

Oak Harbor City Council  
Special Meeting Minutes  
April 7, 2015 2:00 – 5:00 p.m.

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**CALL TO ORDER**

Mayor Scott Dudley called the meeting to order at 2:00 p.m.

**ROLL CALL**

City Council Present:

Mayor Scott Dudley  
Mayor Pro Tem Danny Paggao  
Councilmember Tara Hizon  
Councilmember Rick Almberg  
Councilmember Jim Campbell  
Councilmember Bob Severns  
Councilmember Beth Munns  
Councilmember Joel Servatius

Staff Present:

Finance Director/ Deputy City Administrator Dr. Merriman  
City Attorney Nikki Esparza  
Development Services Director Steve Powers  
Public Works Director Cathy Rosen  
Chief of Fire Ray Merrill  
Chief of Police Ed Green  
Executive Assistant to the Mayor Kellye Mazzoli  
City Engineer Joe Stowell  
Project Engineer Brett Arvidson  
Assistant City Attorney Grant Weed

Contractors in Attendance

Brian Matson – Carollo Engineer Project Manager  
Karl Hadler – Carollo Engineer Project Design Manager  
Tom Peterson – Hoffman Construction Vice President  
Bryan Shirley – Hoffman Construction Superintendent  
Chris Bjork – Hoffman Construction Estimator

**Waste Water Treatment Plant Project Update**

**1. Introductions**

Finance Director/ Deputy City Administrator Dr. Merriman, introduced the Special Meeting Agenda. He explained that the presentation will be detailed and complex. The purpose of the presentation is to provide a general overview of the Waste Water Treatment Plant Project, explain its history, and the rate impacts.

City Staff and Contractors involved with the Waste Water Treatment Plant introduced themselves.

There will be opportunity to ask questions at the end of each section and at the end of the meeting.

## **2. Project Goals**

Dr. Merriman presented the Project Goals, which include: providing reliable wastewater treatment plant services; meet high water quality standards; allow phased expansion to meet future demands; and deliver construction and operation of a new facility by 2017 in a cost-effective manner.

## **3. Project History / Milestones**

City Engineer Joe Stowell presented the Project History. He utilized maps on the power point to facilitate the presentation.

## **4. Facilities Plan to 30%**

City Engineer Joe Stowell presented the facilities plan at 30% design. And overall site plan.

Karl Hadler, Carollo Engineer Project Design Manager, and Brian Matson Carollo Engineer Project Manager discussed the 30% design in greater detail. Carollo Engineers provided various renderings of the proposed treatment plant and explained the intended building layout.

Mr. Matson discussed projected cost differences between the Designers Carollo Engineers and Construction management Hoffman Construction.

Questions from Councilmember Hizon and Mayor Pro Tem Paggao.

## **5. Why GC/CM?**

City Engineer Joe Stowell explained the GC/CM (General Contractor / Constructor Management) process and why the City decided to select this process versus Design, Bid, and Construction, or Design and Build. Mr. Stowell discussed the advantages of the GC/CM process such as earlier design and cost certainty and control.

Tom Peterson, Hoffman Construction Vice President, provided more information regarding the GC/CM and development process from start to finish on the project.

Mr. Matson provided additional contrast between going out for bids and the GC/CM process.

## **6. Cost / Funding / Rates Relationship**

Finance Director Dr. Merriman began this section of the Agenda. He explained that the rate costs to the customers are based on overall Cost, Funding, and Schedule of the rates.

Carollo Project Manager Brian Matson discussed the projected overall cost of the Plant at 30% Design. He pointed out specific ongoing actions to reduce costs.

Dr. Merriman discussed funding mechanisms for the Project. The optimal funding package includes those sources which balance the lowest effective interest rate, the maximization of long-term savings, and the ability to pay.

The types of funding being pursued involve Grants/FP Loans (Forgivable Principle), SFR Loans (State Revolving Funds), and Revenue Bonds and all of these sources have different interest

rates. The ultimate goal is to develop a package which incorporates the lowest weighted average interest rate.

Tom Peterson of Hoffman Construction Vice President and Bryan Shirley, Hoffman Construction Superintendent, discussed the scheduling impacts related to financing and rate costs. Hoffman plans to begin early work construction in order to speed up the schedule and save costs, provided the as long as the construction cost matches the City's Budget.

Questions and discussion among Councilmembers, staff and contractors.

## **7. Key Decisions / Next Steps**

City Engineer Joe Stowell introduced the Key Decisions / Next Steps item. He provided a list of upcoming projects that must take place throughout the spring and into this summer in order to move forward, such as construction of the outfall, decisions of aesthetics, utility relocation and site preparation, bond sales, phase-in solids, possible Bayshore extension, and authorize deep excavation.

Public Works Director Cathy Rosen discussed using the RV space for storage of the construction materials for the Plant is the most feasible location. Ms. Rosen informed the council that there are alternative areas to temporarily relocate the RV Park during construction, including: Lease private property on west side of Beeksma Drive for soil stockpile – keep existing Staysail RV Park open; Lease private property on Bayshore Drive for use as a temporary RV Park; or Create partial hook-up RV sites at Marina.

Development Services Director Steve Powers discussed relocating the RV Park to the Marian in greater detail. Staff will present the option to relocate the RV Park at the May 5th City Council Meeting.

Questions among City Council regarding the RV Park relocation.

Mr. Powers discussed required permits including SEPA, Shoreline, Site Plan, Civil (utility) plans, grading and building permits, and landscaping.

City Engineer Joe Stowell spoke on the permit requirements with respect to archaeologist analysis requirements in order to execute the deep excavation.

Dr. Merriman provided an opportunity for the Council to ask questions. Mayor Scott Dudley asked the Council for their comments and questions on this presentation.

## **8. Other Topics**

Mayor Dudley opened the meeting for public comment at 4:45 p.m.

### Citizen Comments

Hal Hubby  
Gray Jordan  
Franji Christian

Mayor Dudley adjourned the meeting at 5:00 p.m.

Anna M. Thompson, City Clerk