest goes to department with the frozen equipment. Asked what the criteria base used for knowing when to replace the vehicle. APWA gives guidance on when to replace. Mileage is also a factor. Engine problems could drive replacement, as well as mileage. A major criterion is also convincing the City Administrator a new vehicle is needed. Any dollars received for old equipment is put back in the dept who sold the vehicles fund. Technology is not cheap. IT comes from 505 funds and every department pays into this fund.

Proposed reorganization ... no net change in positions, will still be 53. Some positions will not be filled but there are two new proposed positions for Engineering. In terms of dollars, Public Works is saving money ... about \$4,000 per month. Mayor Slowik asked about the special projects position being Pioneer Way. Not hired solely for that project, but will be majorly involved. Need someone who specializes in grants, etc. Part of the restructure has to do with Rich's impending retirement; this is a structure that supports the capital projects the City needs to do. No one is losing their job; two positions are vacant and won't be replaced. Have been dropped off the budget and positions are no longer funded. Why 2012 and not 2011 was asked ... depends on when three division people will retire. Will be able to adjust accordingly.

Streets ... paving management and how to preserve the streets. Not enough money to keep them in the good/excellent range at this point. Data from 2007 ... pavement conditions are getting worse. Need management and replacement tactics in place because they are going to change. Looking at the management side now. As signs need replaced are going with the new regulations now rather than waiting.

Transportation Plan changes only every 5-6 years. The last Transportation Plan was done in 2007. Question was asked as to which Transportation Plan supersedes the 2007 Plan and the answer was the 2007 document is still the plan. The 2009 goals and policies come out of the Transportation Plan and become the goals and policies within the Comprehensive Plan. The City of Oak Harbor has chosen to look at the Comprehensive Plan, at least on some basis, once a year. When asked when the City will look at the Transportation Plan again, Steve answered probably the end of 2011.

6. **Fuel Station Upgrade Project Update** – Underway and being worked on today
7. **Reservoir Project Update** – Early draft of plan sets attached. Going through the knitty gritty now to get ready to go out to bid. Anticipate will go before the Council in November and then start after the first of the year.
8. **Flintstone Park Project Update** – **Currently** working through the project getting it ready to go out for bid. The building will be slightly bigger than originally anticipated to meet the needs of the City. Will advertise for bids after Pioneer Way and will hopefully be built in summer of 2011 and completed in fall 2011. Originally designed as a ticket booth for a proposed ferry terminal, but changed to a meeting room space; the restrooms are also changing. It will be a busy year downtown in 2011. Question asked as to whether this project was tied to a federal government transportation grant, so because funds not used in a timely fashion they had to be given back. Mayor Slowik answered that no one, with the exception of Danny Paggao, was with the City when the project was first started. This project needed funding and giving the funds back is not necessary. Eric said whenever awarded a federal grant there is a certain amount of time given to use these funds and normally the federal government doesn't want to take the funds back. Key issues because dollar amount not near enough to build a ferry terminal. The total grant is about \$500,000 given in separate years, which is enough to get started but not enough to build project. A ferry terminal would have been a \$13 million project. Even though the City made annual requests concerning the terminal project, it never made it to committee because the feasibility of the project. Bid will go out in January/February, after the award of the Pioneer Way bid. Question asked concerning how REET funds make up the difference. Savings could come from Pioneer way. Eric stated not prepared to discuss "what if" scenarios. Federal funds for pier may be requested back but have to work with them to say tried but couldn't get terminal. \$800,000 through Congressman Larsen's office; we don't want to give back because might not get money again. The City of Oak Harbor is committed to this project; will find a way to make the financials work and if they don't the project won't be done.
9. **Scenic Heights Trailhead Project Update** – the Project is underway. We should see rapid progress on project in the next couple of weeks, weather permitting.
10. **N Oak Harbor Street Project Update** – During the regular Council meeting a number of questions were asked by Council members on a variety of topics related to the construction work done on N Oak Harbor Street. Staff is reviewing the video of the meeting and summarizing the questions so that a formal written response can be prepared. Due to other high priority projects, a formal response is not expected until late November at the earliest.

We are working on a number of issues with the contractor, which we hope to have resolved by end of October. Rick said he went out and measured the ramps, etc., and they are in conformance with the ADA. When he was there saw a gentleman in a wheelchair taking pictures and he was able to traverse the street with no problem. Even had a dump truck go through who had no problem negotiating the turns. The project is not considered done until all

work is completed. Scott said concerning the transportation issues, Francis Baggerella, the Transportation Supervisor at the school district, said they ended up rerouting four different bus routes; Island Transit popped a tire on the pork chop at the bottom of Crosby; and, we used to have bus stops for Island Transit, which we no longer have on N Oak Harbor Street. Eric said as mentioned earlier, formal responses to questions will be given in late November because these same questions were asked in a Council setting. Eric did mention that Island Transit pulled their bus stops before the project was started. Staff met with them on a regular basis and the last meeting was on October 5. They are going to reinstall the bus stops once the project is completed. We also met with them directly concerning installing bus shelters on that street.

11. **42-Inch Outfall Project Update** – Eric said the good news to report is we received Water Quality Certification from the Department of Ecology (DOE) which we needed in order to get the permit from the Army Corps of Engineers on order to begin work on the project.

Eric also mentioned a piece information members may or may not have seen on the news or in the newspaper. There was a statement issued from an organization out of Santa Monica, California, called “Heal the Bay”; which is not a scientifically based organization but a watchdog group for beaches making a statement as to the condition of the beach. They gave the Oak Harbor City Beach Park an “F” rating due to high bacteria levels and source of contamination, which comes from runoff and septic systems which are in close proximity to the waterfront. As we move forward with the wastewater treatment plant, we can start talking about getting people off their septic systems inside the city limits and connecting to city sewer. In the DOE certificate it states, “Oak Harbor is classified as ‘Excellent quality’ ...” so DOE is saying we have excellent quality of water and a statement from an environmental watchdog group saying it’s an “F” rating on the beach. What Staff is taking from Heal the Bay is yes we have a problem that needs to be fixed and we are going to fix it. The process is slow and it can’t be hurried.

Mayor Slowik said this issue was heard about at the Board of Health. It’s another inherited issue which has existed for many years. We have houses with septic systems right on the beach. He asked if remember 4-5 years ago how much flack there was to get those houses on sewer line. They were again given a five year extension. The Mayor thinks that extension has a couple of years left and the Council will have to deal with that issue, and it’s escalating. He said it isn’t the first report; this is maybe the most prominent report as it hit KING 5. He had a report from his last meeting at the Health Department where 70 Washington beaches were surveyed and these two beaches were rated with a lower water quality. He said it’s a call to action and he thinks in our defense we are working on the problem; everyone heard about the 42-inch outfall; you know we changed the affluent to be released into Crescent Harbor instead of Oak Harbor; but, he’s speculating the real answer is getting those houses on sewer and he thinks it’s going to be a real battle at the Council.

Eric discussed the recommended list for the Public Works Trust Fund for 2012 and Oak Harbor made the cut. The list gets forwarded to the Governor’s office and she may or may not give a recommendation to the legislature and the legislature then has to act to either approve the loan list and then provide finding for the loan list, or not. If we do get funding it would save the cost of a bond issue. Not a lot of optimism on getting the funding with the current legislature.

Mayor Slowik said the funding depends on the upcoming election and depends on the mix; if there is a new Speaker of the House, which could happen; but if there was a new Speaker of the House he thinks we would get the Public Works Trust funding.

Rick asked where the Save the Bay organization is getting their data and Mayor Slowik said they are pulling it from the Health Department data which is available publicly. Eric said what he takes out of the report is they are right; we need to fix the problem, here's what we're doing to fix it; we know about it; and, we're taking action to resolve the issue. As the Mayor mentioned, it's extending the 42-inch outfall into deeper water; eliminating septic systems in close proximity to the bay as well as in the City limits, it's continuing to do what we're doing with stormwater quality and eliminating those discharges. The Mayor said we are taking a number of steps, but these things move so slowly. He also mentioned that like him, Scott wants to make things happen faster than they are. The difference is in his first year he was overly aggressive and he thinks there is wisdom in the public process for going slower. The process can't be hurried, but it's a great call to action and it's a public relations call that supports the efforts the City's been doing and just highlights how professional the staff is in the Mayor's opinion. Scott then asked the Mayor how he sees it playing out going forward with Dillard's. The Mayor said he didn't know; it's going to be a battle. He said if Scott had been at a meeting he attended with Rick when they were candidates and Corey Johnson was speaking about the dewatering a trench. Corey was speaking on behalf of the pressurized sewer, grinded pump method rather than the gravity method. And that's the big argument. Elements of the Dillard's community want the gravity method in a bigger sewer pipe and the City has come out, prior to us getting here, and talking about pressurized method with grinder pump. The City estimated the grinder pumps would only last 10 years, but he has a grinder pump at his house that lasted 20 years. When it had to be replaced, it was \$750; it wasn't \$10,000 and it wasn't a huge expense after 20 years. It wasn't relative ... his expense and the trouble he went through wasn't relative to the kind of argument he watched happen with the old Council. He thinks there is a lot of fear and part of that is the public process that we're approaching the right way when they approach the new wastewater treatment plant. We know we need to talk about this in the public for a long time and he thinks that's what will need to be done. Eric said from an engineering prospective, the systems in place that serve those homes in adequate and functioning and the most cost effective to provide sewer to that neighborhood. The one challenge he sees is having them understand why they need to connect and having Council understand why the need for connection is there. He also said sewer connections and forcing someone to connect to a city sewer is never and will never, whether its gravity connection or a pressure connection will never be the exception because it means a change to the property owner. Scott asked when it comes to taxpayer's dollars, City dollars, to be used in a situation like this, if a community need or improvement is shown, can any dollars be used. Eric said yes through the general funds only if the Council so deemed; stormwater funds cannot be spent to connect someone to city sewer. The Council could choose as a policy to say, in terms of rate structure, help people connect in terms of a benefit of the wastewater fees; but is that a good policy direction to have a benefit for one certain class over another. Have to look at whether it is fair and equitable. The Mayor said perhaps a loan program could be set up. He believes they started to investigate loans but never got to the end of the line; he knows the county has been very successful. He asked the county if money could be used for Dillard's and the answer was no; those county funds can't be used in the city. Our own city fund would need to be established; but it isn't that big of a neighborhood. He thinks there's a lot of compassion toward the expense; some of the homeowners have rentals, some have multiple houses, which could run into a lot of money for them. Eric said that included in scope they are looking at some of those issues because it's not just Dillard's, there are many septic systems inside the City limits where a connection could be easily made; where a gravity line is right in front of someone's house and for whatever reason they have not connected to City sewer. There's a question of equitability amongst City of Oak Harbor residents versus those getting the benefit of having sewer available versus those who are paying for it. One of the items looking at is who's connected and whose not. What's the feasibility of connecting to City sewer and what are the dollars and cents for us. Can the City

say we're going to charge a flat rate, whatever that is? You bear your construction costs and the connection cost to the city is "X" number of dollars across the board and try to find some way to provide incentives. Eric said he sees Council discussion in 2011 and then coming before the council late next year.

Mayor Slowik said the county has established a septic fee and they have to pay it as well. The county has also established schedules as to when septic systems are inspected. The County Commissioners have been talking about changing that and declaring a critical area that's along the waterfront and differentiating from waterfront septic systems and the upland septic systems because of the report from the Health Department a couple of months ago. The Mayor also said there is no question the county Health Department feels that if clean up the septic systems then the bays will clean up as well. May see a change in county policy which may move the Dillard's issue closer to the City's and get them completely off ... that's what we would hope for, get them off the septic and onto sewer.

Rick said going back before he was on the Council concerning the Dillard's issue, there was no question in his mind that the cost for a gravity system is substantially higher to put in than a pressurized system. The City of Langley changed their policy about three years ago ... they wanted to go to a pressurized system because you get more pretreatment going into that system and it's a capacity thing to pre-treat for them. Also, the capital side of it was substantially cheaper than going with the gravity system if you're down in a wet, marshy area. On the equitability side of it, not taking any sides, when looking at the dollars spent over the years that people have had septic systems on the waterfront in the City, not paying into the City system they deferred their own personal expenses for many, many years at the expense of paying someday for putting in a system which is in compliance with an urban septic treatment system. Eventually they have to participate and the county Health Department will eventually make them pay also in some capacity. Rick said the point is the cost has been deferred over a long period of time and payday is going to come down the road just the same as if we don't have a wastewater treatment plant on time; someday we're going to pay the utility and deal with that. Someday is probably here now for the people in Dillard's Addition. Rick said he was using Dillard's as an example because of the type of system they have. Eric said it's not just Dillard's, but looking at all areas in City where property owners are still on septic.

Scott said in the report bacteria was mentioned. He asked about bacteria not just from stormwater or septic failure, but can fecal contamination be pinpointed? Eric said fecal contamination is a measurement for levels of bacteria; it's what they test for.

12. **NE 7th Grant Award from RTPO** – The City of Oak Harbor received an \$850,000 grant for improvements on NE 7th Avenue from Highway 20 to Oak Harbor Street. A long term project targeting a completion date of 2014; we will apply for funds from the Transportation Improvement Board next year.
13. **Authorization to Bid for Automated Refuse Truck** – The agenda bill is requesting council to approve two new refuse trucks 2011 and one new truck to be purchased in 2012. We are asking for authorization to advertise for bids now so when the budget gets passed we can move forward quickly. This is anticipating the Council will approve the budget.
14. **Next Meeting** – November 4, 2010, 7:00 a.m.
15. **Meeting Adjourned** – 7:52 a.m.