



**City of Oak Harbor
City Council Agenda
For June 15, 2010
6:00 p.m.**

Summer begins - June 21st

Oak Harbor City Council
Tuesday, June 15, 2010, 6:00 p.m.

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 Eerkes, New Covenant Four Square Church

ROLL CALL

MINUTES 5/27/10 Workshop, 6/1/10 Regular Meeting

NON-ACTION COUNCIL ITEMS:

1. 80th Birthday Recognition for Past Mayor Al Koetje.
2. Employee Recognition – Janet Sabalausky, Parks Division, 15 years.
3. Public Comments.

COUNCIL CONSIDERATION AND ACTION ON THE FOLLOWING MATTERS:

4. Consent Agenda:

Page 78

- a. Fuel Island Upgrade Equipment Purchase.

Page 85

- b. Noise Permit – Ft. Nugent Homeowners Association.

Page 88

- c. Noise Permit – Chamber of Commerce – 4th of July.

Page 91

- d. Noise Permit – Race Week.

- e. Approval of Accounts Payable Vouchers (Pay Bills).

Page 94

5. Public Hearing – Biennial Budget Revenue Projections.

Page 95

6. Introduction – Ordinance, change to monthly utility billing.

Page 104

7. Pioneer Way Improvement Funding Commitment.

Page 115

8. Final Consideration – Ordinance, Council Standing Committees and Council Meetings.

Page 123

9. Jail Contracts.

Page 135

10. Fairway Point Division 4 Final Plat.

11. City Administrator's Comments.

12. Councilmembers' Comments.

- Standing Committee Reports.

13. Mayor's Comments.

ADJOURN

Some people see things as they are and ask, "Why?" I dream of things that never were and ask, "Why Not?"
- George Bernard Shaw

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 Special Meeting
Utility Rates Workshop
Thursday, May 27, 2010, 6:00 p.m.
City Hall – Council Chambers**

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

ROLL CALL

Jim Slowik, Mayor
Six Members of the Council,
Rick Almberg
Jim Campbell
Scott Dudley
Jim Palmer
Mayor Pro Tem Danny Paggao
Bob Severns

Margery Hite, City Attorney
Doug Merriman, Finance Director
Cathy Rosen, Public Works Director
Steve Powers, Development Services Director
Shawn Koorn, HDR Engineering
Rhonda Haines, Water Services Coordinator
Renée Recker, Executive Assistant to the Mayor

Councilmember Beth Munns was formally excused from this meeting.

City Administrator Paul Schmidt was formally excused from this meeting.

Public Works Director Cathy Rosen opened the discussion and introduced Shawn Koorn, HDR Engineering who continued the presentation. Mr. Koorn presented a review and update to the utility rate study which was last presented to City Council in November of 2009. The attachment to these minutes was also shown as a PowerPoint presentation by Mr. Koorn.

Council discussion and questions align with the pages numbers noted on this attachment. Any changes mentioned by Mr. Koorn are also referenced to a page number.

Sewer Analysis

- Page 7 Sewer Rate Transition Plan. Those percentages now set at 10.5% and 12.5% were shown as 15% in the prior analysis. The rate transition is starting a year earlier.
- It was clarified that SDC is an acronym for System Development Charges; Oak Harbor calls this System Development Fees.
- Page 8, Sewer Revenue Requirement. Existing debt service will be paid off in 2011; new debt service carries out 5 to 10 more years. Can the new debt service be paid off earlier? No, since 54 million will be borrowed.
- Page 9, Sewer Cost of Service. This is the first cost of service study, the first data point, and we want to see a trend. What revenue requirement determines the rate structure – an overall level has been determined beginning with 3.5% in 2010 and some minor adjustments to meet cost of service results.

- Page 11, Present and Proposed Sewer Rates. The multi-family rate structure will be reduced to 85% of the residential rate. Currently, multi-family sits at the single-family residential rate. Schools will have an increase in the monthly base rate, similar to commercial, keeping the volume rate the same as commercial rates. Timing for these rates is still to be discussed; there are issues by implementing in the middle of the year, especially for the water rate.
- Page 12, Sewer Rate Comparisons. Mt. Vernon is implementing a sewer rate increase. It was noted that household income is not in this comparison. EPA standards for affordability were used; 2% of a median household income for a utility bill. Council asked that this be available for future meetings. Cost of service adjustments have been taken into consideration to reflect the proposed \$40.00 for Oak Harbor.
- Are past water consumption volumes taken into consideration? Yes, HDR Engineering looked at one year and that was last year. Wastewater was extrapolated from the water volume. Mr. Koorn noted that radical changes are not recommended since customers change their habits. Conservation has been assumed at two percent (2%) per year. Water is fairly inelastic; usage patterns tend to stay constant.
- Mayor Slowik talked about the recent break in the outfall pipe.
- Returning to Page 6, Sewer Revenue Requirements. Discussion followed about the funds in reserves.
- Page 13, Allowable Net Sewer System Development Charge. The net allowable sewer system development charge less the Existing System Development Charge (- \$/ERU) nets the dollar change per ERU (Equivalent Residential Unit). Based on the available capacity in their systems, this is the maximum fee that can be justified.
- A System Development Charge is a System Development Fee. Fees will be revisited in three to five years.
- Need accurate numbers for the new treatment plant.

Storm Drain Utility Analysis

- Page 16, Storm Drain Revenue Requirement. With bonding, there is \$200,000 to \$300,000 in debt service. It is assumed that the 3.25% would increase approximately 30 cents per year. Debt/service ratio is important for this utility too.
- Page 19, Summary of Storm Drain Cost of Service Analysis was reviewed.
- Page 20, Storm Drain Rate Design. Staff did a sampling to determine the ERU and resulting 3,300 sf. Transition away from the school discount over the five-year period; currently, 25% discount. Transition non-profits over a ten-year period, currently at 50%, to an equivalent ERU. Credits and discounts were discussed. Schools and commercial accounts will see a reduction in their stormwater utility rate.
- Page 21, Present and Proposed Storm Drain Rates. Council asked about the rationale for discounts to churches and schools and if this would be considered a subsidy. The discount has been in place for a number of years. Mr. Koorn noted that the City would be phasing in to 100% of the rate over time since they have large impervious surfaces. Excepting schools and churches, the ERU will go from \$9.14 to \$11.15 in 2010. Residential will see an increase, commercial will see a decrease. Discussion continued about the change in ERU which needs to correctly reflect what is running off the properties. Properties need to be on equal footing. The ERU 3,300

sf size is comparable to other cities; cities do not calculate based on age of property since a city would have to look at each individual lot. There is a distinction between churches and non-profits; non-profits fall under commercial. Government agencies are not exempt. Responding to a question about percentage calculation (\$9.14 to \$11.15 is more than 3.25%) Mr. Koorn explained that the City would be charging the same ERU per customer. \$11.15 is what is needed to collect the 3.25%.

- In response to discussion about the purpose being stormwater control, source treatment, and rainwater harvesting, and if a plan is in place to provide discounts, it was noted that Oak Harbor does not presently have a plan in place to credit property owners for rainwater harvesting and that the Department of Ecology keeps changing the standard.
- Council discussion returned to gradually bringing churches up to the standards for schools and increasing that timeline so they will be on the same level as schools.
- Discussion followed about the proposed adjustment to the size of the ERU from 2,500 sf to 3,300 sf and if other cities have made this type of change. Mr. Koorn said, "yes and no" but Oak Harbor has used 2,500 sf for a long time and with the changes in Oak Harbor, this figure should be raised.
- Discussion continued about the cost of living increase not keep up and making gradual increases to rates.
- Page 22, Local Storm Drain Rate Comparison. Oak Harbor does not have a system development fee for the storm drain utility. The new allowable system development charge will be \$320. Mr. Merriman noted that this page makes Oak Harbor look higher, but Oak Harbor is actually similar when both fees are combined. The other cities have system development fees. Mr. Koorn also noted that cities have different NPDES requirements.
- Page 24, Local SDC Comparison. The other comparable cities have higher fees than what is proposed for Oak Harbor.

Solid Waste Analysis

- Nothing significant on the horizon and no major adjustments. It was noted that Oak Harbor provides a recycling program and not all other cities have this service.

Water Utility Analysis

- Page 35, Summary of the Water Revenue Requirement. The Anacortes rate increase to \$360,000 per year shows in these rate adjustments. Oak Harbor's wells are emergency wells and are not meant to supply water on a daily basis. Discussion followed about the Anacortes rate and our supply of water to the Navy. Oak Harbor bills the Navy separately for their water without a markup; it is a pass-through. There are several years left on the Navy contract. It was noted that the \$360,000 is a gross increase and if the City's gross cost goes up, then 42 percent would be increased toward the Navy. Discussion followed about using the revenue adjustments or using reserves.
- Need to maintain adequate reserve funds and debt service ratios with regard to funding capital projects.
- Page 38, Summary of Water Cost of Service Analysis. In addition to minor cost of service adjustments, the Lane vs. Seattle case was also discussed; cities cannot

charge for fire protection services through rates and these services become a general government function.

- The City is transitioning to an inclining block and five years are needed for this transition.
- Page 40, Present and Proposed Water Rates. Consumption was discussed. Residential will be billed on all consumption which should encourage water conservation. The multi-family per unit charge will be 85% of the residential ¾" meter charge. Commercial will see a drop.
- Page 43, Net Allowable Water System Development Charge at One ERU. The largest driver is transmission/distribution. The increase per ERU will be \$2,719.
- Page 44 shows the Net Allowable Water System Development Charge by Meter Size.
- Page 45 shows Water SDE Comparisons but this is not an "apples to apples" comparison. This is based on growth-related transmission lines. Discussion followed about the impact of moving transmission lines.
- Pages 46 through 48 summarize the Utilities Revenue Requirements for all four utilities, Utilities Cost of Service, and Rate Design Analysis. Mr. Koorn noted that this is our first cost of service and he would like to see some more data points; focus on the next two to three years rather than out by five years. Timing is important. If we implement the water rate structure in August, it is the highest watering month and the rate structure would look like an increase. It is best to structure the water utility rate in the winter or fall when there is less watering. Storm and wastewater are proposed for 2010, everything else is proposed for 2011 keeping in mind the timing for water utility.
- Pages 50 through 53 were prepared by City staff and show Customer Bill Impacts.
- Pages 54 through 56 show the Utilities' Capital Plans.

MOTION: At 7:30 p.m., Councilmember Campbell moved to extend this meeting by ten minutes. The motion was seconded by Councilmember Palmer and carried unanimously.

Discussion continued regarding the system development fee for water and what that would mean for builders/developers. Mr. Koorn will add that information and do comparisons. Discussion continued on ERU criteria for commercial water which is based on meter size, capacity, and assumed use. Regarding solid waste, will Island County's tipping fees increase? (Unknown beyond the next three-year period.)

Agenda Item 2 – Discussion Points

- Fire Hydrants
- Ready to Serve
- Landlord/Tenant Liens
- Monthly Billing

Agenda Item 2 was not presented due to the lack of time.

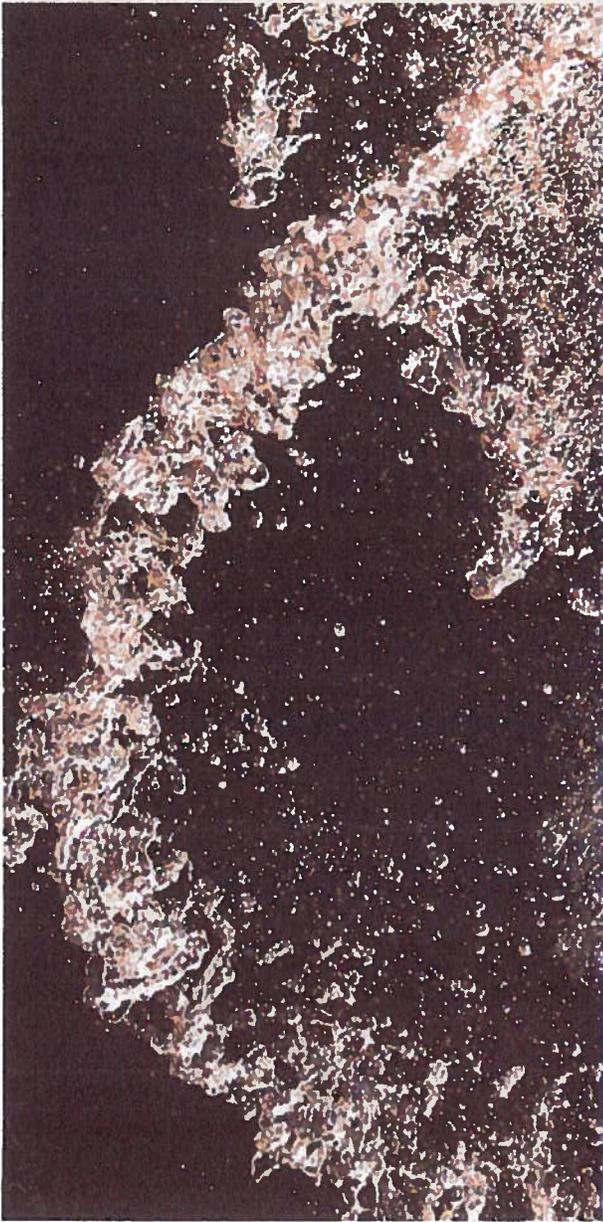
Agenda Item 3 – Next Steps

City Attorney Hite noted that a series of ordinances will come forward setting criteria and policies; rates will be set through a resolution process. Implementation may be set for later in the year.

Any changes, as suggested this evening (Anarcortes water rate, more rapid transition for churches, per capita average income) will come back before standing committees. Formal action will be taken in a regular City Council meeting. Any input/feedback for the staff should be given to the Mayor, City Administrator, or standing committees. Rate increases for schools, churches, and non-profits will come through staff notification. Staff is conscientious and wants to promote customer service and have already been working with high-use customers such as restaurants. Public hearings will also be part of this process.

With no other business to be discussed, the workshop adjourned at 7:40 p.m.

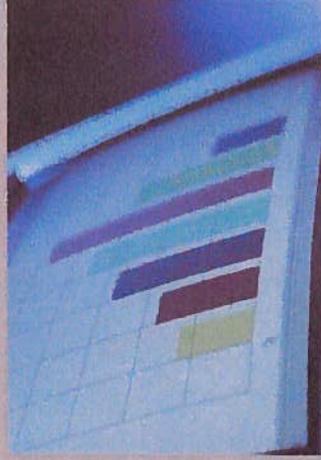
Connie T. Wheeler
City Clerk



HDR

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

Workshop

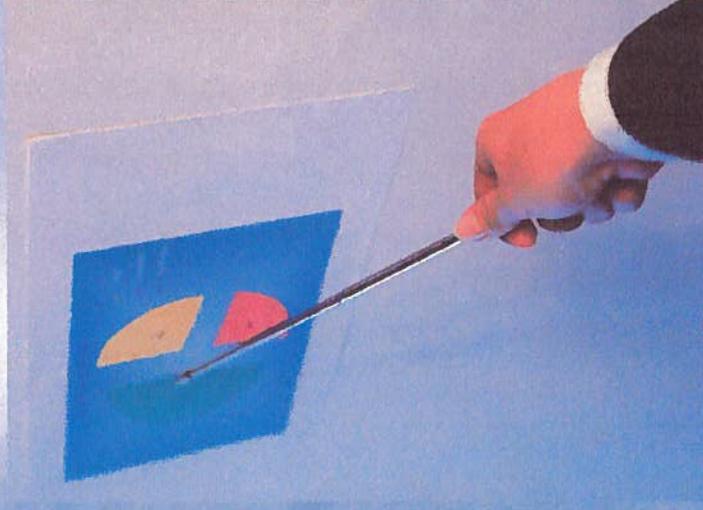


Presented by Shawn Koorn, HDR Engineering, Inc.

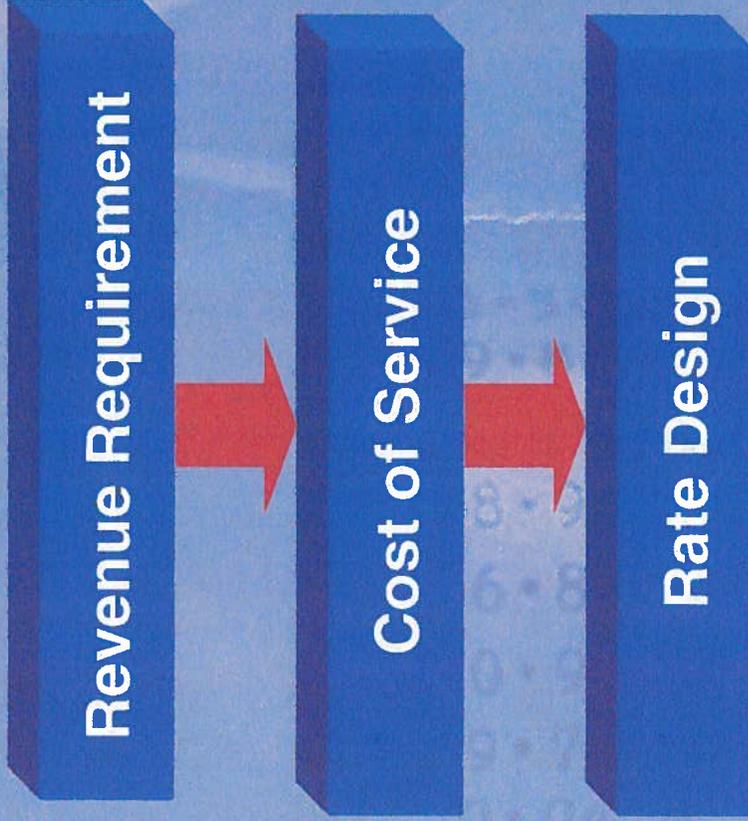
May 27, 2010

Overview and Purpose of the Presentation

- **Overview of a Comprehensive Rate Study**
- **Goals and Objectives of the Rate Study**
- **Review the results of the sewer, storm drain, water, and solid waste rate study**
- **Summary Conclusions and Recommendations**



Overview of the Rate Setting Process



Compares the revenues of the utility to its expenses to determine the overall level of rate adjustment

Equitably allocates the revenue requirements between the various customer classes of service

Design rates for each class of service to meet the revenue needs of the utility, along with any other rate design goals and objectives

Rate Study Goals and Objectives

- **Development of a long-term financial plan**
 - ✓ **Rate transition plan**
- **Develop cost-based and equitable rates**
- **Develop rates with a conservation incentive**
 - ✓ **Minor rate structure adjustments**

Sewer Analysis



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Summary of the Sewer Revenue Requirement (\$000's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sources of Funds									
Retail Rate Revenues	\$3,855	\$3,894	\$3,933	\$3,972	\$4,012	\$4,052	\$4,093	\$4,134	\$4,175
Other Revenues	637	673	736	778	833	863	828	749	676
Total Sources of Funds	\$4,493	\$4,566	\$4,669	\$4,750	\$4,845	\$4,915	\$4,921	\$4,883	\$4,851
Application of Funds									
O&M Expenses	\$2,637	\$2,819	\$2,938	\$3,060	\$3,187	\$3,319	\$3,457	\$3,601	\$3,751
Taxes	196	199	203	205	208	211	212	212	213
CIP from Rates	1,185	1,185	1,260	1,335	1,410	1,485	1,560	1,635	1,710
Debt Service									
Existing	618	614	212	212	212	212	212	211	210
New	0	0	0	0	0	0	1,687	3,431	4,582
Change in Working Capital	0	57	775	1,117	1,527	2,079	974	(124)	(501)
Total Application of Funds	\$4,636	\$4,874	\$5,387	\$5,930	\$6,544	\$7,306	\$8,102	\$8,966	\$9,965
Balance/(Deficiency) of Funds	(\$144)	(\$307)	(\$718)	(\$1,180)	(\$1,699)	(\$2,391)	(\$3,181)	(\$4,083)	(\$5,114)
Plus: Additional Taxes w/ Rate Increase	\$15	\$31	\$72	\$119	\$172	\$242	\$321	\$413	\$517
Net Balance/(Deficiency) of Funds	(\$158)	(\$338)	(\$790)	(\$1,299)	(\$1,871)	(\$2,632)	(\$3,502)	(\$4,496)	(\$5,631)
Balance as a % of Rates	4.1%	8.7%	20.1%	32.7%	46.6%	65.0%	85.6%	108.8%	134.9%
Proposed Rate Adjustment	3.5%	5.0%	10.5%	10.5%	10.5%	12.5%	12.5%	12.5%	12.5%

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Summary of the Sewer Rate Transition Plan and Financial Measures

	2010	2011	2012	2013	2014	2015	2016	2017	2018
2009 Average Residential Bill		\$36.52							
Proposed Rate Adjustments	3.5%	5.0%	10.5%	10.5%	10.5%	12.5%	12.5%	12.5%	12.5%
Average Residential Bill After Rate Adjustr	\$37.80	\$39.69	\$43.86	\$48.46	\$53.55	\$60.24	\$67.77	\$76.24	\$85.77
Monthly Difference in Bill	\$1.28	\$1.89	\$4.17	\$4.60	\$5.09	\$6.69	\$7.53	\$8.47	\$9.53
Cumulative Difference in Bill	\$1.28	\$3.17	\$7.34	\$11.94	\$17.03	\$23.72	\$31.25	\$39.72	\$49.25
Debt Service Coverage Ratio (all debt)									
Before Rate Adjustment	2.68	2.52	7.23	7.00	6.83	6.52	0.63	0.29	0.18
After Needed Rate Adjustment	2.94	3.07	10.96	13.12	15.63	18.92	2.38	1.49	1.33
After Proposed Rate Adjustment	2.90	3.07	10.96	13.12	15.63	18.92	2.38	1.49	1.33
Ending Cash Fund Balance	\$6,073	\$6,430	\$7,721	\$8,694	\$10,861	\$10,144	\$7,998	\$4,319	\$2,538
Target Ending Cash Balance	\$1,157	\$1,226	\$1,365	\$1,512	\$1,679	\$1,887	\$2,106	\$2,345	\$2,620
Ending SDC Fund Balance	\$4,016	\$4,083	\$4,071	\$2,955	\$3,029	\$3,107	\$3,088	\$3,073	\$3,060

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Summary of the Sewer Revenue Requirement

- **Utility is financially stable**
- **Rate adjustments needed to fund capital**
 - ✓ Annual debt service
 - ✓ No “outside” funding assumed
 - ✓ Timing of adjustments
- **Adequate renewal and replacement capital currently funded through rates, SDCs, and bonding**
- **Adequate reserve funds available**
 - ✓ Increasing to fund portion of treatment plant

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Sewer Cost of Service

- **Allocated 2010 expenses**
- **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**

Sewer Rate Design

- **Proposed adjustments**
 - ✓ Rate transition plan starting in 2010
- **Transitioning rates to fund annual debt service for the treatment plant**
- **Across the Board adjustment**
 - ✓ Minor cost of service adjustments through the rate design process
- **Maintained current rate structure**
 - ✓ Meets current goals and objectives
 - ✓ Proposing adjustments to multi-family and schools rate structure

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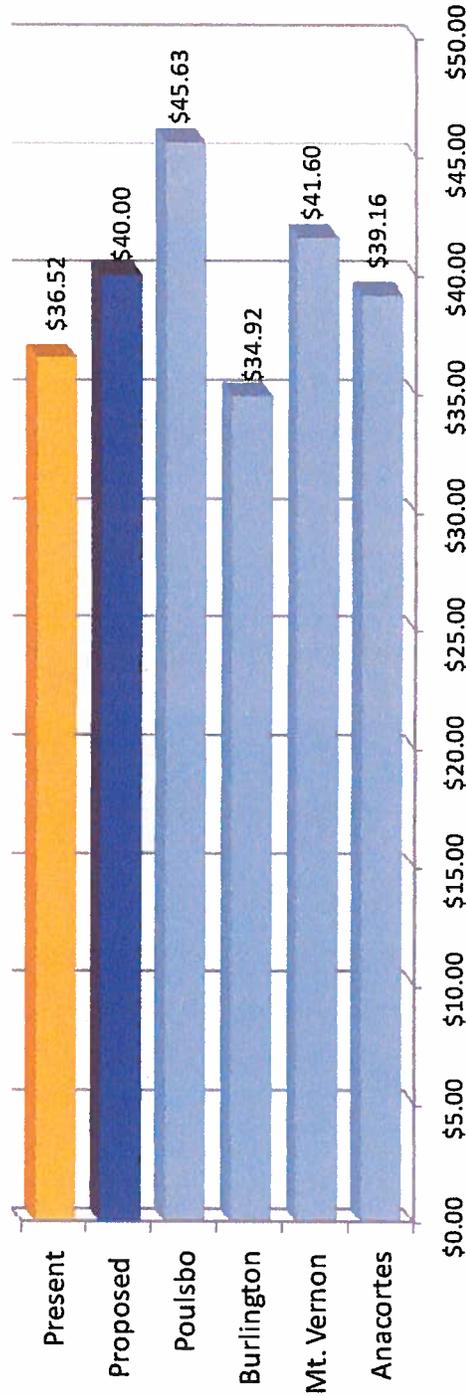
Present and Proposed Sewer Rates

	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 Rate	\$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 Rate	\$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.

Local Sewer Rate Comparison

Average Monthly Residential Sewer Bill Comparison



Allowable Net Sewer System Development Charge at 1 ERU [1]

Sewer System Development Charge Results

Treatment	\$1,988
Pumping	\$137
Collection	3,330
General Plant	7
Debt Service Credit	<u>(3,296)</u>
Total	\$2,166

Net Allowable Sewer System Development **\$2,166**

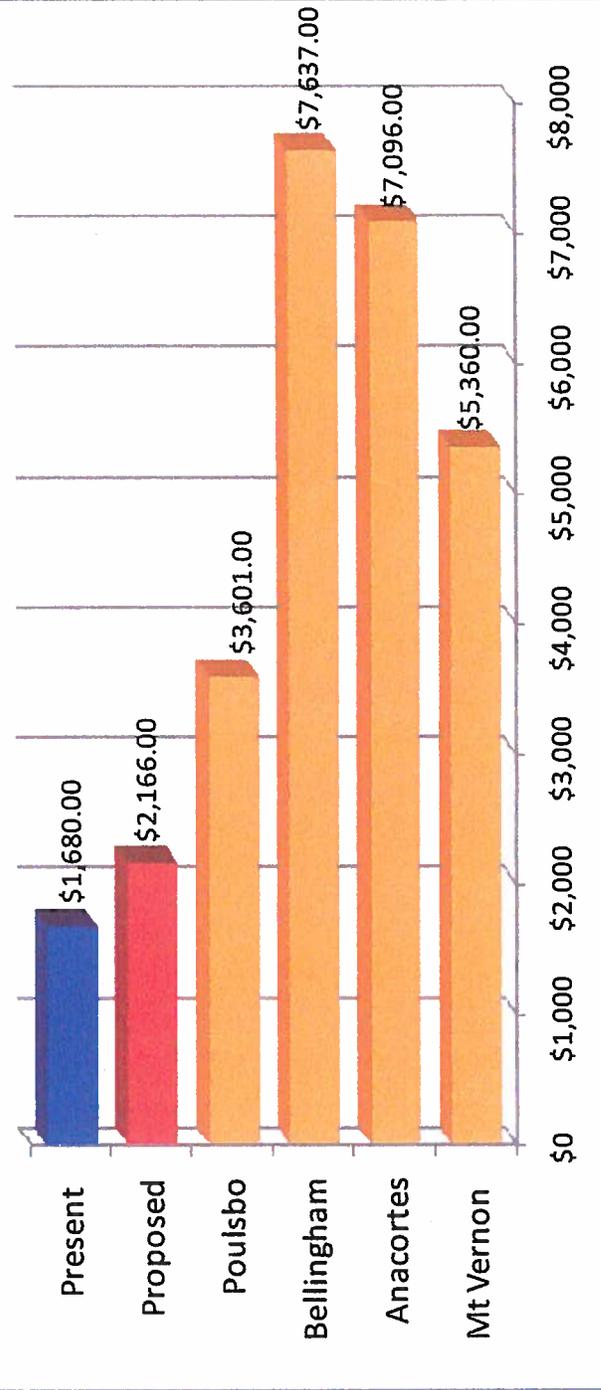
Existing System Development Charge - \$/ERU **\$1,680**

\$ Change per ERU **\$486**

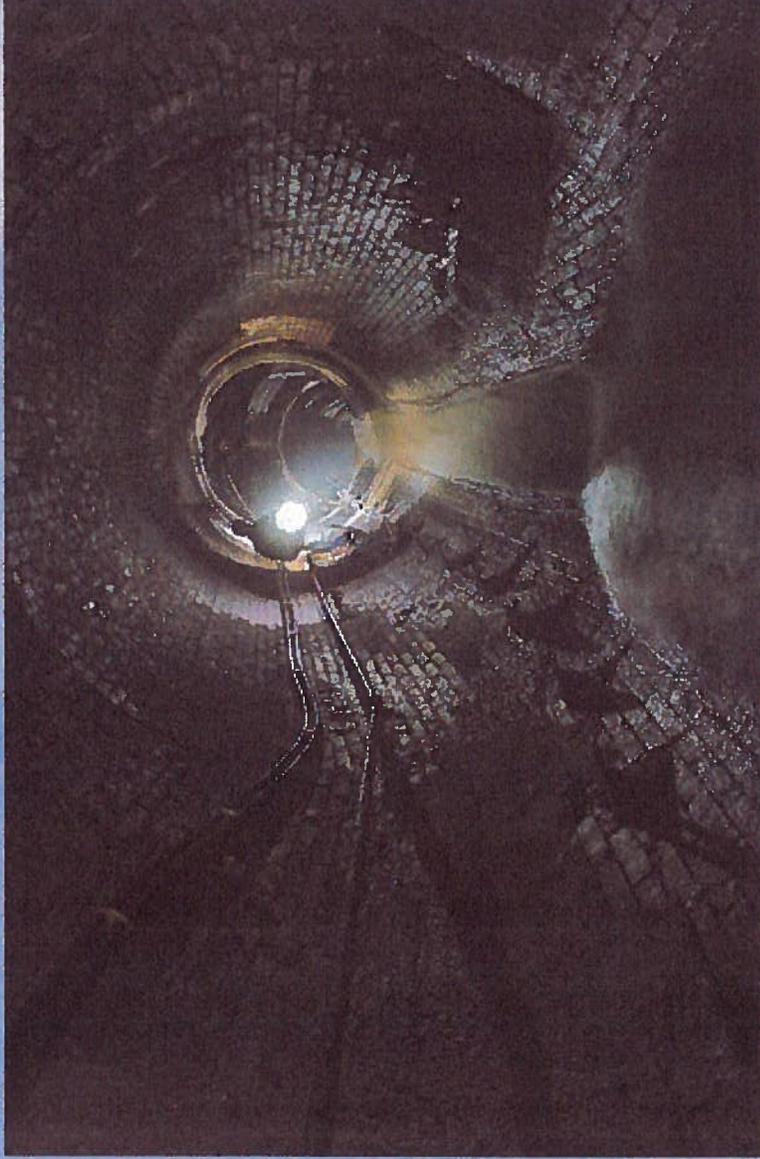
[1] – ERU = Equivalent Residential Unit

Local SDC Comparison

Sewer SDC Comparison - Single Family Residential



Storm Drain Utility Analysis



Summary of the Storm Drain Revenue Requirement (\$000's)

	2010	2011	2012	2013	2014	2015
Sources of Funds						
Retail Rate Revenues	\$1,314	\$1,327	\$1,340	\$1,354	\$1,367	\$1,381
Other Revenues	17	24	29	30	30	29
Total Sources of Funds	\$1,331	\$1,351	\$1,369	\$1,384	\$1,397	\$1,410
Application of Funds						
O&M Expenses	\$937	\$1,018	\$1,063	\$1,108	\$1,155	\$1,203
Taxes	79	80	80	81	82	83
CIP from Rates	0	50	75	100	125	150
Debt Service						
Existing	0	0	0	0	0	0
New	158	218	232	232	296	296
Change in Working Capital	200	70	50	40	(30)	(40)
Total Application of Funds	\$1,374	\$1,436	\$1,500	\$1,561	\$1,628	\$1,692
Balance/(Deficiency) of Funds	(\$43)	(\$85)	(\$131)	(\$177)	(\$231)	(\$282)
Plus: Additional Taxes w/ Rate Increase	\$3	\$5	\$8	\$11	\$14	\$17
Net Balance/(Deficiency) of Funds	(\$46)	(\$90)	(\$139)	(\$188)	(\$245)	(\$299)
Balance as a % of Rates	3.5%	6.8%	10.4%	14.0%	17.9%	21.7%
Proposed Rate Adjustment	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

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Summary of the Storm Drain Rate Transition Plan and Financial Measures

	2010	2011	2012	2013	2014	2015
2009 Average Single Family Bill	\$9.14					
Proposed Rate Adjustments	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Customer Bill on Proposed Adjustment	\$9.44	\$9.74	\$10.06	\$10.39	\$10.72	\$11.07
Bill Difference - Monthly	\$0.30	\$0.31	\$0.32	\$0.33	\$0.34	\$0.35
Cumulative Bill Difference	\$0.30	\$0.60	\$0.92	\$1.25	\$1.58	\$1.93
Debt Service Coverage Ratio (All debt including taxes)						
Before Rate Adjustment	1.99	1.16	0.97	0.84	0.54	0.42
After Needed Rate Adjustment	2.28	1.57	1.57	1.65	1.37	1.43
After Proposed Rate Adjustment	2.27	1.57	1.57	1.65	1.36	1.43
Ending Cash Fund Balance	\$340,261	\$410,261	\$460,261	\$462,761	\$432,761	\$392,761
Target Minimum Fund Balance	\$343,645	\$359,970	\$376,782	\$393,087	\$409,743	\$426,914
System Development Charges	\$306,985	\$306,985	\$306,985	\$306,985	\$306,985	\$306,985

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Summary of the Storm Drain Revenue Requirement

- **Inflationary rate adjustments starting in 2010**
 - ✓ **3.25% per year**
- **Adjustments are the result of funding capital through rates and new long-term debt**
- **Need to continue to:**
 - ✓ **Adequately fund renewals and replacements**
 - ✓ **Maintain minimum fund balance**
 - ✓ **Meet capital market requirements/preserve bonding ability**

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Summary of the Storm Drain Cost of Service Analysis

- **Allocated 2010 expenses**
- **Minor cost differences do exist between the current customer classes of service**
- **Policy issue of discount to schools and non-profits**
- **Recommend interclass adjustments to reflect cost differences and ERU calculation**
- **Maintain current rate structure**

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Storm Drain Rate Design

- **Proposed rate adjustment of 3.25% per year**
 - ✓ 2010 through 2015
- **Proposed adjustment to the size of the ERU**
 - ✓ 2,500 sq. ft. to 3,300 sq. ft
- **Transition away from school discount over the five-year period**
 - ✓ Current 25% discount
- **Transition non-profit over ten-year period**
 - ✓ To 50% discount
- **Consideration of credits and discounts**

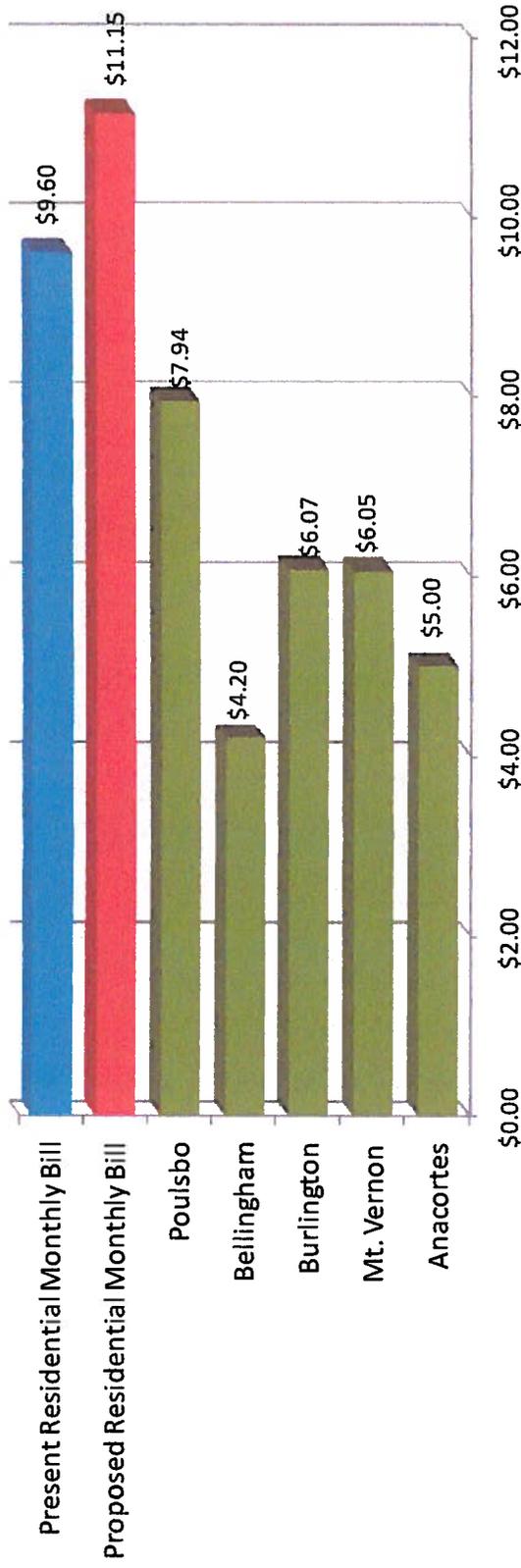
Present and Proposed Storm Drain Rates

	Present 2009	Proposed						
		2010	2011	2012	2013	2014	2015	
Proposed Rate Adjustment		3.25%						
Residential								
Single Family per account	\$9.14	\$11.15	\$11.51	\$11.88	\$12.27	\$12.67	\$13.08	
Multi Family per unit	\$9.14	\$11.15	\$11.51	\$11.88	\$12.27	\$12.67	\$13.08	
Commercial per ERU								
Commercial	\$9.14	\$11.15	\$11.51	\$11.88	\$12.27	\$12.67	\$13.08	
Multi-Commercial	9.14	11.15	11.51	11.88	12.27	12.67	13.08	
Hotel/Motel	9.14	11.15	11.51	11.88	12.27	12.67	13.08	
Commercial/Residential	9.14	11.15	11.51	11.88	12.27	12.67	13.08	
Schools	6.86	8.92	9.78	10.69	11.66	12.67	13.08	
Church	2.29	3.35	4.03	4.75	5.52	6.34	7.19	

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Local Storm Drain Rate Comparison

Monthly Residential Stormwater Bill Comparison



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Allowable Net Storm Drain System Development Charge at One (1) ERU [1]

Storm Drain System Development Charge Results

Collection	\$314
General Plant	3
Debt Service Credit	0
Total	<u>\$318</u>

Net Allowable System Development Charge (Rounded) \$320

Existing System Development Charge - \$/ERU \$0

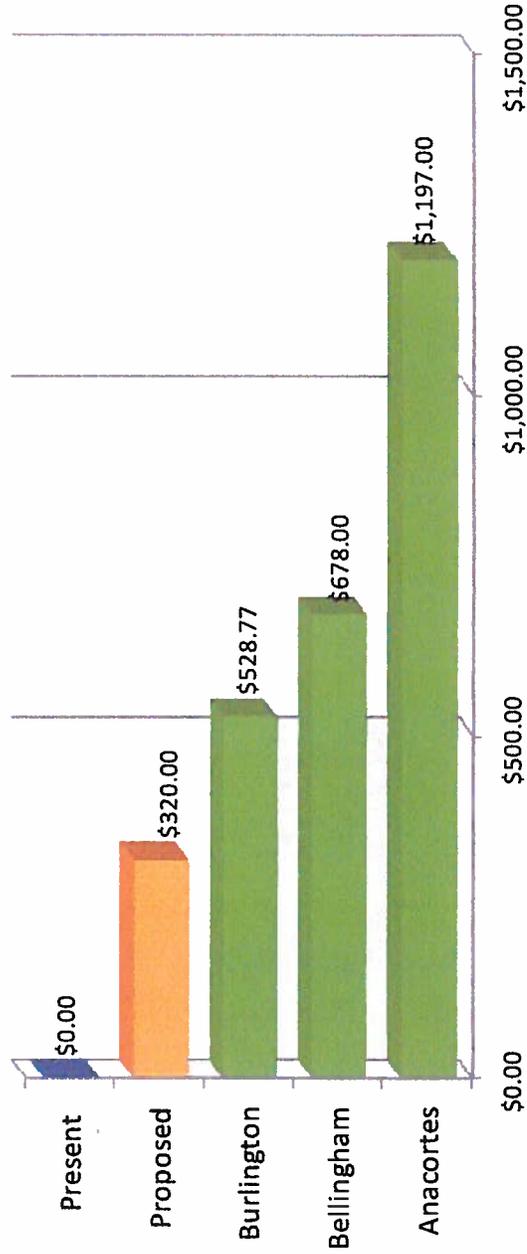
\$ Change per ERU \$320

[1] – ERU = Equivalent Residential Unit

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Local SDC Comparison

Storm Drain SDC Comparison - Single Family Residential



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Solid Waste Analysis



98-97 +
6546-89 +
0-97 +
0-79 +
0-04 +
45-50 +
200-200 +

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Summary of the Solid Waste Revenue Requirement

(\$000's)

	2010	2011	2012	2013	2014	2015
Sources of Funds						
Retail Rate Revenues	\$3,050	\$3,057	\$3,195	\$3,203	\$3,211	\$3,219
Other Revenues	60	69	70	61	54	47
Total Sources of Funds	\$3,110	\$3,126	\$3,265	\$3,264	\$3,265	\$3,266
Application of Funds						
O&M Expenses	\$2,784	\$2,897	\$3,030	\$3,207	\$3,281	\$3,358
Taxes	347	348	364	364	365	366
CIP from Rates	0	0	0	0	0	0
Debt Service						
Existing	0	0	0	0	0	0
New	0	0	0	0	0	0
Change in Working Capital	0	(120)	(128)	(235)	(235)	(235)
Total Application of Funds	\$3,131	\$3,125	\$3,266	\$3,336	\$3,411	\$3,489
Balance/(Deficiency) of Funds	(\$21)	\$1	(\$1)	(\$72)	(\$146)	(\$223)
Plus: Additional Taxes w/ Rate Increase	\$3	\$0	\$0	\$8	\$17	\$25
Net Balance/(Deficiency) of Funds	(\$24)	\$1	(\$1)	(\$80)	(\$163)	(\$248)
Balance as a % of Rates	0.8%	0.0%	0.0%	2.5%	5.1%	7.7%
Proposed Rate Adjustment	0.0%	0.0%	0.0%	2.5%	2.5%	2.5%

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Summary of the Solid Waste Rate Transition Plan

	2010	2011	2012	2013	2014	2015
2009 Average Residential Bill	\$19.90					
Proposed Rate Adjustments	0.0%	0.00%	0.00%	2.50%	2.50%	2.50%
Customer Bill on Proposed Adjustment	\$19.90	\$19.90	\$19.90	\$20.40	\$20.91	\$21.43
Bill Difference - Monthly	\$0.00	\$0.00	\$0.00	\$0.50	\$0.51	\$0.52
Cumulative Bill Difference	\$0.00	\$0.00	\$0.00	\$0.50	\$1.01	\$1.53
Ending Cash Fund Balance	\$2,048	\$1,907	\$1,498	\$1,263	\$1,028	\$793
Target Minimum Fund Balance	\$777	\$781	\$816	\$836	\$857	\$878
Equipment Replacement Reserves	\$114	\$114	\$114	\$114	\$114	\$114

WF

Summary of the Solid Waste Revenue Requirement

- **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**
- **Renewal and replacement capital currently funded through rates (budgeted)**
- **Meeting minimum reserve fund requirements**

BR

Solid Waste Cost of Service

- **Allocated 2010 expenses**
- **Cost of service based on tonnage by class
of service and collection frequency**
- **Minor cost differences do exist**
- **Recommend no interclass adjustments at
this time**

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Solid Waste Rate Design

- **Proposed inflationary adjustments**
 - ✓ **2.5% per year starting in 2013**
- **Across the Board adjustment**
 - ✓ **No cost of service adjustments**
- **Maintained current rate structure**
 - ✓ **Meets current goals and objectives**

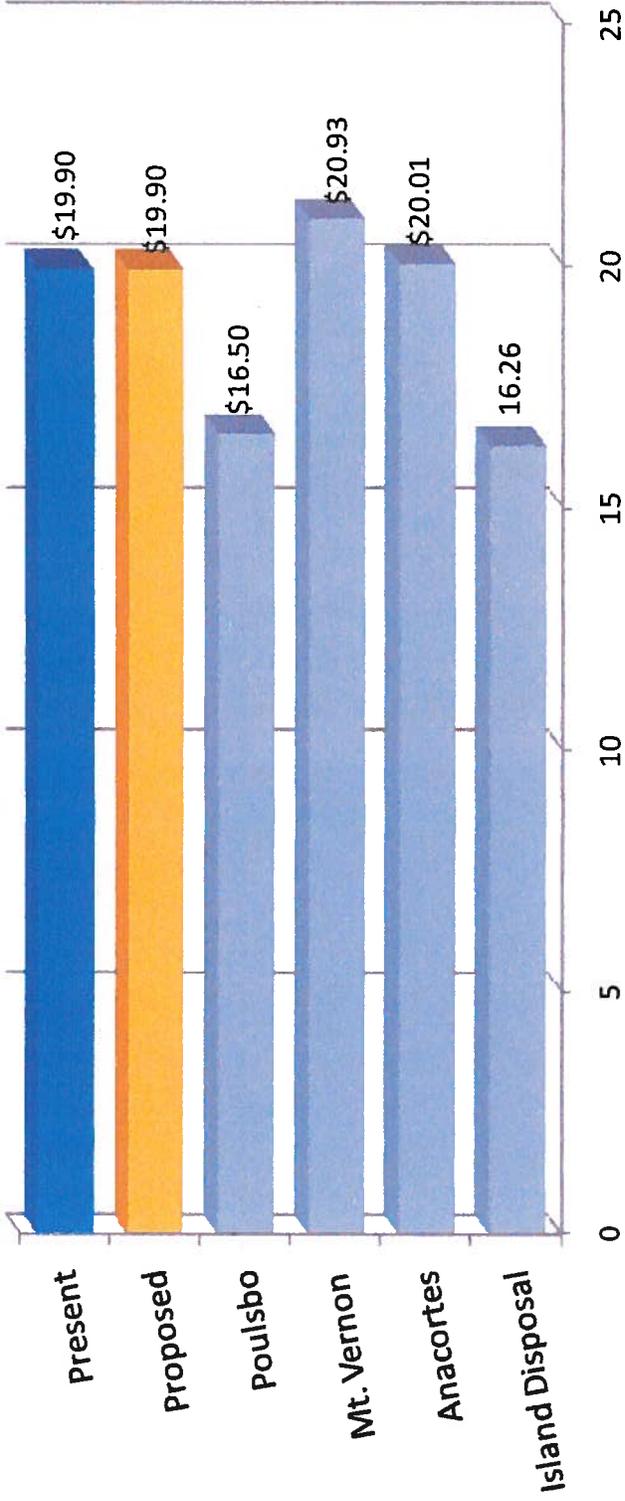
Residential Present and Proposed Solid Waste Rates

	Present		Proposed				
	2009	2010	2011	2012	2013	2014	2015
Proposed Rate Adjustment		0.00%	0.00%	0.00%	2.50%	2.50%	2.50%
Residential							
<i>Roll-Car Charges</i>							
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
<i>Yardwaste</i>							
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

W
ce

Local Solid Waste Rate Comparison

Monthly Residential Solid Waste Bill Comparison



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Summary of the Commercial Present and Proposed Solid Waste Rates

Present 2009	Proposed					Present 2009	Proposed				
	2010	2011	2012	2013	2014		2010	2011	2012	2013	2014
Proposed Rate Adjustment	0.00%	0.00%	0.00%	2.50%	2.50%	Proposed Rate Adjustment	0.00%	0.00%	0.00%	2.50%	2.50%
Commercial Permanent Dumpsters											
1 Cubic Yard											
Monthly Rent	\$19.59	\$19.59	\$19.59	\$20.08	\$20.58	\$21.09	\$28.76	\$28.76	\$28.76	\$29.48	\$30.22
1 X per Week	83.11	83.11	83.11	85.19	87.32	89.50	285.48	285.48	285.48	292.62	299.94
2 X per Week	166.20	166.20	166.20	170.36	174.62	178.99	570.95	570.95	570.95	585.22	599.85
3 X per Week	249.31	249.31	249.31	255.54	261.93	268.48	856.44	856.44	856.44	877.85	899.80
4 X per Week	332.41	332.41	332.41	340.72	349.24	357.97	1,141.92	1,141.92	1,141.92	1,170.47	1,199.73
							1,427.39	1,427.39	1,427.39	1,463.07	1,499.65
2 Cubic Yard											
Monthly Rent	\$22.65	\$22.65	\$22.65	\$23.22	\$23.80	\$24.40	\$28.76	\$28.76	\$28.76	\$29.48	\$30.22
1 X per Week	152.56	152.56	152.56	156.37	160.28	164.29	366.94	366.94	366.94	376.11	385.51
2 X per Week	305.11	305.11	305.11	312.74	320.56	328.57					
3 X per Week	457.67	457.67	457.67	469.11	480.84	492.86					
4 X per Week	610.22	610.22	610.22	625.48	641.12	657.15					
3 Cubic Yard											
Monthly Rent	\$25.70	\$25.70	\$25.70	\$26.34	\$27.00	\$27.68	\$34.88	\$34.88	\$34.88	\$35.75	\$36.64
1 X per Week	220.55	220.55	220.55	226.06	231.71	237.50	384.67	384.67	384.67	394.29	404.15
2 X per Week	441.09	441.09	441.09	452.12	463.42	475.01	769.35	769.35	769.35	788.58	808.29
3 X per Week	661.64	661.64	661.64	678.18	695.13	712.51	1,154.02	1,154.02	1,154.02	1,182.87	1,212.44
4 X per Week	882.19	882.19	882.19	904.24	926.85	950.02	1,538.70	1,538.70	1,538.70	1,577.17	1,616.60
5 X per Week	1,102.73	1,102.73	1,102.73	1,130.30	1,158.56	1,187.52	1,923.38	1,923.38	1,923.38	1,971.46	2,020.75

HO

Water Utility Analysis



HDR

Summary of the Water Revenue Requirement

(\$000's)

	2010	2011	2012	2013	2014	2015
Sources of Funds						
Retail Rate Revenues	\$3,917	\$3,956	\$3,996	\$4,036	\$4,076	\$4,117
Other Revenues	709	667	621	607	617	622
Total Sources of Funds	\$4,626	\$4,623	\$4,617	\$4,643	\$4,693	\$4,739
Application of Funds						
O&M Expenses	\$2,865	\$3,052	\$3,173	\$3,296	\$3,423	\$3,555
Adjustment to Purchased Water	0	360	360	360	360	360
Taxes	475	477	479	483	488	493
CIP from Rates	1,300	975	1,050	1,125	1,200	1,275
Debt Service						
Existing	60	55	55	55	55	54
New	0	131	244	244	244	244
Change in Working Capital	(75)	(144)	(148)	(65)	60	197
Total Application of Funds	\$4,625	\$4,906	\$5,213	\$5,498	\$5,830	\$6,178
Balance/(Deficiency) of Funds	\$1	(\$283)	(\$597)	(\$856)	(\$1,136)	(\$1,439)
Plus: Additional Taxes w/ Rate Increase	\$0	\$32	\$67	\$97	\$128	\$162
Net Balance/(Deficiency) of Funds	\$1	(\$315)	(\$664)	(\$952)	(\$1,265)	(\$1,601)
Balance as a % of Rates	0.0%	8.0%	16.6%	23.6%	31.0%	38.9%
Proposed Rate Adjustment	0.0%	8.0%	8.0%	6.0%	6.0%	6.0%

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Summary of the Water Rate Transition Plan

	2010	2011	2012	2013	2014	2015
2009 Average Residential Bill	\$29.50					
Proposed Rate Adjustments	0.0%	8.0%	8.0%	6.0%	6.0%	6.0%
Average Residential Bill After Rate Adjustment	\$29.50	\$31.86	\$34.41	\$36.47	\$38.66	\$40.98
Monthly Difference in Bill	\$0.00	\$2.36	\$2.55	\$2.06	\$2.19	\$2.32
Cumulative Difference in Bill	\$0.00	\$2.36	\$4.91	\$6.97	\$9.16	\$11.48
Debt Service Coverage Ratio (all debt)						
Before Rate Adjustment	21.38	3.94	2.02	1.68	1.41	1.11
After Needed Rate Adjustment	21.38	5.64	4.24	4.87	5.65	6.48
After Proposed Rate Adjustment	21.38	5.64	4.24	4.87	5.65	6.48
Ending Cash Fund Balance	\$2,610	\$1,564	\$1,245	\$1,243	\$1,303	\$1,500
Target Minimum Fund Balance	\$1,156	\$1,235	\$1,320	\$1,399	\$1,490	\$1,585
Ending SDC Fund Balance	\$3,377	\$1,798	\$1,594	\$1,589	\$1,827	\$1,433

FB

Summary of the Water Revenue Requirement

- **Rate adjustments are necessary to adequately fund operating and capital needs**
 - ✓ Rate transition plan starting in 2011
- **Adjustments are the result of increased purchased water costs, funding of capital through rates and new long-term debt, and inflationary increases in O&M**
- **Need to continue to:**
 - ✓ Adequately fund renewals and replacements
 - ✓ Maintain minimum fund balance
 - ✓ Meet capital market requirements/preserve bonding ability

Summary of the Water Cost of Service Analysis

- **Allocated 2010 expenses**
- **Minor cost differences do exist between the current customer classes of service**
- **Recommend minor cost of service adjustment**
 - ✓ **1st cost of service**
 - ✓ **Adjustments can be made through rate structure changes**
- **Legal decision needed on the Lane vs. Seattle fire protection cost allocation**

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Water Rate Design

- Revenue Neutral for 2010
- Reviewed several rate structures for implementation
- Proposed rate structure adjustments in 2010
 - ✓ Residential
 - Conservation oriented
 - Billing on all consumption
 - ✓ Multi-Family
 - Conservation oriented
 - Per unit charge is 85% of residential $\frac{3}{4}$ " meter charge
 - ✓ Commercial and Irrigation
 - Transition from declining block to inclining block over five years

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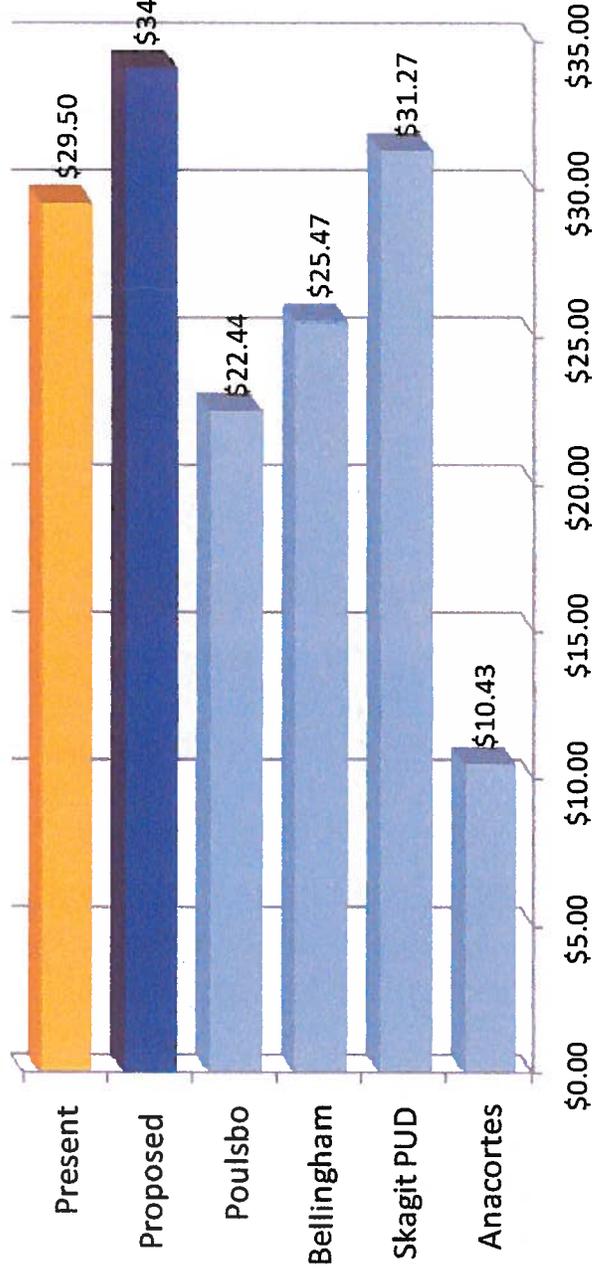
Residential Water Bill Comparison (2010)

Size	Consumption per CCF	Present		Proposed		Difference	
		Rates	Rates	Rates	Rates	Amount	Percent
3/4"	0	\$26.04	\$22.25	(\$3.79)	-14.55%		
	1	26.04	23.90	(2.14)	-8.22%		
	2	26.04	25.55	(0.49)	-1.88%		
	3	26.04	27.20	1.16	4.45%		
	4	26.04	29.50	3.46	13.29%		
	5	26.04	31.80	5.76	22.12%		
	6	29.50	34.10	4.60	15.59%		
	7	32.96	38.20	5.24	15.90%		
	8	36.42	42.30	5.88	16.14%		
	9	39.88	46.40	6.52	16.35%		
	10	43.34	50.50	7.16	16.52%		
	11	46.80	54.60	7.80	16.67%		
	12	50.26	58.70	8.44	16.79%		
	13	53.72	62.80	9.08	16.90%		
	14	57.18	66.90	9.72	17.00%		
	15	60.64	71.00	10.36	17.08%		
	16	64.10	75.10	11.00	17.16%		
	17	67.56	79.20	11.64	17.23%		
	18	71.02	83.30	12.28	17.29%		
	19	74.48	87.40	12.92	17.35%		
	20	77.94	91.50	13.56	17.40%		

FO

Local Residential Water Rate Comparison

Average Monthly Residential Water Bill Comparison @ 6ccf



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Net Allowable Water System Development Charge at One (1) ERU ^[1]

Water System Development Charge Results	
Source of Supply/Treatment	\$203
Pumping	\$407
Storage	493
Transmission/Distribution	4,689
General Plant	13
Debt Service Credit	0
Total	<u>\$5,804</u>
Net Allowable Water SDC (Rounded)	\$5,800
Existing System Development Charge - \$	\$3,081
\$ Change per ERU	\$2,719

[1] – ERU = Equivalent Residential Unit

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Net Allowable Water System Development Charge By Meter Size

Meter Size	Current Weighting Factor	SDC
3/4"	1.00	\$5,800
1	1.67	9,686
1 1/2	3.33	19,314
2	5.33	30,914
3	10.00	58,000
4	16.67	96,686

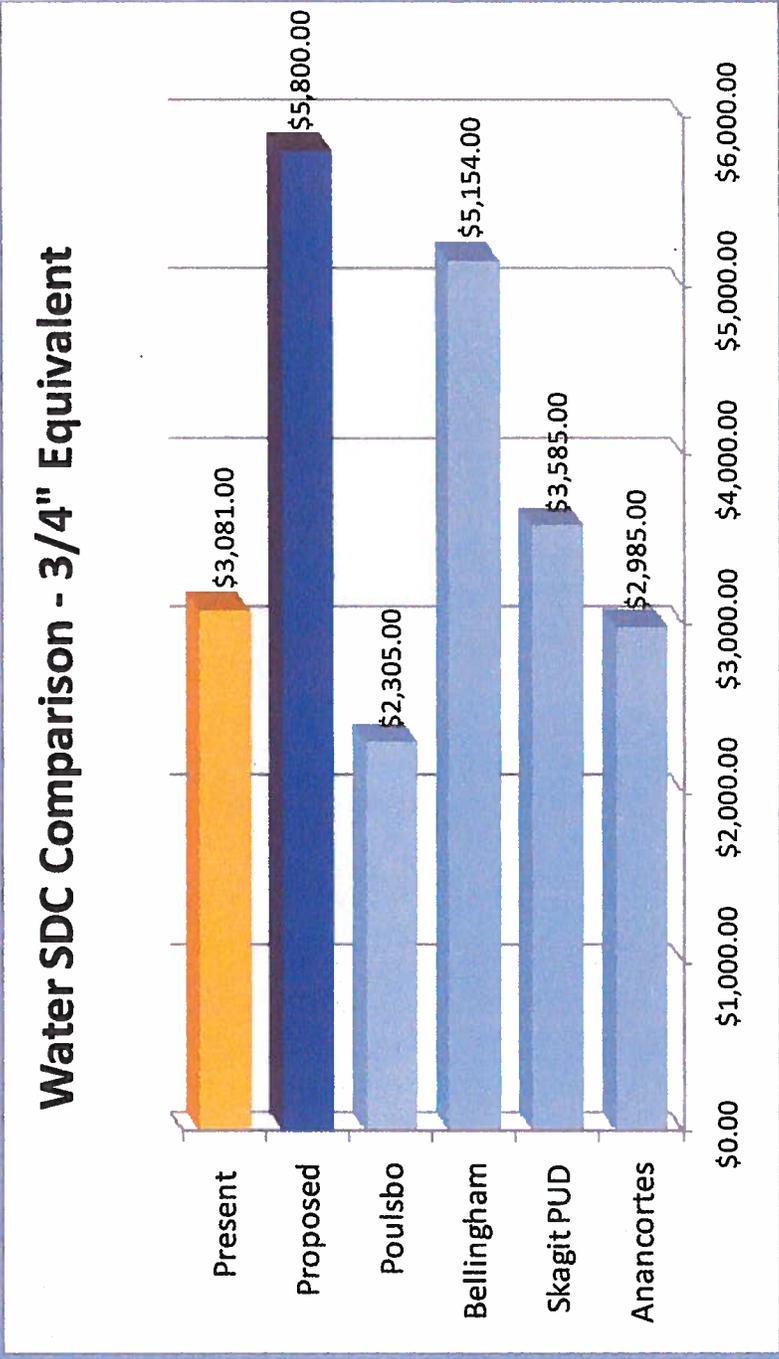
Notes:

[1] Weighting factor based on AWWA 3/4" meter equivalencies.

SDCs for meter sizes greater than 4" are calculated on an individual basis

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Local SDC Comparison



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Summary of the Utilities Revenue Requirements

- **Rate adjustments are necessary to fund the operating and capital needs of the utilities**
 - ✓ Sewer – ramping up to capital funding needs
 - ✓ Storm Drain – 3.25% per year - 2010
 - ✓ Solid Waste – inflationary 2.5% per year - 2013
 - ✓ Water – Capital and purchased water - 2011
- **Continue to adequately fund reserves and capital through rates**
 - ✓ Maintain bonding capacity
- **Recommend rate adjustments**
 - ✓ Based on the rate transition plans

W

Summary of the Utilities Cost of Service Analyses

- **Minor cost of service differences do exist between the customer classes of service**
 - ✓ **1st cost of service analysis**
- **Recommend minor cost of service adjustments**
 - ✓ **Through rate structure adjustments**

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Summary of the Utilities Rate Design Analyses

- **Developed five-year rate transition plan**
 - ✓ **Focus on next 2-3 years**
- **Proposed water rate structure changes**
- **Proposed storm drain change to discount for schools and non-profit/churches**

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Relative Rate Impacts

REVENUE REQUIREMENT RESULTS								
	<u>Present</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Cumulative</u>
Water		0.00%	8.00%	8.00%	6.00%	6.00%	6.0%	38.9%
Sewer		3.50%	5.00%	10.50%	10.50%	10.50%	12.50%	65.0%
Solid Waste		0.00%	0.00%	0.00%	2.50%	2.50%	2.50%	7.7%
Storm Drain		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	21.2%
Water	\$29.50	\$34.10	\$36.40	\$38.95	\$41.50	\$44.55	\$47.70	
Sewer	36.52	\$40.00	\$42.00	\$47.00	\$52.00	\$57.50	\$64.75	
Solid Waste	19.90	19.90	19.90	19.90	20.40	20.91	21.43	
Storm Drain	9.14	11.15	11.51	11.88	12.27	12.67	13.08	
Total Ave. Monthly Res. Bill	\$95.06	\$105.15	\$109.81	\$117.73	\$126.17	\$135.63	\$146.96	
Water		\$4.60	\$2.30	\$2.55	\$2.55	\$3.05	\$3.15	\$18.20
Sewer		3.48	2.00	5.00	5.00	5.50	7.25	28.23
Solid Waste		0.00	0.00	0.00	0.50	0.51	0.52	1.53
Storm Drain		2.01	0.36	0.37	0.39	0.40	0.41	3.94
Total \$ Change per Month		\$10.09	\$4.66	\$7.92	\$8.44	\$9.46	\$11.33	\$51.90
Total % Change - Combined Utilities Bill		10.6%	4.4%	7.2%	7.2%	7.5%	8.4%	45.3%

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Customer 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	\$11.15	\$11.51	\$11.88
Total	\$86.23	\$92.88	\$96.79	\$103.96
		Minimum Bill 3ccf		
Single Family				
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	\$11.15	\$11.51	\$11.88
Total	\$95.06	\$105.15	\$109.81	\$117.73
		Average Bill 6ccf		
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)	\$342.71	\$316.77	\$327.00	\$337.51
Total	\$3,128.94	\$2,885.26	\$3,015.34	\$3,217.35

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Customer Bill Impacts (cont'd)

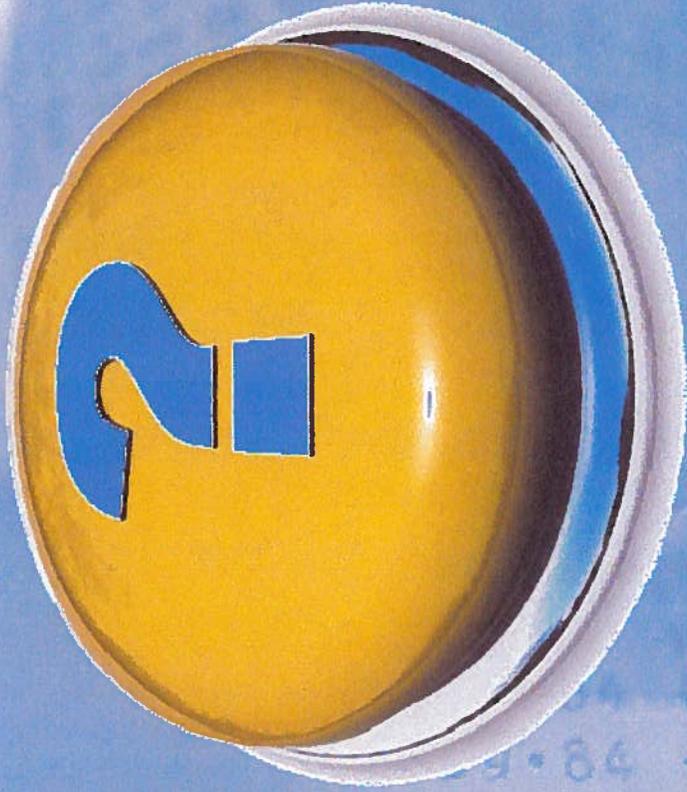
	Current	1st Year	2nd Year	3rd Year
School #1				
Water Base Rate	\$152.82	\$278.15	\$323.15	\$363.75
Consumption 307ccf	\$661.74	\$754.45	\$826.20	\$986.55
Sewer	\$1,336.25	\$1,416.85	\$1,467.90	\$1,565.00
2yd Dumpster 1 pickup	\$175.22	\$175.22	\$175.22	\$175.22
6yd Dumpster 3 pickups	\$1,188.90	\$1,188.90	\$1,188.90	\$1,188.90
Storm Drain (706831 sq ft)	\$1,936.72	\$1,910.59	\$2,094.79	\$2,289.70
Total	\$5,451.65	\$5,724.16	\$6,076.16	\$6,569.12
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)	\$507.26	\$500.41	\$548.66	\$599.71
Total	\$977.02	\$1,035.71	\$1,121.16	\$1,230.16
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)	\$262.77	\$259.22	\$284.21	\$310.66
Total	\$1,915.54	\$2,062.17	\$2,148.56	\$2,246.96

Customer 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)	\$46.03	\$42.59	\$43.91	\$45.32
Total	\$2,357.81	\$2,530.81	\$2,659.98	\$2,922.39
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)	\$19.50	\$18.02	\$18.60	\$19.20
Total	\$898.23	\$901.94	\$912.22	\$931.87
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

09

Questions and Answers



Summary of the Sewer Capital Improvement Plan (\$000's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Capital Improvement Projects									
Upgrades to Existing Collection System:									
Collection System Expansions:	\$1,150	\$260	\$160	\$170	\$170	\$180	\$180	\$190	\$190
Wastewater Treatment Facilities	0	0	150	2,200	0	0	0	0	0
Unidentified Future Capital Projects	1,133	290	0	297	0	4,000	25,000	25,000	16,000
Transfer to Operating Fund (402)	0	335	515	0	600	100	0	0	0
	0	300	516	0	640	100	0	0	0
Total Capital Improvement Projects	\$2,283	\$1,185	\$1,341	\$2,667	\$1,410	\$4,380	\$25,180	\$25,190	\$16,190
Capital Improvement Project Funding									
Operating Fund-Sewer (402)	\$718	\$0	\$0	\$144	\$0	\$2,895	\$3,120	\$3,555	\$1,280
System Development Charges (SDC - 412)	380	0	81	1,188	0	0	0	0	0
Revenue Bonds	0	0	0	0	0	0	20,500	20,000	13,200
NET CIP FROM RATES	1,185	1,185	1,260	1,335	1,410	1,485	1,560	1,635	1,710
Total Capital Improvement Project Funding	\$2,283	\$1,185	\$1,341	\$2,667	\$1,410	\$4,380	\$25,180	\$25,190	\$16,190

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Summary of the Storm Drain Capital Plan (\$000's)

	2010	2011	2012	2013	2014	2015
Capital Improvement Projects						
Pipe Replacement on Oak Harbor Street	125	0	0	0	0	0
Lizsak Outfall	0	0	0	0	155	0
Pioneer Way storm drainage rehabilitation	650	0	0	0	0	0
42-in. storm drain (Windjammer Park)	1,000	506	0	100	658	0
Freund Marsh stormwater improvements	0	198	198	0	0	0
Annual Main Replacements	38	38	38	38	38	38
Future Unidentified Projects	0	0	0	0	0	113
Total Capital Improvement Projects	\$1,813	\$742	\$236	\$138	\$851	\$150
Capital Improvement Project Funding						
System Development Charges	\$0	\$0	\$0	\$0	\$0	\$0
Operating Reserves	0	0	0	38	0	0
Capital Reserves	0	0	0	0	0	0
New Revenue Bonds	1,813	692	161	0	726	0
NET CIP FROM RATES	0	50	75	100	125	150
Total Capital Improvement Project Funding	\$1,813	\$742	\$236	\$138	\$851	\$150

6P

Summary of the Water Capital Plan (\$000's)

	2010	2011	2012	2013	2014	2015
Capital Improvement Projects						
North Reservoir Connection Mains	\$1,153	\$1,153	\$0	\$0	\$0	\$0
North Reservoir	1,700	1,700	0	0	0	0
Ault Field Pump Station Alterations	300	0	0	0	0	0
North Booster Pump Station	0	855	1,045	0	0	0
N.E. Pressure Transmission Main	0	1,073	1,073	0	0	0
N.E. O'Leary Pressure Zone Main and Connections	0	213	639	0	0	0
Main Replacement	175	175	188	188	200	200
West Side Reservoir Connections to Mainland Zone	0	0	0	780	0	0
West Pressure Transmission Main	0	0	0	0	0	1,426
Unidentified Future Capital Projects	0	0	0	329	800	0
Transfer to Cash Reserves	0	0	0	63	200	291
Total Capital Improvement Projects	\$3,328	\$5,169	\$2,944	\$1,359	\$1,200	\$1,917
Capital Improvement Project Funding						
Reserves - Operating Fund - Water (403)	\$420	\$902	\$471	\$0	\$0	\$0
System Development Charges (SDCs)	1,608	1,791	424	234	0	642
Revenue Bonds	0	1,500	1,000	0	0	0
NET CIP FROM RATES	1,300	975	1,050	1,125	1,200	1,275
Total Capital Improvement Project Funding	\$3,328	\$5,169	\$2,944	\$1,359	\$1,200	\$1,917

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**City Council Meeting
Tuesday, June 1, 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 Ron Lawler, Family Bible Church

ROLL CALL

Jim Slowik, Mayor	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	Eric Johnston, City Engineer
Beth Munns	Rick Wallace, Chief of Police
Danny Paggao, Mayor Pro Tem	Mark Soptich, Fire Chief
Jim Palmer	Mike McIntyre, Senior Services Director
Bob Severns	Renée Recker, Executive Assistant to the Mayor

Mr. Chargualaf's social studies class was also in attendance this evening.

MINUTES

MOTION: Councilmember Campbell moved to approve the 5/18/10 meeting minutes. The motion was seconded by Councilmember Palmer. Councilmembers Almberg, Campbell, Dudley, Palmer, and Severns voted in favor of the motion. Councilmember Munns and Paggao abstained from the vote. The motion carried.

NON-ACTION COUNCIL ITEMS

Employee Recognition – Jon Wollschlager, Parks Division, 10 Years
Public Works Director Cathy Rosen introduced Mr. Wollschlager and talked about his history with the Parks Department, his dedication, and volunteer activities.

Public Comments

Carolyn Pivarnik, 745 SE 8th Avenue. Ms. Pivarnik spoke about the Leadership Training Institute of America and the opportunities the Institute affords young people through week-long seminars which teach moral, intellectual, and social values. Nine attendees from Oak Harbor will go to Washington, DC.

Helen Chatfield-Weeks, 1415 SE 9th. Ms. Chatfield-Weeks spoke in support of Channel 10 and Jim Riney who films the City Council meetings and the Mayor's Municipal Issues on T.V. presentations.

With no other comments coming forward, Mayor Slowik closed public comments at 6:15 p.m.

Consent Agenda

A. Approval of Accounts Payable Vouchers

MOTION: Councilmember Palmer moved to approve Consent Agenda item A. The motion was seconded by Councilmember Munns and carried unanimously.

City Attorney Margery Hite gave a PowerPoint presentation which highlighted Agenda Items 4 and 5: **4. Ordinance – Council Standing Committees and Council Meetings;**
5. Council Rules Revisions.

Final Consideration – Ordinance, Council Standing Committees and Council Meetings

This agenda bill represented the second reading of an ordinance amending OHMC Chapter 1.04 to formalize the rules relating to standing committees and to establish regular public meeting dates. The rules relating to standing committees were discussed at the Council retreat on February 27, 2010, but no action was taken at that time. Since then, additional questions have been raised concerning the status of standing committee meetings. This agenda bill proposed changes to Chapter 1.04, "Council Meetings," which will clarify the nature of standing committee meetings and establish regular meeting dates, times and location. The ordinance also clarifies that agenda items added by Council members shall be in the form of an action item. Since staff does not present Council-initiated agenda items, it is important for the Council member(s) to give notice of the action sought to be taken when the item is reached on the agenda. The proposed ordinance also updates the notice requirements in OHMC 1.04.020 to address electronic mail and use of the City's website. The proposed ordinance was introduced on May 4, 2010.

Mayor Slowik called for public comments.

Gerry Oliver, 947 NW Prow. If a meeting is attended by most Council members, it should be recorded for the viewing audience.

Mel Vance, P.O. Box 2882. Mr. Vance felt that standing committee meetings should be held in the Council Chambers, recorded, and broadcasted on Channel 10 when funding is available.

Council Discussion

Discussion followed about 1.04.020 (1) (a) and the loss of the regular Council meeting agenda's publication in the City's official newspaper. It is not a legal listing in the paper and is not required by law. The agenda display ad costs \$5,000 per year. Discussion continued regarding 1.04.020 (3) which talks about Councilmember-initiated agenda items and proposed final action. Council members may not want a final action but may simply want discussion. Discussion continued about moving standing committees to Council Chambers, taping these meetings, televising them, and finding the funds to cover taping. Discussion followed about prepared agendas for standing committees, 1.04.015 (7), if staff is prepared to do this, and if a meeting would be postponed if not listed on the website. City Attorney Hite noted the use of the word "should" instead of the word "shall" which indicates directive rather than mandatory language. Mr. Schmidt

noted that staff is prepared for this notification process. Discussion continued regarding the location of standing committee meetings and that their present locations also accommodate staff within various departments. Standing committee meetings are meant for Council members and staff assigned to these committees yet are always open to the public; moving them to Council Chambers is not cost-effective or time-efficient. As stated in bullet point number four of the agenda bill, "while there are assigned members of each committee, any Council member may attend any standing committee." The chair of each committee can address how much participation additional Council members can have in the committee meetings. Ms. Hite noted that, either way, this is not a problem under the Open Public Meetings Act. If a standing committee meeting needs to be changed, that can be done through a special meeting notice. Discussion followed about the name of the General Government committee and keeping the original committee's name: Governmental Services. Discussion continued about the Open Public Meetings Act addressing additional Council members' attendance as citizen attendance. Council discussed posting of meetings, the necessity of publication, and Council's policy decisions. Discussion followed about 1.04.030 – Sale and Exchange of Real Property and if this could be excluded from this ordinance. Council asked about Council members' attendance at Planning Commission meetings and separation from the Planning Commission so matters could be brought forward at a Council meeting in a fair and equitable fashion. City Attorney Hite reviewed appearance of fairness and quasi-judicial procedures. Continuing discussion centered on the three member structure of each standing committee. Assigned members discuss the committee presentations with additional Council members listening to the meeting as allowed for any other citizen. These are public meetings; no action is taken at standing committees. Audience members and how a committee chair will handle more than three Council members should be addressed under Council's rules. Discussion returned to Council member-initiated agenda items and changing this language so Council can discuss a topic without final action. Final action stops discussion. It was noted that an existing Council rule allows a Council member to add an agenda item through a motion and second to the motion. This has not been used often and, in past meetings, occurred at the meeting's end. It was suggested that this become another section to the regular meeting agenda. Ms. Hite noted that these changes are not meant to restrict Council and presently follow "Sturgis' Standard Code of Parliamentary Procedure" as adopted by Council.

MOTION: Councilmember AlMBERG moved to change the name of the General Government Standing Committee to Governmental Services Standing Committee and correct the Public Works Standing Committee meeting day to the first Thursday of the month. The motion was seconded by Councilmember Munns and carried unanimously.

MOTION: Councilmember Campbell moved to delete the Sale and Exchange of Real Property from this ordinance. The motion was seconded by Councilmember Palmer and carried unanimously.

MOTION: Councilmember Campbell moved to change Section 1.04.020 (3) by striking the word final action item and using action item in the second sentence. The motion was seconded by Councilmember Munns and carried unanimously.

MOTION: Councilmember Campbell moved to refer this proposed ordinance back to staff for corrections. The motion was seconded by Councilmember Munns and carried unanimously.

Break

Mayor Slowik called for a break at 7:30 p.m. and the meeting reconvened at 7:45 p.m.

Council Rules Revisions

City Attorney Hite presented this agenda bill which brought five changes to City Council's "Administrative and Personnel Council Rules" which were discussed at the Council retreat on February 27, 2010, without action being taken at that time. The agenda bill was accompanied by five written motions for signature regarding the proposed rules' changes.

Mayor Slowik called for public comments but there were none.

Council Discussion

Discussion followed about public discussion time limits and public comments during public hearings. Flexibility is allowed by the Mayor and Mayor Slowik allows public comments on all agenda items now.

MOTION: Councilmember Munns moved to adopt the motion amending Council Rule No. 6 (1) – procedural effect of an item placed on the agenda. The motion was seconded by Councilmember Palmer and carried unanimously.

MOTION: Councilmember Munns moved to adopt the motion amending Council Rule No. 9 (2) – public discussion – time limits and electronic presentations. The motion was seconded by Councilmember Palmer and carried unanimously.

MOTION: Councilmember Munns moved to adopt the motion adding a new paragraph (4) to Rule 9. The motion was seconded by Councilmember Campbell and carried unanimously.

MOTION: Councilmember Munns moved to adopt the motion amending, consolidating related issues, and adding new parts to Council Rule No. 19 – quasi-judicial proceedings. The motion was seconded by Councilmember Palmer and carried unanimously.

MOTION: Councilmember Munns moved to adopt the motion amending Council Rule No. 9 (2) and 9 (3) – public comment opportunity required for all agenda items; mandatory order for addressing public comment on agenda items. The motion was seconded by Councilmember Dudley and carried unanimously.

Pioneer Way Improvements Professional Services Contract – EnviroIssues
Development Services Director Steve Powers presented this agenda bill which was considered by the City Council on May 18, 2010, but not approved at that time. The agenda bill requested approval of a professional services contract with EnviroIssues, Inc., for assistance with the SE Pioneer Way Street Improvements Project. The contract, which has a not-to-exceed amount of \$60,098.86 will provide for communication and public outreach support for the project. The scope of work proposed under this contract by EnviroIssues includes 641 hours of effort between now and the start of construction. At current levels and workloads, City staff has neither the availability nor the expertise necessary to provide the same level of effort needed for this project.

Mayor Slowik called for public comments.

Gerry Oliver, 947 NW Prow. As a citizen and taxpayer, the not-to-exceed \$60,098.86 contract for a front man or lead man for communication downtown is wasteful spending. I understand there is no money to hire staff to do this, but could a part-time position be created to cut back on this cost? Marketing is not brain surgery.

Fred Henninger, 580 SE Ireland. This amounts to \$1,000 for each business on the street, and there are approximately 20 property owners which amounts to \$3,000 for each property owner. Talk is getting a lot more expensive than it used to be.

Mel Vance, P.O. Box 2882. At the last City Council meeting, Councilmember Almberg stated that the first encounter with EnviroIssues was when they represented two engineering firms who submitted proposals for the treatment plant project. Was EnviroIssues attempting to gain work with the City? Can this be clarified? The City does not need to have a developed logo for this project; develop a logo for all of the projects in the Windjammer proposal. Mr. Vance felt that Pioneer Way could have been handled better and that would have eliminated the need for EnviroIssues. Citizens believe that City government is not effectively working with the community. The City needs to involve the community as a whole; this is a symptom of a larger problem.

Helen Chatfield-Weeks, 1415 SE 9th. Hire me. I'll do it for less money and I'll get a good response. We need a local person to find the answers. It is an awful lot of money.

Daniel Cadwell, 2163 Hastie Lake Road. I like the idea of having someone local. Ms. Chatfield-Weeks makes a good point.

Marissa Skaar, 2292 Olympic Drive. \$60,000 is a lot of money; my whole college tuition. Spend this money on something more important and help the businesses survive this.

Alycia Bruce, 2125 Colonial Way. I agree with Marissa. This is a large amount of money and businesses will have to close down. Help the businesses with this money.

Mayor Slowik noted that what these comments are calling for is exactly what the City is hoping to do; we want to keep the businesses on Pioneer Way alive and drive business to them during the construction phase. EnviroIssues has experience marketing to established customers.

Council Discussion

Discussion followed concerning Mr. Vance's comments and that firms put together a package on how to approach a project which involves outside companies as part of their proposal and project team. For the treatment plant project, two companies chose EnviroIssues to help with their project team. EnviroIssues was not soliciting work with the City. The use of EnviroIssues addresses the whole community. This consultant would be using their resources and not the City's resources with the exception of mailings (EnviroIssues would provide camera-ready art). Discussion continued about alternatives to EnviroIssues and that the business owners and property owners are the best qualified to create a marketing plan; use their assets, involve the Chamber, and give Oak Harbor's citizen's some ownership. It was suggested that Rhonda Severns be asked to engage the businesses, keep everyone informed, and stay on top of all of the details. Ms. Severns is well-liked and did a great job on the water main project. If she retires, hire her back as a consultant during the construction phase. Mr. Powers noted that EnviroIssues would not be developing a marketing plan in a vacuum. They will have the businesses' input and the City's input. EnviroIssues is viewed as an extension of City staff by adding a staff member in the form of a company. They are very much a part of the City's ownership on this project. Mayor Slowik noted that this is not a typical project; this is very intrusive for the business owners. City staff cannot provide EnviroIssues' level of service regarding the business and project needs. Discussion continued about the business interview summary, that merchants want the City's help, and the effect of delays on this project's timing and the targeted January start date. This step is a function of the project and it is important to have a coordinated marketing/promotion plan during construction. Discussion of this complex project's schedule continued noting that the project needs to be underway in January. Discussion followed about available funding, and that this agreement is only for services leading up to construction. Roles and responsibilities still need to be defined. Councilmember Dudley read an email into the record from Kristi Jensen which is attached to these minutes as Exhibit A. Discussion continued about the magnitude of this project, that Oak Harbor has not involved a firm for these services in the past, and that public outreach should have begun a year ago. The Greater Oak Harbor Chamber of Commerce can do a better job and keep this effort local.

Jill Johnson, Executive Director of the Chamber of Commerce, was invited to speak. What EnviroIssues has done in terms of information gathering and construction coordination are activities that the Chamber is not equipped to do. I did meet with EnviroIssues, per Mayor Slowik, and to be clear, the Chamber cannot afford to do the marketing and add staff to the payroll. If EnviroIssues comes to us asking what our marketing plan is for downtown, the Chamber knows Oak Harbor and we have communication tools. The Chamber is an activating organization for community buy-in.

We could put together a marketing plan, but that would require additional money. The Chamber cannot pay for additional expenses out of the Chamber's existing budget. The project needs to be done in a timely fashion. With the time constraints mentioned, the Chamber could come up with a marketing plan in a month, but cannot coordinate efforts without knowing the construction schedule. Mr. Powers noted that Envirolssues' scope of work talks about working with the Chamber but was meant to tap into the Chamber's local knowledge; not repackage their ideas. Discussion followed on whether money could be saved by using both Envirolssues and the Chamber. Mr. Powers noted that this is a difficult question since a consultant provides a service and this is an active project, not a study to be shelved. Envirolssues is a company of 70 people whose clients bring them in at all stages of projects and this firm has a skill set that could not be found closer than Seattle. Time has a cost on this project. If Council is not comfortable with this level of coordination, then we need a different coordination with the downtown community. A year ago the City approached the Pioneer Way Improvement Projects as a straight public works project. As the City continued to work on it and moved through the community phase and the open houses, the project evolved. We cannot jump back because we see the project differently today. This is still a public works project but there has been an evolution.

MOTION: Councilmember Dudley made a motion to table this agenda item to give the City time to look at other options and address the Chamber of Commerce. The motion was seconded by Councilmember Severns.

VOTE ON THE

MOTION: Councilmembers Campbell, Dudley, and Severns voted in favor of the motion. Councilmembers AlMBERG, Munns, Paggao, and Palmer opposed. The motion to table was defeated.

MOTION: Councilmember AlMBERG moved to authorize the Mayor to sign a professional services contract with Envirolssues, Inc., for assistance on the Pioneer Way Street Improvements Project with a not to exceed limit of \$60,098.86 with conditional approval and caveat that Envirolssues is not to proceed with marketing until City staff can coordinate with the Greater Oak Harbor Chamber of Commerce about a marketing plan. The motion was seconded by Councilmember Palmer.

Discussion continued on what the Chamber would be asked to do, how the Chamber would coordinate with Envirolssues, whether Council is asking the Chamber to implement a marketing plan and without delaying the project's timing, how to allow the Chamber to provide a bid for a marketing plan.

VOTE ON THE

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

Break

Mayor Slowik called for a five-minute break and the meeting reconvened at 10:00 p.m.

MOTION: Councilmember Almberg made a motion to move agenda item 8 – Agreement – Multimodal Facility Design Services (Municipal Pier Upland Facilities) ahead of the Sewer System Development Reimbursement – West Meadows. The motion was seconded by Councilmember Palmer and carried unanimously.

Agreement – Multimodal Facility Design Services (Municipal Pier Uplands Facilities)

City Engineer Eric Johnston presented this agenda bill and gave a history of the Municipal Pier and its upland facilities. The agenda bill requested approval of an engineering design and services agreement with Arai Jackson Ellison Murakami LLP, with a not-to-exceed maximum amount of \$122,487.88 for the Flintstone Park Multimodal Facility Project.

Mayor Slowik called for public comments.

Helen Chatfield-Weeks, 1415 SE 9th. This is a wonderful building which also provides new restrooms and design around the facility. We have the funds for this.

Mel Vance. P.O. Box 2882. Until the pier is built, the waiting room area will be unused. Can the City lease the space for community use in the interim? Bayshore Drive is anticipated as the westbound route after Pioneer Way becomes a one-way street. Look at a pedestrian overpass so pedestrians do not have to cross a busy street.

Fred Henninger, 980 SE Ireland. Calling it multimodal is wrong. There are no planes, no boats, they are all ghosts. You are increasing the lack of view and building a commercial-type structure in a park. Every bus stop is as multimodal as this project. There is not enough parking and you also have upkeep on this building. You could improve our existing picnic areas with some of this funding. This is tax money and we ask you to spend it in an intelligent manner. Vote it down.

Council Discussion

Discussion followed about the timing of this project and its deliverables, the federal funding conditions, and that this a major upgrade to Flintstone Park and enhances the Waterfront Trail. The federal debt, three different staggered grants, and reserves were discussed noting that this project would allay the payback issue. Grant obligations will be forthcoming in the fall. Flintstone Park's activities will be preserved and six months will be needed for construction.

MOTION: Councilmember Munns moved to authorize the Mayor to sign the agreement with Arai Jackson Ellison Murakami LLP and authorized \$122,487.88 for the preparation of contract documents for the Oak Harbor Multimodal Facility. The motion was seconded by Councilmember Campbell and carried unanimously.

Sewer System Development Reimbursement – West Meadows

Councilmember AlMBERG asked to be recused since he had contact with the property owners and had acted as a consultant on a related project. Mr. AlMBERG does not have a beneficial interest in this project. Proponents of this project, Rick Chapman and Mark Verbarendse, were also present. Eric Johnston, City Engineer, presented this agenda bill which requested approval of an oversizing reimbursement agreement with West Meadows Partners Inc., for wastewater collection system improvements and the associated payment in the amount of \$437,576.60. Payment by the City for the oversizing is required under the terms of the annexation agreement for the property. The applicant has provided documentation indicating that the costs associated with the lift station to meet the City requirements totaled \$638,221.71. The cost of the minimum improvements necessary to serve the plat is estimated to have been approximately \$200,645.10. The difference between the cost to meet the minimum code requirements and the cost of complying with the terms of the annexation agreement is the oversizing difference, or \$437,576.60. In order to be clear that the City has met its obligation and that the developer will not be seeking any further reimbursement or cost recovery from the City, an agreement between the City and the West Meadows Partners is needed. Funding for the reimbursement comes from system development charges collected at the time of all new connections. System development fees are used to provide for expansion of the sewer utility in the form of large diameter mains and pumping stations. Sufficient funding is available through the wastewater division budget to pay for this reimbursement request. It is worth noting that the approved City of Oak Harbor Capital Improvement Plan in 2007 listed the project as a \$2.3 million dollar project.

Council Discussion

Discussion followed about Earthworks and West Meadows Partners (Mr. Verbarendse used his company's name, Earthworks, and West Meadows Partners was the plat applicant). The significant level of discussion surrounding this agenda bill and Engineering's workload brought this agenda bill to this evening's meeting rather than an earlier Council meeting.

MOTION: Councilmember Dudley moved to authorize the Mayor to sign the attached reimbursement agreement in the amount of \$437,576.60 for the oversizing reimbursement payment for the Crosby Road wastewater pump station improvements. The motion was seconded by Councilmember Campbell and carried unanimously.

City Administrator's Comments

City Administrator Schmidt went over standing committee dates and the June AWC conference dates.

Council Members' Comments

Council members talked about upcoming standing committee dates and one report on the Public Safety Standing Committee. Councilmember Munns is running for re-election to the AWC Board of Directors. Councilmember Dudley talked about the Memorial Day service at Maple Leaf Cemetery which was presented by Fleet Reserve, VFW, and the American Legion.

Mayor's Comments

The Mayor did not share comments this evening due to the lateness of the hour.

ADJOURN

With no further business coming before the Council, Councilmember Campbell moved to adjourn (no second). The meeting adjourned at 11:15 p.m.

Connie T. Wheeler
City Clerk

Connie Wheeler

Exhibit A

From: Scott Dudley
Sent: Monday, June 07, 2010 11:38 AM
To: Connie Wheeler
Subject: FW: tonights meeting

Connie:
Here is Kristi's email that was read at last week's council meeting.
Scott Dudley

From: kristijensen@windermere.com [mailto:kristijensen@windermere.com]
Sent: Tue 6/1/2010 4:19 PM
To: blandjcampbell@aol.com; Jim Campbell; Rick Almberg; Danny Paggao
Cc: Scott Dudley; Beth Munns; Jim Palmer; Robert Severns; jim@slowikmoters.com
Subject: tonights meeting

I am not able to make the council meeting tonight but wanted to express my opinion.

Except for Danny Paggao and Scott Dudley, I have never been more disappointed in a group of people the entire time I have lived in Oak Harbor. You have forgotten that you are to be representing the people of the town. This is not your personal bank account or your personal project.

Tonight you are deciding on the hiring of a PR Company. Bad idea. I was interviewed by this company and could not believe, for a company that is going to save you all from the trenches of the downtown, how unprofessional they were. Call me for details. 360-929-0707. You don't need a personal PR person to undo your damage. You need to listen and start doing your jobs by representing the people.

From the start of this project you have had a predetermined outcome. Didn't matter what anyone said or what you would destroy along the way. Maybe I would have more confidence if I thought you were educated or had experience on this subject but you don't.

I have talked to several of you and given ideas that would be helpful but no response.

You guys created this non communication "problem" and you continue to make it worse. Now you want to hire someone to come in and make it better. I feel you need to suck it up and come face the music you created. This is an expensive wall for you to hide behind. This is the tax payers money, not yours. The first time the public receives a postcard or a newsletter be prepared to answer to the spending of their money for something so unnecessary.

Right now besides you making Oak Harbor a laughing stock to the neighboring communities, you have made it even more difficult for people/businesses to want to move here. And still the question is "WHY"?

Kristi Jensen
360-929-0707 cell

Windermere Whidbey Island
32785 SR 20 Suite 4
Oak Harbor, WA 98277

360-675-5953 wk
kristijensen@windermere.com

6/7/2010

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City of Oak Harbor

OFFICE OF THE MAYOR
JIM SLOWIK
MAYOR



PROCLAMATION IN RECOGNITION OF PAST MAYOR AL KOETJE'S 80TH BIRTHDAY

WHEREAS, Al Koetje was born on June 20, 1930 in Oak Harbor and has spent his adult life in Oak Harbor; and

WHEREAS, he served on the Oak Harbor City Council for over seven years, from April 1964 to December 1971; and in January 1972, he started serving his five consecutive terms as Mayor, ending in December 1995; and

WHEREAS, our community benefited greatly during his terms with many projects either authorized or completed, including the Marina, the Senior Center, the Crescent Harbor Sewer Lagoon, the combined City/Navy water main from Anacortes, the Police Department expansion and remodel, the library, the Rotary Lagoon, the Fire Station on Whidbey Avenue and the Public Works Building on NE 16th Avenue; and

WHEREAS, he has also served at the State level as the President of the Association of Washington Cities and on the Municipal Research and Services Center Board; and at the national level on the National League of Cities Small Cities Steering Committee; and,

WHEREAS, in 1968, our community honored him as the Oak Harbor Citizen of the Year; and

WHEREAS, his service to our community has not diminished as he currently serves on the Marina Advisory Committee, the Oak Harbor Senior Center Foundation Board and on the NAS Whidbey Island Task Force, which was successful in removing Naval Air Station Whidbey Island from the 1991 Base Closure and Realignment Commission List; and

WHEREAS, he has volunteered countless hours as a member of the Oak Harbor Council of the United States Navy League and the Oak Harbor Rotary Club.

NOW, THEREFORE, WE, Jim Slowik, Mayor, and Councilmembers of the City of Oak Harbor do hereby recognize **Past Mayor Al Koetje's 80th Birthday** on **June 20, 2010**. He is a true community treasure and has made Oak Harbor a better place to live through his civil service and his desire to give back to the community.

Signed this 4th day of June, 2010


Jim Slowik, Mayor

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City of Oak Harbor
City Council Agenda Bill

Bill No. 2
Date: June 15, 2010
Subject: Employee Recognition

FROM: Jim Slowik, Mayor

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

PS Paul Schmidt, City Administrator
DM Doug Merriman, Finance Director
MH Margery Hite, City Attorney, as to form

PURPOSE

To recognize City employees for 10 years of service or more.

AUTHORITY

It is the practice of the City to recognize dedicated employees who have completed 10 years or more of service.

SUMMARY STATEMENT

The Mayor and City Council will recognize the following employee for her 15 years of service with the City:

- Janet Sabalausky / Public Works Department Parks Division

STANDING COMMITTEE REPORT

None

RECOMMENDED ACTION

Congratulate Ms. Sabalausky for her 15 years of service.

ATTACHMENTS

None

MAYOR'S COMMENTS

None

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

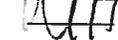
Bill No. 3

Date: JUNE 15, 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**

Bill No. CHA 4A
Date: June 15, 2010
Subject: Fuel Island Upgrade
Equipment Purchase

FROM: Cathy Rosen, Public Works Director

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

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

PURPOSE

The purpose of this agenda bill is to authorize staff to purchase the equipment necessary to upgrade the fuel island.

AUTHORITY

Per OHMC 2.320.110, the City may purchase supplies, material and equipment from surplussed supplies, material and equipment from the United States, State of Washington or other municipality and through State contract without going out to bid.

SUMMARY STATEMENT

The City's fuel island is used by every City department for their fueling needs. The current equipment is outdated and additional fuel storage is necessary to meet the City's needs in an emergency situation.

The purpose and intent of the fuel island upgrade project is to add additional fuel storage for both diesel and unleaded fuel, upgrade the monitoring and control systems and to add the required leak monitors and alarms.

These upgrades will extend the life of the fuel island, allow the City to save money with fewer delivery charges and increase our storage capacity.

Funds have been set aside in the Equipment Rental replacement fund for the last ten years to cover any repair, maintenance and upgrade costs.

Northwest Pump and Equipment Company is currently on the State Contract and is the same company that installed the existing equipment. The State Contract pricing offers a 10-25% cost savings on all materials and supplies.

Staff has reviewed the state contract requirements and found that their procedures satisfy the competitive bidding requirements under OHMC 2.320.040 for the purchase of equipment over \$30,000.00.

In review of the State Contract requirements, City staff has confirmed that the State Contract procedures are in compliance with OHMC 2.320.040 as follows:

1. **Invitation for bids:** Per the State of Washington Purchasing Manual rev. 11/1/08, an invitation for bids was made on February 20, 2008.
2. **Public notice:** Per the State of Washington Purchasing Manual rev. 11/1/08, public notice was published on the State website titled Washington's Electronic Business Solutions otherwise known as WEBS.
3. **Opened publicly:** Per the bidding invitation, the bids received from the vendors were opened, recorded and made available for public inspection on May 14, 2008.
4. **Bid evaluations:** Per the State of Washington Purchasing Manual rev. 11/1/08, the bids were evaluated per RCW 43.19 and the lowest responsible bidder was awarded.
5. **Bid award:** Per the State of Washington Purchasing Manual rev. 11/1/08, after the prospective bids were evaluated, the lowest responsible bidder was awarded the contract on June 1, 2008.

The Department of General Administration develops and administers contracts for goods and services with an estimated term value of approximately \$900 million, on behalf of state agencies, colleges, universities, select nonprofit organizations, and local governments.

Staff is proposing to utilize the State Contract #00808 in which Northwest Pump and Equipment Company is the sole provider.

STANDING COMMITTEE REPORT

The Public Works Standing Committee reviewed this item at their meeting on June 3, 2010.

RECOMMENDED ACTION

Award the bid for the purchase of the fuel island equipment per quote number djs-ohpw7229 to Northwest Pump and Equipment Company in the amount of \$133,972.32.

ATTACHMENTS

Quote number djs-ohpw7229

MAYOR'S COMMENTS



NORTHWEST PUMP and EQUIPMENT COMPANY

Northwest Pump and Equipment Co. is the West's largest distributor of tanks, piping, pumps, meters, tank monitoring systems, leak monitoring systems, car washes, truck washes and lubrication equipment. Our Service Departments and SolveOne program combine to offer field services nationwide. We are pleased to offer this quotation for the referenced project. Please contact me if you need additional information. Thank you, and good luck in your bidding.

COMPANY: Sandra Place	DATE OF QUOTATION 07/22/09	QUOTE NUMBER djs-ohpw7229
PROJECT: Oak Harbor Public Works		

QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED
FUEL STORAGE TANK			
1	TANK, 10,000 GALLON, with the following: • UL-2085 Fireguard • Double Wall Cylindrical Construction • Split 5,000/5,000 • Openings as Required • Mounted on Saddles • Factory Supplied & Installed Emergency Vents • White Polyurethane Exterior Paint • End Mounted OSHA Ladder & Platform • Freight to Jobsite • Tank Dimensions: Diameter: 103" Length: 331" Weight: 30,000 lbs.	\$ 41,200.00	\$ 41,200.00
2	3-1210 UFC AST Decal Package for Low Sulfur Diesel. Includes: product ID, combustible, no smoking/stop engine, unlawful...glass containers, hazardous materials, "don't fill tank while dispensing", and emergency shutt off sign.	\$ 111.70	\$ 223.40
FUEL STORAGE TANKS SUBTOTAL:		\$ 41,423.40	
TANK LOW FILL ASSEMBLY			
2	MORRISON 9095A-0300AV Overfill Prevention Valve 6"FNPT x 3" Male Kamlock	\$ 998.03	\$ 1,992.08
2	MORRISON 419-02001T 3"x10' Aluminum Drop Tube	\$ 57.84	\$ 115.28
2	MORRISON 248AD1-0600AV 3" D.I. Swing Check for Remote Fill	\$ 252.92	\$ 505.84
2	MORRISON 691-10001V Ball Valve, 3"	\$ 248.52	\$ 497.04
2	MORRISON 515-0300AC 15 Gallon Remote Spill Container 3" Port	\$ 677.93	\$ 1,355.88
2	PT 30V 3" Aluminum Dust Cap	\$ 18.73	\$ 37.46
2	PT 30F 3" Aluminum Male Camlock Adapter x Male NPT	\$ 18.88	\$ 37.76
TANK LOW FILL ASSEMBLY SUBTOTAL:		\$ 4,841.30	
STICK PORT			
2	MORRISON 178GSP-0100AC Gauge Stick Port Cap	\$ 25.57	\$ 51.14
2	MORRISON 419-07001T 2"x6' Aluminum Drop Tube	\$ 24.84	\$ 49.68
2	BAGBY G86 Gauge Stick, 12' x 120" Scale	\$ 15.08	\$ 30.18
STICK PORT SUBTOTAL:		\$ 130.98	
TANK MONITORING SYSTEM			
1	VEEDER-ROOT 848290-022 TLS-350 Plus Tank Monitoring Console with Printer	\$ 2,980.00	\$ 2,980.00
1	VEEDER-ROOT 329356-002 Four Input Probe Module Mounts in Low Power Comp.	\$ 505.00	\$ 505.00
2	VEEDER-ROOT 329355-001 Eight Input Sensor Module Mounts in Low Power Comp.	\$ 769.00	\$ 1,538.00
1	VEEDER-ROOT 329359-001 Four Relay Output Module	\$ 200.00	\$ 200.00
2	VEEDER-ROOT 848390-308 Level Probe, Inventory Only, for 103" Diameter Tank	\$ 988.00	\$ 1,972.00
2	VEEDER-ROOT 848400-001 Mag Plus Diesel Probe Installation Kit 5' Cable	\$ 190.00	\$ 380.00
2	VEEDER-ROOT 848390-304 Level Probe, Inventory Only, for 8" Diameter Tank	\$ 988.00	\$ 1,972.00
2	VEEDER-ROOT 848400-000 Mag Plus Gasoline Probe Installation Kit 5' Cable	\$ 190.00	\$ 380.00
3	VEEDER-ROOT 794380-420 Interstitial Sensor (Steel Tank)	\$ 290.47	\$ 871.41
11	VEEDER-ROOT 794380-208 Sump Sensors	\$ 158.00	\$ 1,738.00
1	VEEDER-ROOT 790091-001 Overfill Alarm	\$ 413.00	\$ 413.00
1	VEEDER-ROOT 790095-001 Alarm Acknowledgement Switch	\$ 250.00	\$ 250.00
1	VEEDER-ROOT Factory freight	\$ 200.00	\$ 200.00
1	OAS Overfill Alarm Sign	\$ 13.72	\$ 13.72
1	START UP & TRAINING OF VEEDER ROOT TLS	\$ 1,200.00	\$ 1,200.00
2	VEEDER-ROOT 312020-984 AST Electrical Install Kit	\$ 79.72	\$ 159.44
2	MORRISON 305XPA-0200AK 4" Probe Cap and Ring Kits	\$ 66.89	\$ 133.78
1	MORRISON 305XPA-2200AK 2" Sensor Cap and Ring Kits	\$ 58.08	\$ 58.08
TANK MONITORING SYSTEM SUBTOTAL:		\$ 14,972.43	

NORTHWEST PUMP and EQUIPMENT COMPANY

COMPANY: Sandra Place		DATE OF QUOTATION	QUOTE NUMBER
PROJECT Oak Harbor Public Works		07/22/09	dje-ohpw7229
QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED
TANK VENTING			
2	PROTECTOSEAL 673B Flame Arrestor Vent, 3"	\$ 530.97	\$ 1,061.94
		TANK VENTING SUBTOTAL:	\$ 1,061.94
TURBINE ASSEMBLY			
2	FE PETRO STPR75VL2 3/4 HP Variable. Length Sub. Pump with 7.5" Riser	\$ 1,030.85	\$ 2,061.70
2	FE PETRO STPAGR75VL1 3/4 HP Variable. Length Sub. Pump with 7.5" Riser	\$ 1,255.32	\$ 2,510.64
4	FE PETRO STP-SC Single Phase Smart Controller (One Per Submersible)	\$ 362.77	\$ 1,451.08
4	UNISOURCE FG200-MMS-18 2"X18" MXMS Fireguard SSConnector	\$ 80.43	\$ 381.72
1	MORRISON 691BSS-08001V 2" Stainless Steel Ball Valve (for bio-diesel)	\$ 158.39	\$ 158.39
3	MORRISON 691-08001V Monsoon 2" Ball Valve	\$ 65.45	\$ 196.35
1	MORRISON 710SS-22001V 2" Exp Proof Solenoid Valve, S.S. (for bio-diesel)	\$ 1,759.57	\$ 1,759.57
3	MORRISON 710-02001V 2" Exp Proof Solenoid Valve	\$ 737.88	\$ 2,213.64
		TURBINE ASSEMBLY SUBTOTAL:	\$ 10,713.09
TRANSITION SUMP ASSEMBLY			
3	APT AST-2922 APT Grade Level Transition Sump With Load Rated Composite Cover. 31" x 24" Base. 30" Deep	\$ 624.80	\$ 1,674.40
3	APT FEB-075-D 3/4"/1" Electrical Sump Penetration fitting	\$ 27.20	\$ 81.60
3	APT FEB-300-R 3" FRP Sump Penetration Fitting	\$ 36.00	\$ 108.00
3	APT FEB-175-D 2" FRP/ 1.75" XP Sump Penetration Fitting	\$ 35.20	\$ 105.60
		TRANSITION SUMP ASSEMBLY SUBTOTAL:	\$ 2,169.60
DISPENSING EQUIPMENT			
2	GASBOY 8853KXTW1DF Dispenser, Electronic Single Product, Dual Hose, with: • Gasoline Brand Panel • Pulse Output • Up to 22 GPM	\$ 4,332.89	\$ 8,665.78
2	GASBOY 8853AXTW2DF Dispenser, Electronic Dual Product, Dual Hose, with: • Diesel/Diesel Brand Panel • Pulse Output • Up to 22 GPM	\$ 5,883.73	\$ 11,967.46
1	CALIBRATION & STARTUP of Dispenser	\$ 1,000.00	\$ 1,000.00
4	GOODYEAR 532327124-01768 3/4" x 17' FlexSteel w/Fuelgrip MxM Hose	\$ 44.88	\$ 178.72
4	GOODYEAR 532327124-20869 3/4" x 8' M X M Whip Hose	\$ 9.57	\$ 38.28
4	GOODYEAR 532327132-01769 1" x 17' FlexSteel w/Fuelgrip M x M Hose	\$ 53.18	\$ 212.76
4	GOODYEAR 532327132-20869 1" x 8' Breakaway Hose	\$ 13.83	\$ 55.32
4	OPW 6100-5000 Hose Retriever for 1" x 15'-17' Hose	\$ 286.82	\$ 1,147.28
4	OPW 6100-7000 Hose Retriever for 3/4" x 15'-20' Hose	\$ 268.82	\$ 1,075.28
4	OPW 11AP-0400 Gasoline Nozzle (Black)	\$ 44.88	\$ 178.72
4	OPW 7H-0100 High Flow 1" Truck Nozzle Green	\$ 90.43	\$ 361.72
4	HUSKY 0360 3/4" Hose Swivel	\$ 18.09	\$ 72.36
4	HUSKY 0087 1" Swivel	\$ 36.17	\$ 144.68
4	HUSKY 2273 3/4" Hose Breakaway	\$ 22.34	\$ 89.36
4	HUSKY 2278 1" Re-connectable Breakaway	\$ 74.47	\$ 297.88
		DISPENSING EQUIPMENT SUBTOTAL:	\$ 25,826.60
UNDER DISPENSER EQUIPMENT			
4	APT LMM-2313T Wide Mouth Dispenser Sump for Gasboy Dispensers	\$ 336.17	\$ 1,344.68
6	APT SBK-25 Shear Valve Bracket for Above Sump	\$ 31.91	\$ 191.46
6	OPW 10BFP-5726 Double Poppet Shear Valve - Female	\$ 153.19	\$ 919.14
6	UNISOURCE FG150-MMS-18 1.5"X18" MXMS Fireguard SSConnector	\$ 86.17	\$ 517.02
6	APT DEB-150-SC Ducted Entry Boot For 1.5" DW	\$ 44.80	\$ 268.80
6	APT FEB-075-D 3/4"/1" Electrical Sump Penetration fitting	\$ 24.47	\$ 146.76
		UNDER DISPENSER EQUIPMENT SUBTOTAL:	\$ 3,436.86

From:

05/12/2010 08:34

#451 P.005/006

NORTHWEST PUMP and EQUIPMENT COMPANY

COMPANY: Sandra Place		DATE OF QUOTATION	QUOTE NUMBER
PROJECT Oak Harbor Public Works		07/22/09	dje-obpw7229
QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED
FUEL MANAGEMENT SYSTEM			
1	PETRO VEND 20-4007 FSC3000 Fuel Site Controller, with the following: <ul style="list-style-type: none"> • USB Transaction Storage • Standard Card Record Software • Downloadable Software • ARTWare Windows-Based Configuration Utility Software • Built-In 10base-T Ethernet Port • 8 Serial Communication Ports • Direct-Connect PC Cable • Petro-net Cable • Plug-In Memory Module w/Transaction Memory Level 2 (500 Transactions) & Card Memory Level 2 (2000 cards) • CD With System Documentation • Printed Installation Manual 	\$ 3,485.96	\$ 3,485.96
2	PETRO VEND 20-4004-01 PCM Two hose master installation kit for C/OPT	\$ 661.69	\$ 1,323.38
1	PETRO VEND 20-4405 PCM Two hose slave module - Connects to master PCM to control 2 additional hoses	\$ 450.93	\$ 450.93
1	PETRO VEND C/OPT Commercial/Outdoor Payment Terminal, with the following: <ul style="list-style-type: none"> • Graphics LCD Display with 4 Function Buttons • Single Magnetic Stripe Card Reader • Numeric Keypad • Thermostatically-controlled Heater • Integral Weathershield • Fiber Optic Illumination • Pedestal 	\$ 5,908.65	\$ 5,908.65
1	PETRO VEND 20-4283-14 C/OPT Proximity Card Reader	\$ 1,836.96	\$ 1,836.96
100	PETRO VEND 64-1023 Proximity Card	\$ 8.55	\$ 855.00
100	PETRO VEND 64-1020-C Card Encoding	\$ 1.85	\$ 185.00
1	PETRO VEND 20-6149 FSC3000 Phoenix Plus Software	\$ 1,832.53	\$ 1,832.53
1	PETRO VEND 20-6150-03 Factory-direct telephone training for Phoenix Plus	\$ 418.00	\$ 418.00
1	STARTUP & TRAINING of Petro Vend System	\$ 1,600.00	\$ 1,600.00
FUEL MANAGEMENT SYSTEM SUBTOTAL:		\$ 17,774.48	

NORTHWEST PUMP and EQUIPMENT COMPANY

COMPANY:	Sandra Place	DATE OF QUOTATION	07/22/09	QUOTE NUMBER	djs-ohpw7229
PROJECT	Oak Harbor Public Works	DESCRIPTION		UNIT PRICE	
QUANTITY,		DESCRIPTION		UNIT PRICE	
EXCLUSIONS					
<p>Fuel Surcharges- Many factories are now adding on fuel surcharges to cover the high cost of fuel. Currently Pomico, Pisces Sumps, LSI and Advanced Containment have implemented these charges. NWP expects many other factories to follow. Please be aware that your final bill will include any fuel surcharges charged by the manufacturers.</p>					
<p>Above specifications exclude the following (unless otherwise noted): Engineering, Plans, Scale Drawings, Sketches, Permits, Inspection, Labor to Assemble or Install, Miscellaneous Pipe Fittings and Accessories, Any Electrical Consideration, Offloading or Setting Any Equipment or Tank, Site Improvements, Guard Barriers, Any Other Items, Features, or Services Not Specifically Mentioned Above unless otherwise indicated. The excluded items, features, or services are considered "no-bid", and are responsibility of others.</p>					
<p>Submittals: All bid projects require approved, signed submittal packets before equipment can be ordered or production of the tank may begin. Any quoted lead time is based on production time required once approved submittal drawings have been received by Northwest Pump & Equipment.</p>					
<p>Equipment Only: No installation other than that stated above. Subject to engineer's approval. This quotation does not include or imply any equipment or quantities other than listed herein. Contractor to determine actual quantities required. No retainage to apply.</p>					
<p>Performance: Performance of equipment is guaranteed to be that stated by the manufacturer. Performance within a system is based upon the accuracy of the information supplied to NW Pump and Equipment Co. by the customer, contractor, or engineer. Guarantee of performance may require approval by a licensed engineer at the customer's expense.</p>					
<p>Freight FOB and Lead Time: All prices quoted are FOB Jobsite, and assume inbound standard ground freight methods. Additional inbound freight charges incurred to meet job-specific deadlines will be charged to the customer. Many factories are now adding on fuel surcharges to cover the high cost of fuel. NWP will have to pass these charges on. Please be aware that your final bill may include fuel surcharges.</p>					
<p>Outbound Freight: An outbound freight estimate is provided on page 1 of this quotation. <i>This estimate is for reference only</i>, assumes standard ground freight delivery methods, and assumes all materials shipping at one time to one location. Actual freight incurred will be billed to the customer, or a credit issued if charges are less than those quoted. Customer may request shipping freight collect on a carrier of their choice at time of order.</p>					
<p>Factory Mounted Equipment: Factory mounted equipment excludes that equipment which causes the tank to exceed standard dimensional shipping limitations, might break if shipped mounted, are not tank components, or are shipped loose per State Patrol or CHP preferences (decals).</p>					

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

Agenda Bill No. C/A 4B
Date: June 15, 2010
Subject: Noise Permit – Ft. Nugent
Highlands Owners Association

FROM: Paul Schmidt, City Administrator 

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

_____ Jim Slowik, Mayor
_____ Doug Merriman, Finance Director
U.H. Margery Hite, City Attorney, as to form

PURPOSE

The purpose of this agenda bill is to forward to City Council for review and approval a Noise Permit request received from the Ft. Nugent Highlands Owners Association for amplified sound associated with an outdoor neighborhood block party to be held on July 4th, 2010.

AUTHORIZATION:

Oak Harbor Municipal Code (OHMC) 5.50.040(3)(g) provisions relating to Special Events, requires compliance with noise ordinance regulations and laws. OHMC 6.56.030(2)(a) requires Council approval for a noise permit for sound amplification. As this event will include amplified sound, Council approval is required.

The City Council may grant a Noise Permit to deviate from the provisions of OHMC 6.56.030 if it is determined the activity and associated noise: 1) will not disregard the rights of others, or; 2) is temporary, or; 3) the activity creating the noise constitutes a program of a temporary nature for the benefit of the entire municipality or for the benefit of a charitable purpose.

SUMMARY STATEMENT:

The Ft. Nugent Highlands Owners Association has submitted a Noise Permit request for amplified sound associated with an outdoor neighborhood block party event scheduled for Sunday, July 4, 2010 from noon to 11:00 p.m.. The event will take place on the street and sidewalks of SW Stremler St. between Ft. Nugent and SW Olive Street. A traffic control plan and associated signage, barricades and cones will be provided by the Oak Harbor Streets Division. Access for emergency vehicles will be maintained at all times. The amplified sound will consist of a portable sound system for music.

The Application was reviewed by Fire, Police, and Public Works Departments. No conditions of approval for the noise permit were required.

STANDING COMMITTEE REVIEW:

Not required.

RECOMMENDED ACTION:

Grant a noise permit for amplified sound to the Ft. Nugent Highlands Owners Association.

ATTACHMENTS:

Noise Permit.

MAYOR'S COMMENTS:

CITY OF OAK HARBOR

NOISE PERMIT

Name of Organization: Ft. Nugent Highlands Owners
Association (FNHOA)

Location of Event: Street and sidewalks of SW Stremmer
St. between Ft. Nugent and SW Olive
Street – Block Party

Date of Event: July 4th, 2010

Hours of Operation: Noon to 11:00 p.m.

Permitted Noise: PA system for music.

Approval Conditions: None

Date of City Council
Approval:

Issued this day of , 2010.

Karen Crouch, Special Events Coordinator

This Noise Permit is limited to the date and time specified.

Please post this notice on site

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

Agenda Bill No. d/A 4c

Date: June 15, 2010

Subject: Noise Permit – Chamber of
Commerce – July 4th celebration

FROM: Paul Schmidt, City Administrator *PS*

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

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

PURPOSE

The purpose of this agenda bill is to forward to City Council for review and approval a Noise Permit request received from the Oak Harbor Chamber of Commerce for amplified sound associated with the upcoming July 4th celebration. This year’s parade will take place on Saturday, July 3, 2010.

AUTHORIZATION:

Oak Harbor Municipal Code (OHMC) 5.50.040(3)(g) provisions relating to Special Events, requires compliance with noise ordinance regulations and laws. OHMC 6.56.030(2)(a) requires Council approval for a noise permit for sound amplification. As this event will include amplified sound, Council approval is required.

The City Council may grant a Noise Permit to deviate from the provisions of OHMC 6.56.030 if it is determined the activity and associated noise: 1) will not disregard the rights of others, or; 2) is temporary, or; 3) the activity creating the noise constitutes a program of a temporary nature for the benefit of the entire municipality or for the benefit of a charitable purpose.

SUMMARY STATEMENT:

The Chamber of Commerce has submitted a Noise Permit request for amplified sound associated with the 4th of July celebration parade, which will take place on Saturday, July 3, 2010. The amplified sound will consist of a PA system for use for announcements during the parade.

The Application was reviewed by Fire, Police, and Public Works Departments. No conditions of approval were required for the Noise Permit.

Noise Permit – July 4th celebration
Agenda Bill - 1

STANDING COMMITTEE REVIEW:

Not required.

RECOMMENDED ACTION:

Approve the request for amplified sound by granting the noise permit.

ATTACHMENTS:

Noise Permit.

MAYOR'S COMMENTS:

Noise Permit – July 4th celebration
Agenda Bill - 2

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CITY OF OAK HARBOR

NOISE PERMIT

Name of Organization: Oak Harbor Chamber of Commerce

Location of Event: Pioneer Way – announcement stand

Date of Event: July 3, 2010

Hours of Operation: 11:00 a.m. – 1:00 p.m.

Permitted Noise: Amplified sound associated with a PA system and microphone for announcements

Approval Conditions: None

Date of City Council
Approval:

Issued this day of , 2010

Karen Crouch, Special Events Coordinator

This Noise Permit is limited to the date and time specified.

Please post this notice on site

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

Agenda Bill No. C/A 4D
Date: June 15, 2010
Subject: Noise Permit – Clear Ahead
Marine Productions – Race Week

FROM: Paul Schmidt, City Administrator 

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

_____ Jim Slowik, Mayor
_____ Doug Merriman, Finance Director
U.H. Margery Hite, City Attorney, as to form

PURPOSE

The purpose of this agenda bill is to forward to City Council for review and approval a Noise Permit request received from Clear Ahead Marine Productions for amplified sound associated with Race Week.

AUTHORIZATION:

Oak Harbor Municipal Code (OHMC) 5.50.040(3)(g) provisions relating to Special Events requires compliance with noise ordinance regulations and laws. OHMC 6.56.030(2)(a) requires Council approval for a noise permit for sound amplification. As this event will include amplified sound, Council approval is required.

The City Council may grant a Noise Permit to deviate from the provisions of OHMC 6.56.030 if it is determined the activity and associated noise: 1) will not disregard the rights of others, or; 2) is temporary, or; 3) the activity creating the noise constitutes a program of a temporary nature for the benefit of the entire municipality or for the benefit of a charitable purpose.

SUMMARY STATEMENT:

Clear Ahead Marine Productions has submitted a Noise Permit request for amplified sound associated with Race Week, which is scheduled for July 17th – 23rd, 2010. The amplified sound will consist of a sound system for a band which will be performing each night from 6:00 p.m. – 9:00 p.m. during the event.

The Application was reviewed by Fire, Police, and Public Works Departments. No conditions of approval were requested for the noise permit.

STANDING COMMITTEE REVIEW:

Not required.

RECOMMENDED ACTION:

Grant a noise permit for amplified sound to Clear Ahead Marine Productions.

ATTACHMENTS:

Noise Permit.

MAYOR'S COMMENTS:

Noise Permit – Clear Ahead Marine Productions
Agenda Bill - 2

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CITY OF OAK HARBOR

NOISE PERMIT

Name of Organization: Clear Ahead Marine Productions
Whidbey Island Race Week

Location of Event: Oak Harbor Yacht Club and
Catalina Park

Date of Event: July 17th – 23rd, 2010

Hours of Operation: 6:00 p.m. – 9:00 p.m.

Permitted Noise: Amplified sound system associated
with live band.

Approval Conditions:

Date of City Council
Approval:

Issued this day of , 2010.

Karen Crouch, Special Events Coordinator

This Noise Permit is limited to the date and time specified.

Please post this notice on site

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

Bill No. 5
Date: June 15, 2010
Subject: 2011-2012 Revenue Projections

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

PURPOSE

A presentation of the financial projections of City revenues for the 2011-2012 biennial budget period will be made, including a discussion of a 1% property tax cost of living increase for 2011.

AUTHORITY

RCW 84.55.120 Public hearing -- Taxing district's revenue sources - A taxing district, other than the state, that collects regular levies shall hold a public hearing on revenue sources for the district's following year's current expense budget. The hearing must include consideration of possible increases in property tax revenues and shall be held prior to the time the taxing district levies the taxes or makes the request to have the taxes levied. The county legislative authority, or the taxing district's governing body if the district is a city, town, or other type of district, shall hold the hearing.

SUMMARY STATEMENT

A presentation will be made of the 2011-2012 revenue projections, which are the basis for the initial financial structuring of the City's 2011-2012 biennial budget. As this presentation is for informational purpose, a detailed outline and other additional information will be provided prior to the meeting.

RECOMMENDED ACTION

- 1) Hold public hearing on revenue sources for the 2011-2012 budget biennium.

MAYOR'S COMMENTS

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

Bill No. 60
Date: June 15, 2010
Subject: Ordinance Amendment - Utility
Billing and Collection

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

PURPOSE

This agenda bill proposes to amend Chapter 3.95 for the purpose of updating City utility billing and collection procedures.

AUTHORITY

The City has authority under RCW 35A.11.020 to regulate its internal affairs and to provide for the improvement and beautification of public ways in the rendering of local social, cultural, recreational, educational, governmental, or corporate services, including operating and supplying of utilities and municipal services commonly or conveniently rendered by cities or towns.

SUMMARY STATEMENT:

The introduction of this ordinance is to update the City's utility billing and collection procedures in accordance to recent changes in State law and to simplify current notification procedures for delinquent accounts.

Some notable proposed changes include allowing property owners to designate "agents" for administering utility accounts in order to prevent confusion on who is managing a City utility account (see Section 3.95.050).

Also in Section 3.95.080 there are revised provisions that better delineate delinquency notices and provide for a seven (7) day notice with a due process hearing provided for disputes.

Finally please note a fully revised section 3.95.160 that provides for an administrative appeal beyond the Finance Director that can end with the City's Hearing Examiner.

STANDING COMMITTEE REVIEW:

This item was presented to the Public Works and Utilities Standing Committee on December 3, 2009 and January 7, 2010.

RECOMMENDED ACTION:

Introduction only, no action requested.

ATTACHMENTS:

AN ORDINANCE OF THE CITY OF OAK HARBOR AMENDING OAK HARBOR MUNICIPAL CODE CHAPTER 3.95 ENTITLED "UTILITY BILLING AND COLLECTION PROCEDURES"

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

Section One. Oak Harbor Municipal Code Chapter 3.95 entitled "Utility Billing and Collection Procedures" is hereby amended to read as follows:

**Chapter 3.95
UTILITY BILLING AND COLLECTION PROCEDURES**

Sections:

- 3.95.010 Policy and scope.
- 3.95.020 Definitions.
- ~~3.95.030 Promulgation of rules.~~
- 3.95.040 Application – Account initiation fee.
- 3.95.050 ~~Liability for account transfer to another account~~ Account to be initiated by property owner or agent.
- 3.95.060 Payments applied.
- 3.95.070 Charges – Due date.
- 3.95.080 Delinquency.
- ~~3.95.090 Due process hearings~~ Hearing prior to utility service turn-off.
- 3.95.100 Water cut-offs – Lien enforcement.
- 3.95.110 Disconnect water service – Charge – Unpaid – Payment requisite for reconnect.
- 3.95.120 Turning water on – Charges.
- 3.95.130 Utility connection charges – Waiver for low-income persons.
- 3.95.140 Security deposits for service and late fees.
- 3.95.150 Collection agency.
- ~~3.95.160 Over or under billing~~ Billing error appeals.
- 3.95.170 NSF check – Fee for collection.

3.95.010 Policy and scope.

- (1) The policy of the city is to apply standardized utility billing and collection ~~practices~~ procedures to simplify customer and administrative response to the process involved.
- (2) This chapter shall apply to the water, storm water, sewer and solid waste utilities.

3.95.020 Definitions.

- (1) "Utility" refers to any of the city of Oak Harbor utilities which include storm water utility (rates and regulations which are codified under OHMC Title 12), sewer utility (rates and

regulations which are codified in OHMC Title 14), water utility (rates and regulations which are codified under OHMC Title 13) and the solid waste utility (rates and regulations which are codified in OHMC Title 15).

- (2) "Finance director" means the chief financial officer of the city of Oak Harbor.
- (3) "Lien" is the lien for utilities authorized by state law. For the water utility, the lien statutes are RCW 35.21.290 and 35.21.300. For the solid waste utility, the lien statutes are RCW 35.21.140 and 35.21.150. For the storm water utility and sewer utility, the lien statutes are RCW 35.67.200 through 35.67.290.
- (4) "Supervisor of the Water Department" means the public works director or his or her designee.

~~**3.95.030** — **Promulgation of rules.** The finance director shall have the power to issue rules and regulations not inconsistent with the terms of this chapter in regard to the payment, collection, and remittance of the water charges, the service and general operation of the utility. A copy of such rules and regulations shall be on file and available for public examination at the utility office. Failure to comply with the rules and regulations is a violation of this title.~~

3.95.040 **Application – Account initiation fee.** Application to have utility accounts initiated shall be made during normal working hours in writing on forms directed by the finance director during normal working hours, and shall contain an agreement by the applicant to abide by and accept all of the provisions of this chapter (as amended) as conditions governing the use of the city's water system. An account initiation fee of \$25.00 shall be paid in advance by each applicant for utility service before the utility service is provided. The account initiation fee shall be nonrefundable. The account initiation fee shall only apply to new accounts and not existing accounts or transferring accounts within the city limits of Oak Harbor. ~~All service charges shall be a lien against the property served even though the service shall be contracted for by a tenant. The property owner shall be as responsible as if he had contracted for the service; provided, the property owner's responsibility will be limited by the terms and conditions under which a lien may be filed against the property unless the property owner has contracted for the service and authorized a broader lien.~~

3.95.050 ~~**Liability for account transfer to another account.**~~ **Account to be initiated by property owner or agent**

- (1) Utility accounts shall be opened by and billed to the owner of the property to which the services are rendered or to such property owner's designated agent.
- (2) A "designated agent" may be a tenant, property manager, or other person designated in writing by the property owner as the property owner's agent for all purposes related to the utility account. The Finance Director shall prescribe the requisite form to be used by property owners wishing to designate an agent pursuant to this section. All owners of property, however, shall remain ultimately and legally liable for the payment of any and all utility charges against the premises to which such utility service has been furnished or

~~is available to the maximum extent allowed by law. Additional Persons May Be Required to Be Responsible for Accounts. In addition to the person or address billed for service as shown in municipal records, the city may require any other person or address for whom or for whose benefit services are provided, or against whom enforcement action is taken under the authority of this chapter, to be responsible for payment for any municipal services, jointly and severally. With respect to any premises served or involved in an enforcement action, such persons include the respective premises' owner and occupant.~~

- ~~(2) Transfer of Payment Responsibility of Accounts. To obtain payment from any person determined responsible by the department for municipal utility service charges, the city reserves the right to transfer a payment obligation from one customer or account to another, or hold charges for payment on one or more accounts, jointly and severally, until full payment is received.~~

3.95.060 Payments applied. Payments received by the city for utility service shall be applied in the following order:

- (1) Outstanding late charges;
- (2) Solid waste charges;
- (3) Storm water utility charges;
- (4) Sanitary sewer charges;
- (5) Water charges.

3.95.070 Charges – Due date. Utility service charges shall be billed monthly or bimonthly for services provided during the previous billing period. ~~For the purpose of billing, the city is divided into two billing areas divided by Oak Harbor Street. Billing will continue on a two-month cycle. Bills shall be due upon billing and payable not later than the eighteenth of the following calendar day of the month after the date of mailing after issue, and, thereafter the utility service charges shall become delinquent, and~~ Sewer, storm water and solid waste utility charges shall bear interest at the rate of eight percent per annum, prorated monthly, and water utility charges shall bear interest at the rate of one percent per month.

3.95.080 Delinquency. If the account is not paid when due, the city shall assess a \$15.00 delinquency payment and give notice that the utility account is delinquent. In addition, the notice shall:

- (1) Set a date for water turn-off not ~~more than 21~~ less than (7) seven days after giving of notice; and
- (2) Specify that service will be shut off unless payment in full is made to the City within (7) seven days; and
- (3) Advise that a hearing may be requested by contacting the Finance Department prior to the scheduled date for water turn-off; and

- (4) Provide the address and telephone number of the Finance Department; and
- (5) Advise that an additional charge of \$10.00 will be added to the bill if water cut-off or meter removal is implemented as a charge for cutting off the water and/or meter removal; and
- (2) ~~Advise that an additional charge of \$10.00 will be added to the bill if water cut-off or meter removal is implemented as a charge for cutting off the water and/or meter removal; and~~
- (63) ~~Payment must be received by 4:30 p.m. on the date prior to cut-off in order to prevent cut-off and imposition of additional charges~~ Provide that service will not be shut off while a hearing is pending.

3.95.090 ~~Due process h~~ Hearing prior to utility service turn-off. Procedures for protest of billing or utility cut-off shall be set by the finance director. Upon customer request of the Finance Director or his/her designee, the customer shall be given the opportunity to explain why the utility service should not be turned off. Service will not be shut off while this hearing is pending. The Finance Director or his/her designee shall set the hearing date to be held within (3) three days of the customer's request for a hearing.

3.95.100 Water cut-offs – Lien enforcement.

- (1) Sewer and Storm Water Lien. As an alternative method to enforce the lien for nonpayment of sewer or storm water services or both, the city may cut off water service and refuse to provide water service to premises which were furnished water after the charges have become delinquent and unpaid; provided, that unless the lien is filed with the Island County auditor, the lien shall not be for more than six months' service.
- (2) Water Lien. As a means of enforcement, the lien for water services supplied by the city may cut off and refuse to supply water to the premises which were furnished with the water services after the charges have become delinquent and unpaid; provided, that the lien may not be for more than four months of water services.
- (3) The fee charged for turning off water shall be \$10.00 and shall be assessed by 4:30 p.m. the day before the water is turned off. ~~See OHMC 3.95.080, Delinquency.~~

3.95.110 Disconnect water service – Charge – Unpaid – Payment requisite for reconnect. If the service has been disconnected because the water, sewer or storm water bill has not been paid, the water service shall not be turned on until the charges under the applicable lien or liens have been paid.

3.95.120 Turning water on – Charges. No water from the city water supply shall be turned on for service into any premises by any person except the supervisor of the water department or his/her designee. A fee of \$15.00 shall be charged for turning water on for service. This charge shall not be assessed when turning water on for purposes of account initiation

pursuant to OHMC 3.95.040. The charge for turning on the water after 4:30 p.m. on any work day or on weekends shall be \$75.00 except for emergency responses.

3.95.130 Utility connection charges – Waiver for low-income persons. The finance director may waive connection charges for properties purchased by low-income persons from organizations exempt from tax under Section 501(c)(3) of the federal Internal Revenue Code as amended prior to July 23, 1995. Waivers of connection charges for the same class of utility service must be uniformly applied to all qualified property. Nothing in this section authorizes the impairment of a contract.

3.95.140 Security deposits for service and late fees.

- (1) Security Deposit for Continuing Service. The finance director may order a deposit as a condition of continuing or restoring any utility service where it appears, in his/her discretion, there is a risk of nonpayment or underpayment or as permitted by 11 USC Section 366 or any other applicable law. The deposit shall be a reasonable amount, but in no case less than four months' established billing.
- (2) Solid Waste Only Billing. Where premises are not served by city water or sewer service, the customer is required to tender a deposit to the utility department equal to four months of the estimated cost of the service to be provided as determined by the utility department.
- (3) Front Load Dumpster Security. The solid waste utility shall collect advance payment for container placement and up to four months of charges for rental. The city finance director may accept satisfactory securities or surety bond in lieu of cash payment. Such payment or security may be applied toward the payment of service charges whenever the same shall become due. The solid waste utility reserves the right to require additional advance payment for subsequent service that may be requested by the customer.
- (4) When a utility deposit required under this section remains unpaid for more than 30 days after giving notice of the same, the city may terminate utility service for the utility requiring deposit including turning off water so long as notice and availability of hearing is provided as per this chapter.

3.95.150 Collection agency.

- (1) The city may refer unpaid accounts for collection to a collection agency approved by the city council for which there is a contract.
- (2) Accounts referred to collection shall be only after written notice has been given to the account holder at his/her last known address by certified mail, return receipt requested, and by regular mail, postage prepaid 30 days in advance of the referral to collection.

3.95.160 ~~Over or under billing~~ Billing error appeals.

- ~~(1) Over Billing. If the finance director, upon investigation or otherwise, finds that the fee for utility charges paid by a utility customer or property owner is more than the amount required of the utility customer or property owner which made the over payment, he or she shall return the amount overpaid by a warrant or check upon the utility fund or funds receiving the over payment.~~
- (1) Time for filing. A utility account-holder objecting to any utility service charge billing may request a hearing before the City Administrator by filing a written request with the Finance Director within sixty (60) days of the first service date on the challenged billing.
- (2) Form of appeal. The request shall set forth the name, address and phone number of the person requesting the hearing; the nature of the service charges at issue, such as water, sewer, storm water or solid waste; the amount of the billing; the dates of service; and the basis for the objection.
- (3) Setting of hearing date. The City Administrator or his/her designee shall set a hearing date and time within two (2) weeks of the date of receipt of the request for a hearing, and shall advise the person requesting the hearing of the hearing date, time and location using the address and telephone information provided by the requestor.
- (4) Failure to appear. Failure of the requestor to appear for this hearing without prior notice and excuse shall constitute a waiver of the hearing.
- (5) Format of the hearing. At the hearing, the requestor shall have the opportunity to present evidence and argument in support of requestor's objections to the utility service charge billing.
- (6) Determination of City Administrator. The City Administrator shall consider the evidence and argument submitted by the requestor and make a determination on requestor's challenge in writing within ten (10) days.
- (7) Time for Appeal from City Administrator Determination. The determination of the City Administrator shall be final unless appealed within five (5) business days of the date of mailing the determination to the address provided by the requestor above.
- (8) Appeals to Hearing Examiner. Appeals from the determination of the City Administrator shall be to the Hearing Examiner. The procedures of OHMC 1.24.020 – 1.24.110 shall apply to these appeals.
- (9) Decision of Hearing Examiner Final. The decision of the Hearing Examiner shall be final unless appealed to a court of competent jurisdiction within thirty (30) days of issuance of the Hearing Examiner's decision.

(10) Amount Owing. In the event that the account-holder's appeal results in a determination that an amount is owing to the City, the amount must be paid within three days of the date of the final decision.

~~(2) Under Billing.~~ If the finance director finds that the fee or utility charges billed to a utility customer or property owner is less than required, the finance director shall send a statement to the utility customer or property owner owing the balance due, and the utility customer or property owner shall, within 30 days, pay the amount shown thereon. Amounts outstanding after the 30 days shall be charged interest at the rate of eight percent per annum, prorated monthly, until paid.

~~(3) No increase in billing or reduction of a billing for utility charges due may be made by the finance director for more than two years after the over billing or under billing:~~

~~(a) Against a utility customer or property owner who has not properly signed up for utility services as required by this chapter and/or OHMC Titles 12, 13, 14 and 15;~~

~~(b) Upon a showing of fraud or theft of services;~~

~~(c) Upon a showing of misrepresentation of a material fact by a utility customer or property owner whose property received the utility services; or~~

~~(d) Where a utility customer or property owner has executed a written waiver of such limitation.~~

3.95.170 NSF check – Fee for collection. The fee charged for a nonsufficient fund check (NSF check) shall be \$40.00, or the amount of the NSF check, whichever is less.

Section Two. 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 Three. Effective Date. This Ordinance shall be in full force and effect five days after publication.

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

APPROVED by its Mayor this ____ day of _____, 2010.

THE CITY OF OAK HARBOR

Mayor

Attest:

City Clerk

Approved as to Form:

City Attorney

Published: _____

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

Bill No. 7
Date: June 15, 2010
Subject: Pioneer Way Improvement
Funding Designation

**FROM: Cathy Rosen, Public Works Director
Eric Johnston, City Engineer**

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

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

PURPOSE

This agenda bill provides for adoption of Resolution 10-16 to designate up to \$2.0 Million of REET funds to place electrical and communication utilities underground as part of the Pioneer Way Improvement Project.

AUTHORITY

The City has authority under RCW 35A.11.020 to regulate its internal affairs and to provide for the improvement and beautification of public ways in the rendering of local social, cultural, recreational, educational, governmental, or corporate services, including operating and supplying of utilities and municipal services commonly or conveniently rendered by cities or towns.

SUMMARY STATEMENT:

On November 17, 2009, the Oak Harbor City Council approved Resolution 09-26 which designated \$6,350,000 of funding sources to construct the Pioneer Way Improvement Project, but without designating a fund source to place overhead electrical and communication utilities underground (see Exhibit A). It was further discussed at the November 17, 2009 Oak Harbor City Council meeting to defer a decision on providing additional City funding for the undergrounding of utilities if other external funding could be secured (see Exhibit B).

The estimated cost of \$2.0 million to relocate the overhead power and communication lines within the Pioneer Way Improvement Project was not included for funding consideration, but was to be addressed later.

On January 5, 2010, City Council considered potential funding sources for the additional \$2.0 Million in Pioneer Way Improvement costs associated with undergrounding of overhead utilities and authorized the Mayor to apply for Community Development Block Grant (CDBG) funding in the amount of \$1 Million for the Pioneer Way Improvement Project (see Exhibit C). The Island County Economic Development Grant program was identified as a potential additional source of funding for \$1 Million. On May 13, 2010, the City was officially notified that our CDBG application was not selected for funding (see Exhibit D).

In order complete the final design of the Pioneer Way Improvement Project, a decision regarding the undergrounding of overhead utilities is necessary. A contract with PSE is being developed and will require a funding commitment. If it is decided that undergrounding of the overhead utilities is not a priority, the already identified sources of funding for the remainder of the project are sufficient and final design and construction can proceed.

If it is decided that undergrounding of utilities is a priority, an additional funding source in the amount of \$2.0 million is needed. One possible source of funding is the remaining amount of REET funds available. Currently, the City is holding \$5,549,441 in REET funds, with \$3,500,000 of the amount previously reserved for the Pioneer Way project (Resolution No. 9-26 approved on November 17, 2009), leaving an available balance of \$2,094,441. If the undergrounding of overhead utilities is deemed necessary, staff suggests the additional commitment of \$2.0 million in REET funds to the Pioneer Way Improvement Project. Doing so will leave an estimated balance of \$94,441 (see Exhibit E).

(Please note that this choice will limit the amount of future capital projects until future years when the REET funds would be replenished.)

Therefore, in order to commit to place electrical and communication utilities underground as part of the Pioneer Way Improvement Project, City Council may adopt Resolution 10-16 which designates an additional \$2.0 Million of City REET accumulated funds for this purpose.

STANDING COMMITTEE REVIEW:

The Public Works Standing Committee reviewed this item at their meeting on June 3, 2010.

RECOMMENDED ACTION:

Adopt Resolution 10-16.

ATTACHMENTS:

- 1) Exhibit A – Resolution 09-26
- 2) Exhibit B – Minutes of November 17, 2009 City Council Meeting
- 3) Exhibit C – Resolution 10-01
- 4) Exhibit D – CDBG Letter
- 5) Exhibit E – Fund #311 & #312 Cash Balance
- 6) Exhibit F - Resolution 10-16

Exhibit A

RESOLUTION NO. 09-26

A RESOLUTION OF THE CITY OF OAK HARBOR DESIGNATING CERTAIN FUNDS FOR THE CONSTRUCTION OF THE PIONEER WAY IMPROVEMENT PROJECT

WHEREAS, the City of Oak Harbor Capital Improvement Plan of 2008-2013 specifically lists the Pioneer Way Reconstruction and Streetscape Project as a prioritized public project to be undertaken within the capital improvement plan time period and estimated cost of \$10,650,000; and

WHEREAS, the Pioneer Way Improvement Project is a capital project within the Waterfront Development Branding and Marketing Program, the implementation of which is Goal Two of the Economic Development Element of the Oak Harbor Comprehensive Plan; and

WHEREAS, the City of Oak Harbor has retained Perteet Inc., as a qualified civil engineering firm to prepare preliminary cost estimates for the construction of the Pioneer Way Improvement Project; and

WHEREAS, Perteet Inc., has indicated a preliminary cost estimate of \$5,600,000 as the base construction cost and approximately \$750,000 for project management and right-of-way acquisition costs for a total of \$6,350,000 for the Pioneer Way Improvement Project; and

WHEREAS, the cost of the Pioneer Way Improvement Project has been revised in the 2009-1014 Capital Improvement Plan to a total cost of \$6,350,000; and

WHEREAS, the City of Oak Harbor 2009-2010 Biennial Budget identified the Pioneer Way Improvement Project as a capital project to receive funding from City Real estate Excise Tax Accounts and the Island County Economic Development Fund; and

WHEREAS, in accordance with RCW 82.46.010 and 82.46.035, Real Estate Excise Taxes may be used for capital projects identified in the adopted budget for such purposes as constructing and improving city streets, sidewalks, sewers, storm sewers, and road lighting; and

WHEREAS, in accordance with RCW 82.14.370, Rural County Local Option Sales and Use Taxes may be used for public facilities listed in a city's economic development element of a comprehensive plan; and

WHEREAS, it is anticipated capital funding contributions from the City Sewer Fund #402 will be needed to pay for the cost of sewer improvements up to the amount of \$1.0 million for the Pioneer Way Improvement Project; and

WHEREAS, it is anticipated capital funding contributions from the City Storm Sewer Fund #404 will be needed to pay for the cost of storm sewer improvements up to the amount of \$650,000 for the Pioneer Way Improvement Project; and

WHEREAS, it is anticipated capital funding contributions from the City Water Fund #401 will be needed to pay for the remaining cost of water main improvements up to the amount of \$200,000 for the Pioneer Way Improvement Project; and

WHEREAS, the total amount of funds authorized by State statute and available within current budget authority for designation by the City Council for the Pioneer Way Improvement Project can equal the sum amount of \$6,350,000.

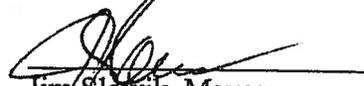
NOW, THEREFORE, BE IT RESOLVED that the City of Council of the City of Oak Harbor hereby designates funding as outlined in this resolution to be used to pay for the construction of the Pioneer Way Improvement Project.

PASSED by the City Council of the City of Oak Harbor this 17th day of November, 2009.

CITY OF OAK HARBOR

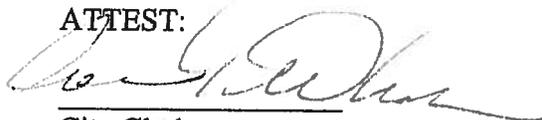
Approved
Vetoed

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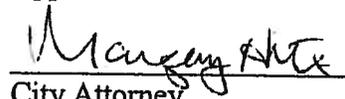

Jim Slowik, Mayor

November 18, 2009
Date

ATTEST:


City Clerk

Approved as to Form:


City Attorney

Executive Session

MOTION: Councilmember Gerber made a motion to move the executive session to the end of this meeting. The motion was seconded by Councilmember Campbell and carried unanimously.

Pioneer Way Improvements Funding Commitment

Finance Director Doug Merriman presented this agenda bill seeking adoption of a resolution to designate the basic funding sources for the Pioneer Way Improvement Project. A resolution designating funding for a specific purpose or project requires that the funds be reserved in a special accounting classification that restricts the funds from being available for appropriation for general purposes. Mr. Merriman gave a PowerPoint presentation which is attached to these minutes as Exhibit C.

Mayor Slowik called for public comments.

Fred Henninger, 580 SE Ireland. Dr. Henninger spoke with concern about the redevelopment of Pioneer Way and talked about goals and outcomes and what is being achieved with this funding. His full statement is attached to these minutes as Exhibit D.

With no other comments coming forth, Mayor Slowik closed public comments.

Council Discussion

Discussion followed about the availability of REET funds, the Utility Fund contribution and the Capital Facilities Plan, and if these funds could be used elsewhere in town. (Yes, if utility-related; the Capital Facilities Plan has earmarked funds, so a resolution would be needed to un-earmark them but another funding direction needs to part of that Capital Facilities Plan.). Discussion followed about undergrounding utilities, if remaining REET funds could be used for that purpose, and that utilities funding has to be incorporated into the City's rates per the Capital Facilities Plan. The Pioneer Way project has been planned for and was incorporated into the last biennial budget. REET funds need to also be preserved for unforeseen capital projects.

MOTION: Councilmember Palmer moved to adopt Resolution 09-26 designating certain funds for the construction of the Pioneer Way Improvement Project. The motion was seconded by Councilmember Almberg and carried unanimously.

Executive Session – Acquisition of Real Property

This item was moved to the end of the meeting through an earlier motion.

City Administrator Comments

City Administrator Paul Schmidt talked about upcoming meetings noting the Utility Rates Workshop on November 19th at 6:00 p.m., and Council's February retreat which will include long-term strategic financial planning.

Exhibit C

RESOLUTION NO. 10-01

A RESOLUTION AUTHORIZING THE MAYOR TO SUBMIT A COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION TO THE WASHINGTON STATE DEPARTMENT OF COMMERCE AND CERTIFYING COMPLIANCE WITH STATE AND FEDERAL LAWS AND SPECIFIC PROGRAM REQUIREMENTS

WHEREAS, the City of Oak Harbor is applying to the State Department of Commerce for funding assistance; and

WHEREAS, it is necessary that certain conditions be met as part of the application requirements; and

WHEREAS, The Mayor is authorized to submit this application to the State of Washington on behalf of the City of Oak Harbor.

NOW, THEREFORE, be it resolved that the City of Oak Harbor authorizes submission of this application to the State Department of Commerce to request **\$1,000,000.00 for the SE PIONEER WAY IMPROVEMENTS PROJECT**, and certifies that, if funded, it:

Will comply with applicable provisions of Title I of the Housing and Community Development Act of 1974, as amended and other applicable state and federal laws;

Has provided opportunities for citizen participation comparable to the state's requirements (those described in Section 104(a)(2)(3) of the Housing and Community Development Act of 1974, as amended); and has complied with all public hearing requirements and provided citizens, especially low- and moderate-income persons, with reasonable advance notice of and the opportunity to present their views during the assessment of community development and housing needs, during the review of available funding and eligible activities, and on the proposed activities;

Has provided technical assistance to citizens and groups representative of low- and moderate-income persons that request assistance in developing proposals;

Will provide opportunities for citizens to review and comment on proposed changes in the funded project and program performance;

Will not use assessments against properties owned and occupied by low- and moderate-income persons or charge user fees to recover the capital costs of CDBG-funded public improvements from low- and moderate-income owner-occupants;

Will establish a plan to minimize displacement as a result of activities assisted with CDBG funds; and assist persons actually displaced as a result of such activities, as provided in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended;

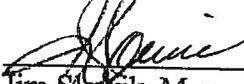
Will conduct and administer its program in conformance with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act; will affirmatively further fair housing (Title VIII of the Civil Rights Act of 1968); has adopted (or will adopt) and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights

demonstrations; and has adopted (or will adopt) and implement a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstration within its jurisdiction, in accordance with Section 104(1) of the Title I of the Housing and Community Development Act or 1974, as amended; and

The City of Oak Harbor designates Jim Slowik, Mayor of the City of Oak Harbor as the authorized Chief Administrative Official and the authorized representative to act in all official matters in connection with this application and the City of Oak Harbor's participation in the State of Washington CDBG Program.

PASSED by the City Council this 5th day of JANUARY, 2010.

CITY OF OAK HARBOR



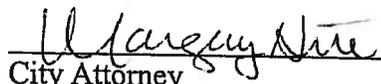
Jim Slowik, Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

Exhibit D



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

128 - 10th Avenue SW • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000

Received
5-13-10 RR

cc: Paul Schmidt
Eric Johnston
Steve Powers

May 11, 2010

The Honorable Jim Slowik
Mayor of Oak Harbor
865 SE Barrington Dr
Oak Harbor, WA 98277

Dear Mayor Slowik:

We reviewed and rated your Community Development Block Grant (CDBG) General Purpose Grant application. Unfortunately, the City of Oak Harbor's application was not selected for funding. Our 2010 grant allocation of \$14 million was not enough to cover the over \$37 million in funding requests for this year. We are only able to fund the 18 highest ranking projects out of the 53 projects submitted.

We very much appreciate the effort you invested to develop your CDBG application. We offer all unfunded applicants an opportunity to discuss our funding decisions as well as review what steps to consider for the future. If you are interested in scheduling a debriefing or if you have questions regarding the General Purpose Grant application process, please contact Lynn Kohn at (360) 725-3042 or by e-mail at lynn.kohn@commerce.wa.gov.

Sincerely,


Kaaren Roe
CDBG Program Lead

111



Exhibit E

**Actual Cash Balance
Fund #311 & #312
06-09-2010**

Fund #311: Reet I

Actual Cash: 6/9/2010	\$3,061,707
Less: Designated Cash - Designated	<u>(1,750,000)</u>
Cash-Undesignated	<u>1,311,707</u>
Suggested additional designation:	<u>(1,220,000)</u>
Remaining Balance:	<u><u>\$91,707</u></u>

Fund #312: Reet II

Cash as of 6/9/2010	\$2,532,734
Less: Designated Cash - Designated	<u>(1,750,000)</u>
Cash-Undesignated	<u>782,734</u>
Suggested additional designation:	<u>780,000</u>
Remaining Balance:	<u><u>\$2,734</u></u>

Exhibit F

RESOLUTION NO. 10-16

A RESOLUTION OF THE CITY OF OAK HARBOR DESIGNATING TWO MILLION DOLLARS OF REET I AND REET II FUNDS FOR THE CONSTRUCTION OF UNDERGROUND ELECTRICAL AND COMMUNICATION UTILITIES AS PART OF THE PIONEER WAY IMPROVEMENT PROJECT.

WHEREAS, on November 17, 2009, the Oak Harbor City Council approved Resolution 09-26 which designated \$3,500,000 of REET I and REET II funds for the Pioneer Way Improvement Project; and

WHEREAS, on November 17, 2009, the Oak Harbor City Council was also presented the need for an additional \$2.0 million if placing electrical and communication utilities underground was to be decided as part of the Pioneer Way Improvement Project; and

WHEREAS, on January 5, 2010, the Oak Harbor City Council approved Resolution 10-01 which authorized the submittal of a Washington State Department of Commerce Community Development Block Grant application in the amount of \$1.0 million for partial funding of underground electrical and communication utilities as part of the Pioneer Way Improvement Project; and

WHEREAS, on May 13, 2010, the City of Oak Harbor was notified by the Washington State Department of Commerce that the City of Oak Harbor 2010 CDBG application was not selected for funding; and

WHEREAS, in order to continue to meet the stipulated construction schedule for the Pioneer Way Improvement Project a decision must be made now to designate funding to place electrical and communication utilities underground as part of the Pioneer Way Improvement Project; and

WHEREAS, as of this date the City of Oak Harbor fund balances indicates there is available up to \$2.0 million of additional REET I and REET II funds to place electrical and communication utilities underground as part of the Pioneer Way Improvement Project that can be designated along with the original \$3.5 million that was designated earlier for a grand total of \$5.5 million of REET I & II Funds designated for the Pioneer Way Improvement Project.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Oak Harbor hereby designates up to \$2.0 million of REET I and REET II funding as outlined in this resolution to place electrical and communication utilities underground as part of the Pioneer Way Improvement Project.

PASSED and approved by the City Council this 15th day of June, 2010.

THE CITY OF OAK HARBOR

_____, Mayor

Attest:

City Clerk

Approved as to Form:

City Attorney

City of Oak Harbor
City Council Agenda Bill

Bill No. 8
Date: June 15, 2010
Subject: Chapter 1.04 OHMC - Council
Standing Committees and Related
Amendments

FROM: Margery Hite, City Attorney

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

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

PURPOSE

This ordinance amends Ch. 1.04 OHMC to formalize the rules relating to standing committees, to establish regular public meeting dates, to clarify the means for presenting council-initiated agenda items, and to allow for electronic means of public notification of agenda lists. On June 1, 2010, the council considered this ordinance and amended it orally. It was referred to staff for a final written document.

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

Four amendments to the proposed ordinance were passed by the council on June 1, 2010:

1. The title of the second standing committee was corrected to say "Governmental Services" rather than "General Government".
2. The regular date for Public Works Standing Committee meetings was corrected from "Tuesday" to "Thursday".
3. The proposed language in OHMC 1.04.020(3) was changed from:

"Every councilmember-initiated agenda item shall be stated by the initiating councilmember for the agenda in the form of a proposed final action such as a motion, resolution, or ordinance." to state instead:

"Every councilmember-initiated agenda item shall be stated by the initiating councilmember for the agenda in the form of a proposed action item such as council discussion, a motion, resolution or ordinance."

4. Section 1.04.030 (“Sale or exchange of real property”) was repealed. This ordinance proposes making it a new chapter 1.30 OHMC.

STANDING COMMITTEE REPORT

This item was discussed by the council as a whole on February 27, 2010, at the open, public council retreat. After introduction of the proposed ordinance on May 4, 2010, the item was discussed at the Governmental Services Standing Committee on May 11, 2010; the Public Safety Standing Committee on May 20, 2010; the Finance Standing Committee on May 12, 2010; and the Public Works Standing Committee on May 6, 2010.

On June 1, 2010 the council considered and amended the proposed ordinance.

RECOMMENDED ACTION

The recommended action is adoption of the attached ordinance amending Oak Harbor Municipal Code Chapter 1.04 entitled “Council Meetings”, and readopting 1.04.030 as a new Chapter 1.30 OHMC.

ATTACHMENTS

Revised Ordinance amending Chapter 1.04 of the Oak Harbor Municipal Code “Council Meetings”.

MAYOR'S COMMENTS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF OAK HARBOR AMENDING OAK HARBOR MUNICIPAL CODE CHAPTER 1.04 ENTITLED "COUNCIL MEETINGS" TO ESTABLISH STANDING COMMITTEES OF THE COUNCIL, TO SET OUT PROCEDURES FOR STANDING COMMITTEE MEETINGS, TO AMEND THE NOTICE PROVISIONS, TO PROVIDE THAT COUNCIL-INITIATED AGENDA ITEMS SHALL BE STATED IN THE FORM OF A PROPOSED ACTION ITEM, REPEALING OHMC SECTION 1.04.030 AND READOPTING IT AS CHAPTER 1.30 OHMC

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

Section One. The table of contents of Oak Harbor Municipal Code Chapter 1.04 entitled "Council Meetings", last amended by Ord. 1559 in 2009, is hereby amended to read as follows:

**CHAPTER 1.04
COUNCIL MEETINGS**

Sections:

- 1.04.010 Time and place of full council meetings.
- 1.04.015 Standing Committees.
- 1.04.020 Public notice for full council agenda - Introduction of action.
- ~~1.04.030 Sale or exchange of real property.~~

Section Two. Oak Harbor Municipal Code Section 1.04.010 last amended by Ord. 1559 §1 in 2009 is hereby amended to read as follows:

1.04.010 Time and place of full council meetings.

- (1) The full council of the city of Oak Harbor shall meet on the first Tuesday of each month. There shall be a second regular full council meeting each month, except in the months of July and August, on the second Tuesday following the first monthly council meeting.
- (2) If the date of any of the full council meetings above scheduled falls on an official holiday, as set forth in the statutes of the state of Washington, or on a day on which a general election or a primary for a general election is to be conducted or on National Night Out, the regular full council meeting shall be held at the same time on the following day.
- (3) Regular full council meetings will be held at City Hall in the city of Oak Harbor and shall start at 6:00 p.m.

Section Three. A new section 1.04.015 entitled "Standing Committees" is hereby added to Ch. 1.04 OHMC to read as follows:

1.04.015 Standing Committees.

- (1) To facilitate the legislative functions of the city council, there shall be four standing committees of the Oak Harbor City Council:
 - (a) Finance;
 - (b) ~~General Government~~Governmental Services;
 - (c) Public Safety; and
 - (d) Public Works.
- (2) Each standing committee shall meet in a regular open public meeting of the city council pursuant to the Open Public Meetings Act. The standing committees shall meet on the following dates and times and at the following locations:
 - (a) Finance -- On the second Wednesday of the month at City Hall at 3:30 p.m.;
 - (b) ~~General Government~~Governmental Services -- On the second Tuesday of the month at City Hall at 8:00 a.m.;
 - (c) Public Safety -- On the third Thursday of the month at the Fire Department at 7:00 a.m.; and
 - (d) Public Works -- On the first ~~Tuesday~~Thursday of the month at the Public Works Department at 7:00 a.m.
- (3) 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.
- (4) Any city councilmember may attend any standing committee meeting and there shall be no quorum requirement for standing committee meetings.
- (5) Councilmembers assigned to standing committees are requested but not required to attend standing committee meetings. All councilmember absences from standing committee meetings are excused.
- (6) The purpose of the standing committees is to receive information for educational purposes or for preparation of matters to come before the city council. No final action shall be taken at a standing committee meeting
- (7) 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.

(8) The committee chair may cancel a standing committee meeting at any time. In the event that a regular meeting of a standing committee is cancelled, cancellation shall be posted on the door of the location set by this section prior to the regular time of the meeting.

Section Four. Oak Harbor Municipal Code Section 1.04.020, last amended by Ord. 1115 §1 in 1997 is hereby amended to read as follows:

1.04.020 Public notice for full council agenda – Introduction of action.

(1) It is directed that:

- (a) The list of agenda items with abbreviated descriptions shall be completed and available by Thursday at 12:00 noon the week preceding a regular full council meeting. Additionally, this list shall be mailed by U.S. mail or electronic mail or faxed to newspapers, radio stations and television stations which request notice of public meetings. ~~In addition, the list shall be published in the city's official newspaper at least five days before the council meeting.~~
- (b) The full agenda shall be available by noon on the Thursday before a regular full council meeting.

Nothing in this subsection shall be construed as requiring that only the items identified on the lists described in this subsection may be heard at the full council meeting or that agenda items cannot be deleted from the list. Thus, for example, but not as limitation, emergency matters, parade permit applications, amendments to the budget, and approval of contracts may be added to the agenda after preparation of the agenda is complete.

- (2) An ordinance other than an emergency ordinance, budget amendment, moratorium ordinance or ordinance to be passed after a public hearing shall be introduced at least one full council meeting prior to the one it is considered for passage. After introduction and consideration, the ordinance shall then be continued to a scheduled subsequent full council meeting for additional consideration and for action such as passage, rejection or continuance to another hearing date.

The ordinance may be amended at any time prior to passage including at the time of introduction before the council. Amendment of a proposed ordinance shall not mandate delay of passage of the ordinance.

- (3) Matters introduced by a councilmember which are seconded by another councilmember and not on the agenda shall be set over to another full council meeting for consideration and action, if any. Every councilmember-initiated agenda item shall be stated by the initiating councilmember for the agenda in the form of a proposed ~~final~~ action item such as council discussion, a motion, resolution or ordinance. As an exception to the provision of this subsection, the following matters after motion and second may be considered and acted upon during the same meeting they are introduced:

- (a) Matters declared an emergency;
- (b) Directions to staff to prepare documents or reports or both for consideration; or
- (c) Scheduling of meetings.

Section Five. Oak Harbor Municipal Code Section 1.04.030, adopted by Ordinance 1110 §1 in 1997, is hereby repealed.

~~**1.04.030 — Sale or exchange of real property.**~~

- ~~(1) No real property of the city shall be sold, released, leased, demised, traded, exchanged or otherwise disposed of unless the same is authorized by the city council after public hearing. Notice of such public hearing shall be given by publication of the notice in the city's official newspaper at least 10 days prior to the hearing. Developed city park property shall not be disposed of in any manner without citizen approval in an election.~~
- ~~(2) The preferred timing for such a hearing is before the property is listed for sale, release, lease, demise, trade, exchange or other disposition. It is, however, recognized that this may not be possible especially in the case where there is litigation pending on the property in question.~~
- ~~(3) A SEPA analysis shall be done on such proposed action and available for public review at least 10 days prior to the hearing.~~
- ~~(4) The mayor shall forward to the city council a report on alternatives to the proposed action with the agenda.~~
- ~~(5) Nothing herein shall be construed as preventing the city from holding an executive session in accordance with Chapter 42.17 RCW as now in effect or hereafter amended.~~
- ~~(6) This section shall not apply to rental of property on a month to month basis or the rental of space at the marina done in the normal course of business for storage.~~

Section Six. A new Chapter 1.30 entitled "Sale or Exchange of Real Property" is hereby added to the Oak Harbor Municipal Code to read as follows:

CHAPTER 1.30

SALE OR EXCHANGE OF REAL PROPERTY

Sections:

1.30.010 Requirements for sale or other disposition of City real property.

1.30.010 Requirements for sale or other disposition of City real property.

- (1) No real property of the city shall be sold, released, leased, demised, traded, exchanged or otherwise disposed of unless the same is authorized by the city council after public hearing. Notice of such public hearing shall be given by publication of the notice in the city's official newspaper at least ten (10) days prior to the hearing. Developed city park property shall not be disposed of in any manner without citizen approval in an election.
- (2) The preferred timing for such a hearing is before the property is listed for sale, release, lease, demise, trade, exchange or other disposition. It is, however, recognized that this may not be possible especially in the case where there is litigation pending on the property in question.
- (3) A SEPA analysis shall be done on such proposed action and available for public review at least ten (10) days prior to the hearing.
- (4) The mayor shall forward to the city council a report on alternatives to the proposed action with the agenda.
- (5) Nothing herein shall be construed as preventing the city from holding an executive session in accordance with Chapter 42.17 RCW as now in effect or hereafter amended.
- (6) This section shall not apply to rental of property on a month-to-month basis or the rental of space at the marina done in the normal course of business for storage.

Section Seven. 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 Eight. Effective Date. This Ordinance shall be in full force and effect five days after publication.

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

APPROVED by its Mayor this ____ day of _____, 2010.

THE CITY OF OAK HARBOR

Attest:

Mayor

City Clerk

Approved as to Form:

City Attorney

Published: _____

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procedures - standing committees ord#4 (revised).doc

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

Bill No. 9
Date: June 15, 2010
Subject: Jail Services Contract

FROM: Rick Wallace, Chief of Police 

**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 is a proposed Interlocal Agreement for Jail Services between the City of Oak Harbor and the City of Anacortes for the purpose of providing occasional Oak Harbor City Jail services for the City of Anacortes.

AUTHORITY:

OHMC 2.390.010 Council approval.

Unless otherwise authorized or directed by law, ordinance or council resolution (for example, responding to an emergency), all contracts over \$30,000 require council approval. (Ord. 1470 § 8, 2006).

OHMC 2.310.050 Professional service contracts.

Contracts for professional services, including contracts for legal and consulting services, are not subject to the bidding requirements of Chapters 2.310 through 2.390 OHMC. The mayor or his/her designee shall promulgate procedures and standards for the approval of such contracts. Contracts for architectural and engineering services shall be awarded in accordance with Chapter 2.350 OHMC and Chapter 39.80 RCW. For purposes of this section, "professional services" are those services involving skill, education and special knowledge and where the work is predominately mental and intellectual, rather than physical and mechanical. The mayor shall establish guidelines and procedures for obtaining professional services. Professional service contracts in excess of \$30,000 shall require approval by the city council. Contracts for professional services under \$30,000 shall be reviewed by the finance director or the city attorney prior to signing to assure compliance with the Oak Harbor biannual budget, provisions of Chapter 2.390 OHMC and purchasing.

Jail Services Contract
June 15, 2010

DESCRIPTION:

Within the last few months the police department was approached by the Police Chief for the City of Anacortes and several other law enforcement agencies in the region, inquiring if the Oak Harbor City Jail had the ability to take in prisoners, sentenced and pre-sentenced, for short periods of time. An analysis of the daily population of the jail determined that we have the capability to take in several prisoners, on a daily basis, without compromising the operations of the jail.

The attached interlocal agreement for jail services was prepared and has been approved by the Police Chief, the City Attorney and the Mayor from the City of Anacortes.

Highlights of the proposed contract are:

- The Oak Harbor City Jail is not guaranteeing cell space. It is space available only.
- The City of Anacortes is responsible for transportation to and from the Jail.
- The City of Anacortes is responsible for medical expenses for their prisoners.
- The fee is \$65.00 per prisoner per day.

RECOMMENDATION

Approve and authorize the Mayor to sign the Interlocal Agreement for Jail Services between the City of Anacortes and the Oak Harbor City Jail.

ATTACHMENTS

- 1) Proposed Jail Services Contract

MAYOR'S COMMENTS:

INTERLOCAL AGREEMENT
FOR JAIL SERVICES

THIS INTERLOCAL AGREEMENT FOR JAIL SERVICES (hereinafter "Agreement") is made and entered into by and between the CITY OF OAK HARBOR (HEREINAFTER "Oak Harbor"), and the CITY OF ANACORTES (hereinafter "Anacortes").

WHEREAS, Chapters 39.34 and 70.48 RCW authorize cities to enter into contracts for jail services that specify the responsibilities of each party; and

WHEREAS, Oak Harbor has a jail facility, and Anacortes desires to enter into this agreement to utilize Oak Harbor's jail facility and the terms and conditions of this agreement;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and promises contained herein, Oak Harbor and Anacortes mutually agree as follows:

1. **DEFINITIONS.** Unless the context clearly shows another usage is intended, the following terms shall have the following meanings in this agreement:
 - a. Oak Harbor Jail means a place owned and operated by Oak Harbor primarily designed, staffed and used for the housing of adults charged with a criminal offense, for the punishment and correction of offenders after conviction of a criminal offense, or for confinement and/or holding during a criminal investigation, or a civil detention to enforce a court order. As of the date of the execution of this agreement, this jail is located at 865 SE Barrington Dr., Oak Harbor, WA 98277
 - b. Anacortes prisoner means a person arrested by Anacortes Police and held and confined in the Oak Harbor Jail (post-trial) pursuant to a violation of an Anacortes ordinance, or a violation of State law which designates the crime for which the person is held to be a misdemeanor or gross misdemeanor. The term Anacortes prisoner shall not include a person arrested for a felony offense by Anacortes Police, a person arrested on a warrant issued by another jurisdiction or for charges initiated by a non-Anacortes Police Officer, or a person charged by the County Prosecutor with a felony or an attempt to commit a felony, even if there is a plea to, or a conviction of a lesser offense. An Anacortes prisoner shall not include juveniles.

2. JAIL AND HEALTH SERVICES.

- a. For prisoners accepted under this Agreement, Oak Harbor shall accept Anacortes' prisoners and furnish jail facilities, booking, custodial services, and personnel for the confinement of Anacortes prisoners equal to those Oak Harbor provides for the confinement of its own prisoners. Medical costs for emergency health care for Anacortes prisoners shall be the responsibility of Anacortes. In the event an inmate is transported to the hospital, the hospital shall be directed to bill Anacortes directly. Oak Harbor shall notify Anacortes prior to outside medical care being provided for an Anacortes prisoner; provided, however, that when emergency medical care is required in life-threatening circumstances, the notification may occur as soon as practicable, which may be after emergency medical care has been provided.

3. ACCEPTANCE OF PRISONERS.

- a. Anacortes understands that Oak Harbor will accept prisoners on a nonexclusive basis under this Agreement. The acceptance of prisoners is subject to space being available. Oak Harbor reserves the right to reserve space in the jail for its anticipated prisoner needs and may require the removal of Anacortes prisoners to accommodate Oak Harbor prisoners.
- b. Prisoners may not be continuously incarcerated in the Oak Harbor Jail longer than thirty (30) days or contrary to any Federal or State statutes or regulations or constitutional requirements for the Oak Harbor Jail.
- c. Anacortes agrees that if any Anacortes prisoner is deemed out of control and dangerous by the personnel at the Oak Harbor Jail, on eight (8) hours' notice from Oak Harbor to Anacortes, Anacortes shall make arrangements to remove and transport to another facility. Oak Harbor may also refuse to book any persons who are suspected to be an extreme danger to themselves or to other inmates.

4. RATE AND PAYMENT. Anacortes shall pay Oak Harbor at a rate per prisoner on a 24-hour basis (or portion of 24 hours) set out in **Schedule A** attached hereto. Said rates shall be adjusted, from time to time, by mutual agreement in advance of the renewal of any term of this agreement as provided in Section 6.

- a. Payment shall be made promptly, by Anacortes to Oak Harbor, within thirty (30) days after a monthly statement is submitted by Oak Harbor to Anacortes.
- b. Each party may examine the other's books and records to verify charges. If an examination reveals an improper charge, an adjustment shall be applied to the next month's statement, or if the agreement has terminated, by an appropriate payment from one to the other. The parties agree to meet at least once each year to examine and verify charges for the previous year. The parties shall enter into a

written agreement verifying and reconciling charges, for the previous year, and closing the books on an annual basis.

- c. Should the prisoner be sentenced to pay a portion of the daily rate, that amount will be collected by the City of Anacortes.

5. DELIVERY OF OFFENDERS.

- a. Anacortes shall provide or arrange for transportation of its prisoners to and from the Facility except when the transportation is determined by Oak Harbor staff to be necessary to secure emergency medical evaluation or treatment, or when transportation is required to support the orderly operation of the Jail.
- b. Oak Harbor shall not provide transportation, except in extraordinary situations when Oak Harbor and Anacortes mutually agree transportation should be provided by Oak Harbor rather than by Anacortes.
- c. Transport with Costs. For any transports by Oak Harbor required by court order or made at Anacortes' request, Anacortes shall reimburse Oak Harbor for all costs associated with such transport.
- d. Contract Agency Transport. Anacortes shall provide at least twenty-four (24) hours written notice to Oak Harbor prior to transporting a prisoner from the Oak Harbor Jail. Anacortes shall be responsible for retaking custody of a prisoner at the Oak Harbor Jail for transporting the prisoner.

6. RETURN OF OFFENDERS.

- a. Return of Offenders to Anacortes. Anacortes may demand that its Offenders be returned to its custody at any time. These transfers will be at Anacortes' expense if made by other than Oak Harbor's regularly-scheduled trips to the scheduled location.
- b. As soon as practical but not later than seven (7) days after receiving a request from Oak Harbor to return an Offender, Anacortes will accept custody of any Offender whom Oak Harbor requests to be returned to Anacortes' custody. Oak Harbor shall be responsible for transportation of the Offender to the nearest suitable location as designated by Anacortes in this event.
- c. Should an Offender be returned to Anacortes as a result of any action by Anacortes or by a court of competent jurisdiction that prevents the Offender's confinement at Oak Harbor's Facility, Anacortes shall bear the cost, if made by other than Oak Harbor's regularly-scheduled trips to the scheduled location. Anacortes shall accept custody immediately, under such circumstances.

- d. An Offender who completes his sentence, is released by a court order, or is placed on probation or parole may be released directly from Oak Harbor's Facility. Approximately one (1) week before release, Oak Harbor shall complete a "Wants and Warrants" check on the Offender and shall notify Anacortes and the interested jurisdiction if there are any wants or warrants found.
7. **TRANSPORTATION AND SECURITY.** Anacortes shall provide transportation and security for Offenders being transported to and from court appearances unless other arrangements are made with Oak Harbor.
- Anacortes shall reimburse Oak Harbor for the cost of any such transportation and security at an hourly rate of Twenty Eight Dollars and Eighty-two Cents (\$28.82) and for time and a half at Forty-three Dollars and Twenty-three Cents (\$43.23) as the federal mileage rate is hereafter amended.
8. **DURATION.** The initial term of this agreement shall commence upon execution by both parties and shall expire on December 31, 2010. Anacortes shall have an option to renew this agreement for a three-year term commencing on January 1, 2011, and ending on December 31, 2014.
9. **RECORD KEEPING (BOOKING).** Oak Harbor agrees to maintain a system of record keeping relative to the booking and confinement of each Anacortes prisoner in such style and manner as equivalent to Oak Harbor's records pertaining to its own prisoners. Such records shall include, but not be limited to, the following information: defendant's name, charge, booking date, and release date. Along with monthly billing statements, Oak Harbor shall submit to Anacortes, or its authorized representatives, copies of said records.
10. **BOOKING PROCEDURE.** Prisoners will be booked by Oak Harbor according to procedures and policies of Oak Harbor, by completing for each such prisoner, an appropriate booking sheet with a copy to be provided to Anacortes, if requested. Personal property will be held by Oak Harbor in the same manner as for its own prisoners.
11. **RELEASE OF ANACORTES PRISONERS FROM OAK HARBOR JAIL.** No Anacortes prisoner confined in the Oak Harbor Jail subject to this Agreement shall be released except:
- a. In compliance with orders of the court in those matters in which the courts have jurisdiction;
 - b. If the prisoner has served his or her sentence;
 - c. As determined by the Oak Harbor Chief of Police, or his designee, as part of a plan to reduce prisoner population as a result of facility overcrowding; PROVIDED, however, Anacortes prisoners shall be released or relocated to the Skagit County Jail on a "first in first out" basis.

d. Where in the discretion of the Jail Supervisor or the Special Operations Lieutenant such release is warranted, Oak Harbor shall notify Anacortes Police of such event, as soon as possible.

12. **ACCESS TO ANACORTES PRISONERS.** All Anacortes police officers, investigators, interpreters, mental health professionals, the Prosecuting Attorney and the prisoner's counselor, or assigned counsel, shall have the right to interview the prisoner inside the confines of the Oak Harbor Jail, subject only to necessary security rules. Interview rooms will be made available to Anacortes Police and others, in equal priority, with those made available for Oak Harbor prisoners.

13. **OPERATION OF JAIL.** Oak Harbor agrees to operate the jail to current professional standards and practices in accordance with all State and Federal standards, whether set by constitution, statute or regulation. Anacortes shall receive equal treatment to that supplied to Oak Harbor's own prisoners.

14. **INDEMNIFICATION.**

a. Except as otherwise provided in 11(c), Anacortes agrees to defend, indemnify and hold harmless Oak Harbor and its elected officials, officers, agents and employees, or any of them, from any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever by reason of or arising out of any act of omission of Anacortes, its elected officials, officers, agents and employees, or any of them in arresting, detaining, charging or transporting prisoners. In the event that any suit based upon such a claim, action, loss or damage is brought against Oak Harbor, Anacortes shall defend the same at its sole cost and expense; provided, that Oak Harbor retains the right to participate in said suit, if any principle of governmental or public law is involved; and if a final judgment is rendered against Oak Harbor, its elected officials, officers, agents, employees or any of them or jointly against Oak Harbor and Anacortes and their respective elected officials, officers, agents and employees or any of them, Anacortes shall satisfy and discharge the same.

b. Except as otherwise provided in 11(c), Oak Harbor shall defend, indemnify and hold harmless Anacortes and its elected officials, officers, agents and employees, or any of them, from any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever by reason of or arising out of any act or omission of Oak Harbor, its elected officials, officers, agents and employees, or any of them in confining or releasing persons who have been presented to and accepted by the Oak Harbor Jail by Anacortes, its elected officials, officers, agents and employees while said persons are in the jail or in the custody of Oak Harbor outside the jail, except to the extent said claim, action, loss or damage is the result of the negligence of Anacortes. In the event that any suit based upon such a claim, action, loss or damage is brought against Anacortes, Oak Harbor shall defend the same at its sole cost and expense, provided that Anacortes retains the right to participate in said suit if any principle of

governmental or public law is involved, and if a final judgment is rendered against Anacortes, its elected officials, officers, agents and employees or any of them, or jointly against Anacortes and Oak Harbor and their respective elected officials, officers, agents and employees or any of them, Oak Harbor shall satisfy and discharge the same.

- c. In the event of the concurrent negligence of the parties, each party shall be responsible for payment of any claim or judgment in proportion to the percentage fault attributed to that party.
 - d. The indemnities provided for in this paragraph 11 shall apply to all legal costs and attorneys' fees incurred by the party indemnified. In any action to enforce the indemnities provided for in this paragraph, the prevailing party shall be entitled to recovery of costs and attorneys' fees for the enforcement of these indemnities.
15. **INSURANCE.** At the date of entering into this agreement, Anacortes and Oak Harbor are each members of the Washington Cities Insurance Authority (WCIA). So long as each city is a member of the WCIA, it agrees to abide by the WCIA compact and all other applicable rules, regulations and requirements that are necessary to keep each city as a member in good standing. In the event either party to this agreement ceases to be a member of WCIA, the parties shall renegotiate the insurance provisions of this agreement with the intent being the provision of insurance which adequately covers the nature of the risks associated with each party's responsibilities under this agreement.
16. **TERMINATION OF AGREEMENT.** Anacortes shall provide written notice of its intent to terminate this agreement without cause not less than 180 days prior to expiration of this agreement. Oak Harbor shall provide written notice of its intent to terminate this agreement not less than one hundred eight (180) days prior to expiration of this agreement (or any renewal thereof). In the event of termination of this agreement (or any extension thereof), the parties will work cooperatively to ensure the orderly transition of defendants from Oak Harbor Jail to the new facility.
17. **DISPUTE RESOLUTION.**
- a. The Police Chiefs, for each city and appropriate staff, shall meet annually to discuss any pending issues and to resolve disputes, if any.
 - b. It is the parties' intent to resolve any disputes relating to the interpretation or application of this agreement informally through discussions at the staff level as described in paragraph 14(a) above. In the event disputes cannot be resolved informally, resolution shall be sought by the City Administrators. If the City Administrators reach no resolution within thirty (30) days, the parties agree to submit the dispute to nonbinding mediation/dispute resolution.
18. **WAIVER.** No waiver of any right under this Agreement shall be effective unless made, in writing, by the authorized representative of the party to be bound thereby. Failure to

insist upon full performance on any one or several occasions does not constitute consent to or waiver of any later nonperformance.

19. **ASSIGNMENT.** Neither this Agreement nor any interest herein or claim hereunder shall be assigned or transferred, in whole or in part, by either Oak Harbor or Anacortes to any other person or entity without the prior written consent of the other party. In the event that such prior written consent to an assignment is granted, the assignee shall assume all duties, obligations and liabilities of its assignor stated in this Agreement.
20. **INDEPENDENT CONTRACTOR.** Each party to this agreement is an independent contractor with respect to the subject matter herein. Nothing in this Agreement shall make any employee of Oak Harbor an employee of Anacortes, and vice versa, for any purpose, including, but not limited to, for withholding of taxes, payment of benefits, worker's compensation pursuant to Title 51 RCW, or any other rights or privileges according to either city's employee by virtue of their employment. At all times pertinent hereto, employees of Oak Harbor are acting as Oak Harbor employees and employees of Anacortes are acting as Anacortes employees.
21. **PARTIAL INVALIDITY.** Whenever possible, each provision of this agreement shall be interpreted in such a manner as to be effective and valid under applicable law. Any provisions of this agreement which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provisions hereof, and such other provisions shall remain in full force and effect.
22. **ASSIGNABILITY.** The rights, duties and obligations of either party to this Agreement may not be assigned to any third party without the prior written consent of the other party, which consent shall not be unreasonably withheld.
23. **NO THIRD-PARTY RIGHTS.** Except as expressly provided herein, nothing in this Agreement shall be construed to permit anyone other than the parties hereto and their successors and assigns to rely upon the covenants and agreements herein contained nor to give any such third party a cause of action (as a third-party beneficiary or otherwise) on account of any nonperformance hereunder.
24. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or bind any of the parties hereto. Either party may request changes in the Agreement. Proposed changes that are mutually agreed upon shall be incorporated by written amendment hereto.
25. **SEVERABILITY.** If any portion of this Agreement is changed per mutual agreement, or any portion is held invalid, the remainder of the Agreement shall remain in full force and effect.
26. **INTEGRATION.** This written Agreement constitutes the complete and final agreement between Oak Harbor and Anacortes. There are no other oral or written agreements between the parties as to the subjects covered by this Agreement. No changes or additions to this Agreement

shall be valid or binding upon either party unless such change or addition be in writing and executed by both parties.

27. **NOTICES AND ADMINISTRATOR.** Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand delivered to the parties at their addresses as follows:

TO CITY OF ANACORTES:

City Finance Director
P.O. Box 547
Anacortes, WA 98221-0547

TO CITY OF OAK HARBOR:

City Finance Director
865 SE Barrington Dr.
Oak Harbor, WA 98277

The Oak Harbor Chief of Police shall serve as Oak Harbor's Administrator or responsible official, for this Agreement. The Chief of Police, for Anacortes, shall serve as Anacortes' Administrator or responsible official, for this Agreement.

28. **GOVERNING LAW.** This Agreement shall be governed by the construed in accordance with the laws of the State of Washington as they now read or are hereafter amended.
29. **APPROVAL AND FILING.** Each party shall approve this Agreement by resolution, ordinance or otherwise pursuant to the laws of the governing body of said party. The attested signature of the officials identified below shall constitute a presumption that such approval was properly obtained. A copy of this Agreement shall be filed with the Skagit County Auditor's office pursuant to RCW 39.34.040.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this ____ day of _____ 2010.

CITY OF ANACORTES

By: H. Dean Maxwell
H. Dean Maxwell, Mayor

Date: 3/23/10

CITY OF OAK HARBOR

By: _____
Jim Slowik, Mayor

Date: _____

APPROVED as to form:


Bradford E. Furlong #12924
City Attorney

Date: March 23, 2010

APPROVED as to form:

Margery Hite, #8450
City Attorney

Date: _____

CITY COUNCIL
OAK HARBOR, WASHINGTON

Danny Paggao, Mayor Pro Tem Date

Rick Alberg, Councilmember Date

James Campbell, Councilmember Date

Beth Munns, Councilmember Date

Bob Severns, Councilmember Date

Jim Palmer, Councilmember Date

Scott Dudley, Councilmember Date

ATTEST:

Date

SCHEDULE A

Daily maintenance fee:

01/01/10 – 12/31/10 \$65.00

01/01/11 – 01/01/14 \$68.00

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

Bill No. 10
Date: June 15, 2010
Subject: Fairway Point Division 4
Final Plat

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
MH Margery Hite, City Attorney, as to form

PURPOSE

This agenda bill presents the final plat for Fairway Point Division 4 for City Council consideration.

AUTHORITY

Subdivision in Washington State is a matter of state concern and is regulated by RCW 58.17. Final approval or disapproval of subdivision is determined by the provisions of RCW 58.17.110 through RCW 58.17.170. OHMC 21.40.050 requires the City Council to consider the final plat at a public meeting upon receipt of a recommendation of the Development Services Director.

SUMMARY STATEMENT

This agenda bill presents the Fairway Point Division 4 Final Plat consisting of 40 lots located on the north side of SW Fort Nugent Avenue, west of the Highland Park subdivision (Please see Attachment A). The project was approved under the Planned Residential Development provisions of the Oak Harbor Municipal Code (Chapter 19.31).

Project Information

Developer: Landed Gentry Development
Location: 1464 SW Ft. Nugent Avenue, Oak Harbor, WA 98277.
Parcel Number: R13204-152-1801
Zoning: R-1 Single-Family Residential
Comprehensive Plan Designation: Low Density Residential
Site Area: 8.4 gross acres
Units: 40 single-family residential lots
Density: 4.76 dwelling units per acre
Open space provided: 0.84 acres

Background

On June 19, 2007 the City Council approved the Preliminary Plat and Preliminary and Final Planned Residential Development (PRD) plans for Fairway Point Division 4, a single family subdivision located west of the Highland Park subdivision along SW Fort Nugent Avenue. Please see Attachment B for a copy of the City Council motion and approval of the PRD and Attachment C for the ordinance approving the preliminary plat. This development is a continuation of the previously approved Fairway Point PRD for Divisions 1-3. The plat consists of 40 single family residential lots on 8.4 acres with lot sizes ranging from approximately 5,501 square feet to approximately 7,137 square feet. This PRD is similar in character to the approved PRD for Fairway Point (Divisions 1-3), as the project reflects similar lot sizes, scale, architectural design and incorporated access to adjoining phases.

The primary street access for the preliminary plat is from SW Ft. Nugent Avenue. The plat is connected to SW Fort Nugent Avenue via the new public street named SW Downfield Way. This new street provides connections to Fairway Point Division 2 via SW Berwick Drive and to the Highland Park PRD via SW 18th Avenue.

Fairway Point Division 4 received a Certificate of Transportation Concurrency in 2007. Proponents are required to pay the transportation mitigation fee of \$907 with the issuance of a building permit for each lot. The developer will also pay the required neighborhood and community park impact fees for each lot. As per the Annexation agreement, the developer will pay \$200 per residential unit to contribute to the development of a fire protection station in the area.

Preliminary Plat Requirements

The Planning Commission's Findings of Fact, Conclusions of Law and Record of Decision (adopted by reference by the City Council through Ordinance No. 1506) for Fairway Point Division 4 PRD and Preliminary Plat included several conditions of approval (Attachment D). These conditions of approval required onsite and offsite infrastructure improvements, the payment of appropriate impact and system development fees and compliance with applicable annexation agreement conditions. The issuance of a SEPA Determination of Non-significance (Exhibit E) is referenced in the Findings of Fact.

Developer's Reimbursement Agreement

A Developer's Reimbursement Agreement, otherwise known as a Latecomer's Agreement for a 12 inch oversized water line was approved by City Council on January 19, 2010.

Discussion

The Oak Harbor Municipal Code provides for final plat approval as a Type VI review process with the City Council responsible for making a final decision. The review standard for final plat approval requires that:

1. The plat must meet all the requirements of RCW 58.17 and;
2. The plat must meet the technical specifications of a final plat per OHMC 21.40.

The submitted final plat's consistency with these requirements is listed below:

The plat must meet all the requirements of RCW 58.17

The provisions of RCW 58.17 cover both the preliminary and final plat approval process. RCW 58.17.110 lists factors to be considered when approving or disapproving a subdivision. Specifically, RCW 58.17.110(2) states a proposed subdivision and dedication shall not be approved unless the city legislative body makes written findings that appropriate provisions are made for the public health, safety and welfare and the public use and interest will be served by the platting of such subdivision and dedication. Through the adoption of Ordinance No. 1506 the City Council adopted the Planning Commission's Findings of Fact which included the necessary findings listed above.

RCW 58.17.150 requires that each preliminary plat submitted for final approval shall be accompanied by the following agencies' recommendations for approval or disapproval:

1. Local health department or other agency furnishing sewage disposal and supplying water as to the adequacy of the proposed means of sewage disposal and water supply;
The subdivision has connected to the Oak Harbor sanitary sewer system and to the water system. The City has reviewed the proposed plans and has found them to adequately address this criterion.
2. Local planning agency or commission, charged with the responsibility of reviewing plats and subdivisions, as to compliance with all terms of the preliminary approval of the proposed plat subdivision or dedication;
The City of Oak Harbor's Planning Commission reviewed and recommended approval to the City Council for the Fairway Point 4 Preliminary Plat, Preliminary PRD, and Final PRD on May 22, 2007. Under OHMC 18.20.280 the review of a final plat is conducted only by the City Council. Staff has reviewed the submitted final plat and concludes that the conditions of preliminary plat approval have been met and recommends the City Council approve the final plat.
3. City, town or county engineer
The City Engineer has reviewed and examined the final plat for conformance with RCW 58.17 and the Oak Harbor Municipal Code. The City Engineer recommends approval of the final subdivision plat subject to the conditions listed below under Recommended Action.

RCW 58.17.160 and 170 outline the requirements for each plat filed for record and for the written approval of a subdivision. Staff has reviewed the submitted final plat and concludes that the appropriate certification, dedication and other statements are included on the face of the plat and that written approval of the plat can take place.

The plat must meet the technical specifications of a final plat per OHMC 21.40.

The final plat meets all of the application requirements and prescribed form as listed in OHMC 21.40. It is worth noting that the applicant has shown the PRD-approved building setbacks on

the plat (as required by OHMC 21.40.040(2)(f)) and provided the City with a typical building setback detail (Exhibit F) to clearly show how the building setbacks apply to this plat.

Planned Residential Development (PRD) Overlay Zone Ordinance

Whenever a PRD permit has been granted, the boundary of the PRD shall be indicated on the zoning map of the City of Oak Harbor as "subdistrict PRD." (OHMC 19.31.260). This agenda bill introduces an ordinance (Exhibit G) that once adopted will direct the zoning map to be so amended for the Fairway Point Division 4 Planned Residential Development. Staff recommends that the ordinance be scheduled for City Council final action on July 6, 2010.

Conclusion

The final plat is in conformance with the preliminary plat approval conditions, with the technical requirements for a final plat and with the appropriate zoning and land use controls. Approval of the final plat is recommended by staff.

RECOMMENDED ACTION

1. Adopt resolution approving the Final Plat of Fairway Point Division 4 PRD.
2. Set July 6, 2010 as the date for final consideration of the PRD Overlay Zone for Fairway Point Division 4 PRD ordinance.

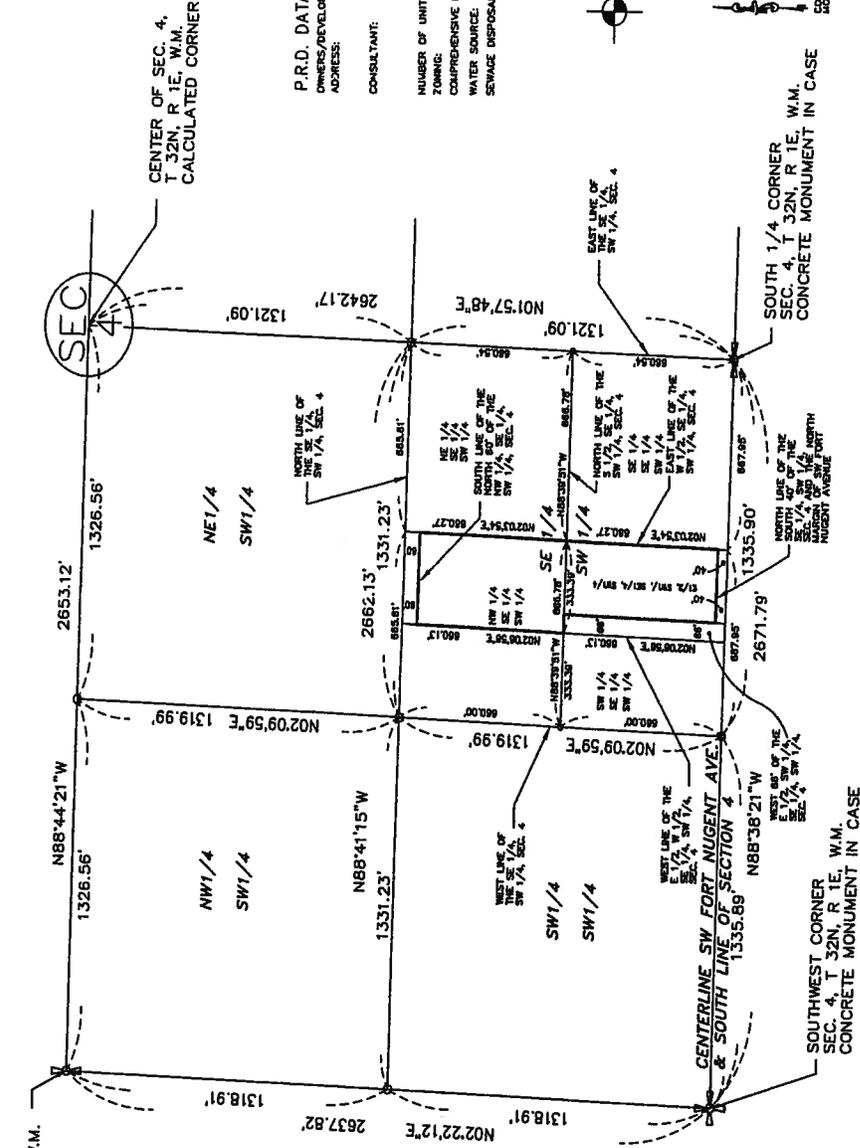
ATTACHMENTS

- A. Final plat; Sheets 1 & 2 dated April 9, 2010 and Sheets 3 & 4 dated April 21, 2010.
- B. Copy of City Council motion and approval of the Fairway Point Division 4 PRD dated June 19, 2007
- C. Ordinance 1506 approving the Fairway Point Division 4 Preliminary Plat dated June 19, 2007.
- D. Planning Commission's Findings of Fact, Conclusions of Law and Entry of Order dated May 22, 2007.
- E. SEPA Determination of Non-Significance dated April 7, 2006.
- F. Typical Building Setback Detail.
- G. Resolution approving the Fairway Point Division 4 PRD Final Plat.
- H. Ordinance approving the PRD Overlay Zone for Fairway Point Division 4 PRD.

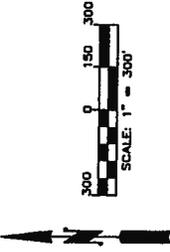
MAYOR'S COMMENTS

PLAT OF FAIRWAY POINT DIVISION 4 P.R.D.
SECTION 4, TOWNSHIP 32 N., RANGE 1 E., W.M.
OAK HARBOR, WASHINGTON

WEST 1/4 CORNER
SEC. 4, T 32N, R 1E, W.M.
CONCRETE MONUMENT
IN CASE



CENTER OF SEC. 4,
T 32N, R 1E, W.M.
CALCULATED CORNER



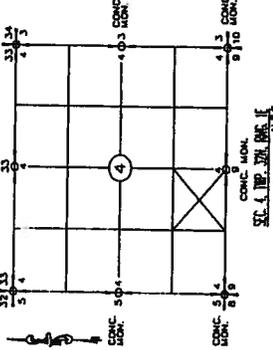
P.R.D. DATA
OWNERS/DEVELOPERS:
ADDRESS:
CONSULTANT:
NUMBER OF UNITS:
ZONING:
COMPREHENSIVE PLAN:
WATER SOURCE:
SEWAGE DISPOSAL:

FR 4, LLC
504 E. FAIRBANKS AVE.
BURLINGTON, WA 98233
(360) 755-8021
BAYVIEW SURVEYING & ENGINEERING
3800 707-2880
BURLINGTON, WA 98233
(360) 707-2880

R-1
LOW DENSITY, RESIDENTIAL
CITY OF OAK HARBOR
CITY OF OAK HARBOR

RECEIVED
APR 09 2010

BENCH MARK:
TOP OF MONUMENT, IN CASE, AT SOUTH
WEST CORNER OF EAST 1/4, TOWNSHIP 32
NORTH RANGE, EAST 1E, W.M. IN SW QUARTER
WASHINGTON, OAK HARBOR.
ELEVATION: 220.20



SOUTH 1/4 CORNER
SEC. 4, T 32N, R 1E, W.M.
CONCRETE MONUMENT IN CASE

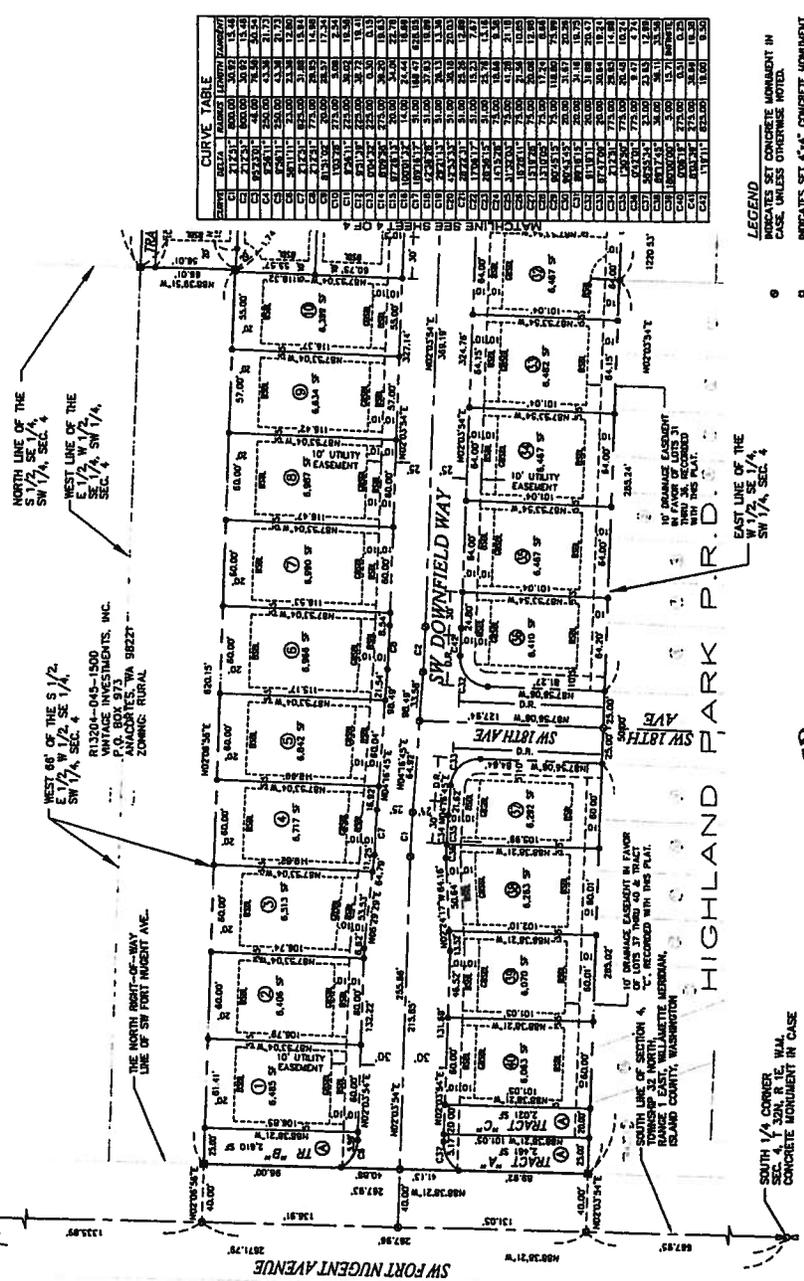
SOUTHWEST CORNER
SEC. 4, T 32N, R 1E, W.M.
CONCRETE MONUMENT IN CASE

MAP OF SECTION BREAKDOWN



DRAWN BY: SGB	DATE: 02/28/2010	FIELD BOOK: PAGE:	PROJECT NO. 2 OF 4
BAYVIEW SURVEYING & ENGINEERING INC.		SCALE: 1" = 300'	
128 1/2 Block 100, Fairway Point, WA 98233		JOB NO:	
Tel: 360-707-2880 Fax: 360-707-2883			
			

PLAT OF FAIRWAY POINT DIVISION 4 P.R.D.
SECTION 4, TOWNSHIP 32 N., RANGE 1 E., W.M.
OAK HARBOR, WASHINGTON



STATION	BEARING	LENGTH	MARKING
1	S 17° 15' 00" E	11.44	1/2" IRON PIN
2	S 89° 00' 00" E	11.44	1/2" IRON PIN
3	S 89° 00' 00" E	11.44	1/2" IRON PIN
4	S 17° 15' 00" W	11.44	1/2" IRON PIN
5	S 89° 00' 00" W	11.44	1/2" IRON PIN
6	S 89° 00' 00" W	11.44	1/2" IRON PIN
7	S 17° 15' 00" E	11.44	1/2" IRON PIN
8	S 89° 00' 00" E	11.44	1/2" IRON PIN
9	S 89° 00' 00" E	11.44	1/2" IRON PIN
10	S 17° 15' 00" W	11.44	1/2" IRON PIN
11	S 89° 00' 00" W	11.44	1/2" IRON PIN
12	S 89° 00' 00" W	11.44	1/2" IRON PIN
13	S 17° 15' 00" E	11.44	1/2" IRON PIN
14	S 89° 00' 00" E	11.44	1/2" IRON PIN
15	S 89° 00' 00" E	11.44	1/2" IRON PIN
16	S 17° 15' 00" W	11.44	1/2" IRON PIN
17	S 89° 00' 00" W	11.44	1/2" IRON PIN
18	S 89° 00' 00" W	11.44	1/2" IRON PIN
19	S 17° 15' 00" E	11.44	1/2" IRON PIN
20	S 89° 00' 00" E	11.44	1/2" IRON PIN
21	S 89° 00' 00" E	11.44	1/2" IRON PIN
22	S 17° 15' 00" W	11.44	1/2" IRON PIN
23	S 89° 00' 00" W	11.44	1/2" IRON PIN
24	S 89° 00' 00" W	11.44	1/2" IRON PIN
25	S 17° 15' 00" E	11.44	1/2" IRON PIN
26	S 89° 00' 00" E	11.44	1/2" IRON PIN
27	S 89° 00' 00" E	11.44	1/2" IRON PIN
28	S 17° 15' 00" W	11.44	1/2" IRON PIN
29	S 89° 00' 00" W	11.44	1/2" IRON PIN
30	S 89° 00' 00" W	11.44	1/2" IRON PIN
31	S 17° 15' 00" E	11.44	1/2" IRON PIN
32	S 89° 00' 00" E	11.44	1/2" IRON PIN
33	S 89° 00' 00" E	11.44	1/2" IRON PIN
34	S 17° 15' 00" W	11.44	1/2" IRON PIN
35	S 89° 00' 00" W	11.44	1/2" IRON PIN
36	S 89° 00' 00" W	11.44	1/2" IRON PIN
37	S 17° 15' 00" E	11.44	1/2" IRON PIN
38	S 89° 00' 00" E	11.44	1/2" IRON PIN
39	S 89° 00' 00" E	11.44	1/2" IRON PIN
40	S 17° 15' 00" W	11.44	1/2" IRON PIN
41	S 89° 00' 00" W	11.44	1/2" IRON PIN
42	S 89° 00' 00" W	11.44	1/2" IRON PIN
43	S 17° 15' 00" E	11.44	1/2" IRON PIN
44	S 89° 00' 00" E	11.44	1/2" IRON PIN
45	S 89° 00' 00" E	11.44	1/2" IRON PIN
46	S 17° 15' 00" W	11.44	1/2" IRON PIN
47	S 89° 00' 00" W	11.44	1/2" IRON PIN
48	S 89° 00' 00" W	11.44	1/2" IRON PIN
49	S 17° 15' 00" E	11.44	1/2" IRON PIN
50	S 89° 00' 00" E	11.44	1/2" IRON PIN
51	S 89° 00' 00" E	11.44	1/2" IRON PIN
52	S 17° 15' 00" W	11.44	1/2" IRON PIN
53	S 89° 00' 00" W	11.44	1/2" IRON PIN
54	S 89° 00' 00" W	11.44	1/2" IRON PIN
55	S 17° 15' 00" E	11.44	1/2" IRON PIN
56	S 89° 00' 00" E	11.44	1/2" IRON PIN
57	S 89° 00' 00" E	11.44	1/2" IRON PIN
58	S 17° 15' 00" W	11.44	1/2" IRON PIN
59	S 89° 00' 00" W	11.44	1/2" IRON PIN
60	S 89° 00' 00" W	11.44	1/2" IRON PIN
61	S 17° 15' 00" E	11.44	1/2" IRON PIN
62	S 89° 00' 00" E	11.44	1/2" IRON PIN
63	S 89° 00' 00" E	11.44	1/2" IRON PIN
64	S 17° 15' 00" W	11.44	1/2" IRON PIN
65	S 89° 00' 00" W	11.44	1/2" IRON PIN
66	S 89° 00' 00" W	11.44	1/2" IRON PIN
67	S 17° 15' 00" E	11.44	1/2" IRON PIN
68	S 89° 00' 00" E	11.44	1/2" IRON PIN
69	S 89° 00' 00" E	11.44	1/2" IRON PIN
70	S 17° 15' 00" W	11.44	1/2" IRON PIN
71	S 89° 00' 00" W	11.44	1/2" IRON PIN
72	S 89° 00' 00" W	11.44	1/2" IRON PIN
73	S 17° 15' 00" E	11.44	1/2" IRON PIN
74	S 89° 00' 00" E	11.44	1/2" IRON PIN
75	S 89° 00' 00" E	11.44	1/2" IRON PIN
76	S 17° 15' 00" W	11.44	1/2" IRON PIN
77	S 89° 00' 00" W	11.44	1/2" IRON PIN
78	S 89° 00' 00" W	11.44	1/2" IRON PIN
79	S 17° 15' 00" E	11.44	1/2" IRON PIN
80	S 89° 00' 00" E	11.44	1/2" IRON PIN
81	S 89° 00' 00" E	11.44	1/2" IRON PIN
82	S 17° 15' 00" W	11.44	1/2" IRON PIN
83	S 89° 00' 00" W	11.44	1/2" IRON PIN
84	S 89° 00' 00" W	11.44	1/2" IRON PIN
85	S 17° 15' 00" E	11.44	1/2" IRON PIN
86	S 89° 00' 00" E	11.44	1/2" IRON PIN
87	S 89° 00' 00" E	11.44	1/2" IRON PIN
88	S 17° 15' 00" W	11.44	1/2" IRON PIN
89	S 89° 00' 00" W	11.44	1/2" IRON PIN
90	S 89° 00' 00" W	11.44	1/2" IRON PIN
91	S 17° 15' 00" E	11.44	1/2" IRON PIN
92	S 89° 00' 00" E	11.44	1/2" IRON PIN
93	S 89° 00' 00" E	11.44	1/2" IRON PIN
94	S 17° 15' 00" W	11.44	1/2" IRON PIN
95	S 89° 00' 00" W	11.44	1/2" IRON PIN
96	S 89° 00' 00" W	11.44	1/2" IRON PIN
97	S 17° 15' 00" E	11.44	1/2" IRON PIN
98	S 89° 00' 00" E	11.44	1/2" IRON PIN
99	S 89° 00' 00" E	11.44	1/2" IRON PIN
100	S 17° 15' 00" W	11.44	1/2" IRON PIN

- LEGEND**
- INDICATES SET CONCRETE MONUMENT IN CASE, UNLESS OTHERWISE NOTED.
 - INDICATES SET 4" x 4" CONCRETE MONUMENT WITH CAP PLS #27448, FOR EXTERIOR PLAT CORNERS.
 - INDICATES SET 1/2" REBAR AND CAP #27548, UNLESS OTHERWISE NOTED.
 - INDICATES FOUND AS NOTED.
 - INDICATES BOUNDARY LINE OF PLAT.
 - INDICATES OPEN SPACE.
 - BSBL INDICATES BUILDING SETBACK LINE.
 - GBSBL INDICATES GARAGE BUILDING SETBACK LINE.
 - D.R. INDICATES DRIVEWAY RESTRICTION, NO DRIVEWAY ACCESS ALLOWED WITHIN THIS AREA.

FRONT YARD SETBACKS FOR LOTS 1 THROUGH 40, INCLUSIVE, SHALL BE A MINIMUM OF 10 FEET FROM THE FRONT PROPERTY LINE. THE GARAGE SETBACK SHALL BE A MINIMUM OF 20 FEET FROM SAID PROPERTY LINE. IN ORDER TO ALLOW PARKING IN FRONT OF THE GARAGE.

DRAWN BY	SIZE	
DATE	12/29/2010	
FIELD BOOK	PAGE 5	

BAYVIEW SURVEYING & ENGINEERING, INC.
128 Belmont Avenue, Bellingham, WA 98225
Tel: 360-737-3880 Fax: 360-737-3878
(www.bayviewsurveying.com)

RECEIVED
APR 21 2010
CITY OF OAK HARBOR
Development Services Department



DRIVEWAY NOTE:
NO DRIVEWAYS SHALL BE ALLOWED WITHIN THE CURB RETURNS OF STREET LOTS 30, 31, 32, & 37.

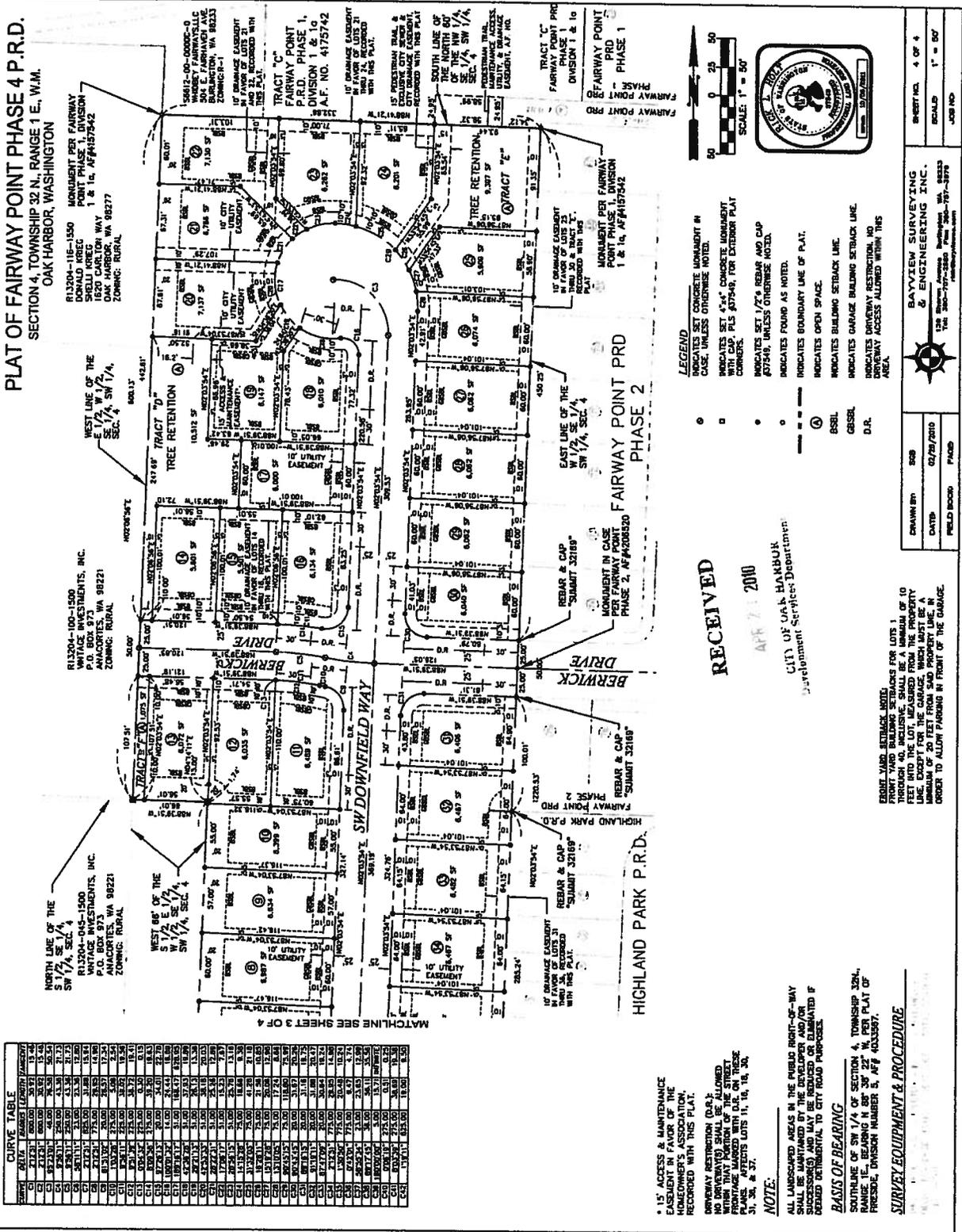
BASIS OF BEARING
SOUTHLINE OF SW 1/4 OF SECTION 4, TOWNSHIP 32N., RANGE 1E., BEARING N 89° 30' 22" W, PER PLAT OF PRESERVE, DIVISION NUMBER 5, AFF 4033567.

SURVEY EQUIPMENT & PROCEDURE
THIS SURVEY WAS COMPLETED AND ACCOMPLISHED BY FIELD TRAVERSE USING A LIETZ SET 3 TOTAL STATION ON 03-2010.

R13200-495-1970
LORAYNE TERRELL TEE
PILL MASONIC TEMPLE ASSN
BELLEVUE, WA 98003
SW FORT NUGENT AVE.
OAK HARBOR, WA 98277

R13200-495-1950
MILL MASONIC TEMPLE ASSN
COMPELLVILLE, WA 98239
SW FORT NUGENT AVE.
OAK HARBOR, WA 98277

PLAT OF FAIRWAY POINT PHASE 4 P.R.D.
SECTION 4, TOWNSHIP 32 N., RANGE 1 E., W.M.
OAK HARBOR, WASHINGTON



CURVE TABLE

STATION	CHORD	LENGTH	PERCENT
C1	100.00	100.00	100.00
C2	100.00	100.00	100.00
C3	100.00	100.00	100.00
C4	100.00	100.00	100.00
C5	100.00	100.00	100.00
C6	100.00	100.00	100.00
C7	100.00	100.00	100.00
C8	100.00	100.00	100.00
C9	100.00	100.00	100.00
C10	100.00	100.00	100.00
C11	100.00	100.00	100.00
C12	100.00	100.00	100.00
C13	100.00	100.00	100.00
C14	100.00	100.00	100.00
C15	100.00	100.00	100.00
C16	100.00	100.00	100.00
C17	100.00	100.00	100.00
C18	100.00	100.00	100.00
C19	100.00	100.00	100.00
C20	100.00	100.00	100.00
C21	100.00	100.00	100.00
C22	100.00	100.00	100.00
C23	100.00	100.00	100.00
C24	100.00	100.00	100.00
C25	100.00	100.00	100.00
C26	100.00	100.00	100.00
C27	100.00	100.00	100.00
C28	100.00	100.00	100.00
C29	100.00	100.00	100.00
C30	100.00	100.00	100.00
C31	100.00	100.00	100.00
C32	100.00	100.00	100.00
C33	100.00	100.00	100.00
C34	100.00	100.00	100.00
C35	100.00	100.00	100.00
C36	100.00	100.00	100.00
C37	100.00	100.00	100.00
C38	100.00	100.00	100.00
C39	100.00	100.00	100.00
C40	100.00	100.00	100.00
C41	100.00	100.00	100.00
C42	100.00	100.00	100.00
C43	100.00	100.00	100.00
C44	100.00	100.00	100.00
C45	100.00	100.00	100.00
C46	100.00	100.00	100.00
C47	100.00	100.00	100.00
C48	100.00	100.00	100.00
C49	100.00	100.00	100.00
C50	100.00	100.00	100.00

LEGEND

- MONUMENT SET CONCRETE MONUMENT IN CASE, UNLESS OTHERWISE NOTED.
- MONUMENT SET 1/4" CONCRETE MONUMENT WITH CAP, PLS. #375-R, FOR CORNER POINT CORNERS.
- MONUMENT SET 1/2" REBAR AND CAP #375-R, UNLESS OTHERWISE NOTED.
- INDICATES FOUND AS NOTED.
- INDICATES BOUNDARY LINE OF P.L.T.
- INDICATES OPEN SPACE.
- INDICATES BUILDING SETBACK LINE.
- INDICATES GARAGE BUILDING SETBACK LINE.
- INDICATES DRIVEWAY RESTRICTION, NO DRIVEWAY ACCESS ALLOWED WITHIN THIS AREA.

SCALE: 1" = 50'

RECEIVED
APR 7 2010
CITY OF OAK HARBOR
Development Services Department

FAIRWAY POINT PHASE 1, DIVISION 1 & 10
P.R.D. A.F. NO. 4175742

FAIRWAY POINT PHASE 2
P.R.D. #FA200520

FAIRWAY POINT PHASE 3 OF 4

FAIRWAY POINT PHASE 4 OF 4

FAIRWAY POINT PHASE 5 OF 5

FAIRWAY POINT PHASE 6 OF 6

FAIRWAY POINT PHASE 7 OF 7

FAIRWAY POINT PHASE 8 OF 8

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FAIRWAY POINT PHASE 47 OF 47

FAIRWAY POINT PHASE 48 OF 48

FAIRWAY POINT PHASE 49 OF 49

FAIRWAY POINT PHASE 50 OF 50

FRONT YARD SETBACK NOTE:
FRONT YARD BUILDING SETBACKS FOR LOTS 1 THROUGH 40, INCLUSIVE, SHALL BE A MINIMUM OF 10 FEET FROM THE FRONT PROPERTY LINE, EXCEPT FOR THE GARAGE WHICH MAY BE A MINIMUM OF 20 FEET FROM SAID PROPERTY LINE, IN ORDER TO ALLOW PARKING IN FRONT OF THE GARAGE.

NOTE:
ALL LANDSCAPED AREAS IN THE PUBLIC RIGHT-OF-WAY SHALL BE MAINTAINED BY THE DEVELOPER AND/OR HOMEOWNER'S ASSOCIATION, UNLESS OTHERWISE INDICATED BY THIS PLAT.
NO DRIVEWAY RESTRICTIONS (D.R.) SHALL BE ALLOWED WITHIN THAT PORTION OF THE STREET RIGHT-OF-WAY PLANS AFFECTS LOTS 1, 4, 14, 18, 24, 31, 36, & 37.
ALL LANDSCAPED AREAS IN THE PUBLIC RIGHT-OF-WAY SHALL BE MAINTAINED BY THE DEVELOPER AND/OR HOMEOWNER'S ASSOCIATION, UNLESS OTHERWISE INDICATED BY THIS PLAT.
NO DRIVEWAY RESTRICTIONS (D.R.) SHALL BE ALLOWED WITHIN THAT PORTION OF THE STREET RIGHT-OF-WAY PLANS AFFECTS LOTS 1, 4, 14, 18, 24, 31, 36, & 37.

DATE: 02/29/2010
FIELD BOOK: PHASE 4
DRAWN BY: SSB
DATE: 02/29/2010
FIELD BOOK: PHASE 4

SAVVIEW SURVEYING & ENGINEERING, INC.
1000 1st Street, Oak Harbor, WA 98221
Phone: 360-735-2222
Fax: 360-735-2222
www.savviewsurveying.com

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At 8:55 p.m., Mayor Cohen separately opened the public meetings for each of the three proposed rezonings: Area 5, Area 6, and Blue Heron. With no comments coming forth, public comments were closed on each area at 9:00 p.m.

Discussion followed about egress onto Ely Street (Blue Heron), and if there were existing structures.

MOTION: COUNCILMEMBER CRIDER MOVED TO ADOPT AN ORDINANCE REZONING AREA 5 PROPERTIES GENERALLY LOCATED ALONG SE MIDWAY BOULEVARD BETWEEN SE 6TH AVENUE AND SE 4TH AVENUE FROM R-O RESIDENTIAL OFFICE TO C-1 NEIGHBORHOOD COMMERCIAL AS STIPULATED. THE MOTION WAS SECONDED BY BREWER AND CARRIED UNANIMOUSLY.

MOTION: COUNCILMEMBER CRIDER MOVED TO ADOPT AN ORDINANCE REZONING AREA 6 PROPERTIES GENERALLY LOCATED EAST OF SR-20 BETWEEN SE 11TH AVENUE AND SE 8TH AVENUE FROM R-4 MULTIPLE FAMILY RESIDENTIAL TO C-3 COMMUNITY COMMERCIAL AS STIPULATED. THE MOTION WAS SECONDED BY KARAHALIOS AND CARRIED UNANIMOUSLY.

MOTION: COUNCILMEMBER CRIDER MOVED TO ADOPT AN ORDINANCE REZONING BLUE HERON EAST OF SR-20 AND WEST OF 165TH SE ELY STREET FROM R-O RESIDENTIAL OFFICE TO C-5 HIGHWAY CORRIDOR COMMERCIAL AS STIPULATED. THE MOTION WAS SECONDED BY BREWER AND CARRIED UNANIMOUSLY.

FAIRWAY POINT DIVISION 4 – PRELIMINARY PLAT AND PRD

Steve Powers, Development Services Director presented this agenda bill for Fairway Point Division 4's proposal consisting of a 40-lot Planned Residential Development (PRD) located southwest of the Whidbey Golf and Country Club at 1464 SW Ft. Nugent Avenue. This development is a continuation of the previously approved Fairway Point PRD for Divisions 1 – 3.

Mayor Cohen opened the meeting for public comments at 9:05 p.m. but none came forth so comments were closed.

Discussion followed about fire impact fees, minimum lot size, and the practical threshold for lot sizes.

MOTION: COUNCILMEMBER EATON MOVED TO ADOPT THE PLANNING COMMISSION RECOMMENDATION FOR THE FAIRWAY POINT DIVISION 4 PRELIMINARY PLAT AND PRELIMINARY AND FINAL PRD AND APPROVE THE FAIRWAY POINT DIVISION 4 PRELIMINARY PLAT AND PRELIMINARY AND FINAL PRD ORDINANCE. THE MOTION WAS SECONDED BY CAMPBELL AND CARRIED UNANIMOUSLY.

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ATTACHMENT B

ORDINANCE NO. 1506

An ordinance approving the preliminary plat of Fairway Point Division 4 PRD and authorizing filing thereof subject to conditions imposed.

WHEREAS, a public hearing was held by the Planning Commission on May 22nd, 2007, on the below described plat and the City Council having approved the same and adopted the Findings of Fact, Conclusions of Law and Record of Decision of the Planning Commission by reference;

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Oak Harbor, Washington:

Section 1: The preliminary plat of Fairway Point Division 4 consisting of 40 single-family residential lots on 8.4 acres (Parcel Number R13204-072-1860) under City file number PPL 05-00002, a copy of the map which is hereto attached and by reference made a part hereof, is hereby approved subject to the conditions contained in the Planning Commission Record of Decision, or satisfactory assurances are provided to meet the requirements, before the final plat may be filed.

PASSED by the City Council and approved by its Mayor this 19th day of June, 2007.

THE CITY OF OAK HARBOR

Patricia A. Cohen
Mayor

Attest:

Constance K. Kuehl
City Clerk

Approved as to Form:

Theresa B. [Signature]
City Attorney

Published: JUNE 27, 2007

BEFORE THE CITY OF OAK HARBOR PLANNING COMMISSION

STATE OF WASHINGTON

In Re Landed Gentry Development, Inc.) FINDINGS OF FACT
Preliminary Plat, PRD and Final PRD #05-00002) CONCLUSIONS OF LAW
Fairway Point Division 4) ENTRY OF ORDER

This matter having come on a special hearing before the Oak Harbor Planning Commission on the 22nd day of May, 2007 upon application of Landed Gentry Development, Inc., petitioner, represented by Brian Gentry appearing in person; Development Services Department of the City of Oak Harbor appearing by it's Director; and the City of Oak Harbor Planning Commission being advised and having considered the evidence and testimony presented now make the following:

I. FINDINGS OF FACT

1.1 Jurisdiction herein was obtained by an application for Preliminary Plat, Preliminary PRD, Final PRD #05-00002 located on Ft. Nugent Avenue west of the Whidbey Golf and Country Club, more particularly shown on the map attached to the application which is appended hereto as Exhibit "A" and by reference made a part hereof.

1.2 The City of Oak Harbor Planning Commission after due notice of hearing did consider the application of Landed Gentry Development, Inc. for the Preliminary Plat, Preliminary PRD, Final PRD for Fairway Point Division 4 at a regular meeting on May 22, 2007. The relevant minutes of the City of Oak Harbor Planning Commission are attached hereto as Exhibit "B" and by reference made a part hereof. The hearing was recorded and a written transcript may be prepared therefrom.

1.3 The City of Oak Harbor Planning Commission discussed all matters presented thereto and concluded that:

i. An Environmental Impact Assessment was made of the project in accordance with the checklist requirements of the State Environmental Policy Act of 1971. This proposal has been determined to not have a significant impact upon the environment. An Environmental Impact Statement is not required under RCW 43.21C.030(2)C.

ii. A Determination of Non-Significance was issued for the proposal on April 7, 2006.

iii. The Fairway Point Division 4 PRD has integrated trails and open space features, similar architectural design and landscape design as Fairway Point Divisions 1, 2, and 3.

iv. The location of this plat has been identified in the Oak Harbor Comprehensive Plan as being appropriate for low-density residential uses to accommodate increases in population in Oak Harbor and has been zoned R-1 Single-Family Residential accordingly.

- v. The proposal meets the requirements of Chapter 19.31 (including those related to open space, density, access to the development, permissive variation in requirements and off-street parking). The proposal contains acceptable variations in street width, sidewalks, lots sizes and setbacks. The open space is configured in such a way as to provide 1) aesthetic assets, 2) afford areas for tree replanting associated with tree retention requirements, and 3) passive recreation opportunities throughout the plat.
- vi. The design of residential lots within the Fairway Point PRD maintains the R-1 Single-Family district densities for the entire project.
- vii. The single-family character, landscaping and architectural details of the proposed development will be complementary to the existing neighboring single-family subdivision.
- viii. The requirement for the boundary lots of the plat to have a rear yard setback equal the front yard setback for the zone in which the PRD is located (OHMC 19.31.090) continues from Fairway Point PRD Divisions 1, 2 and 3.
- ix. All lots within the proposed subdivision provide for adequate building locations.
- x. The applicant has agreed to pay \$200 per residential unit to contribute to the development of a fire protection station, as per the Annexation agreement for the area.
- xi. The Applicant will install all of the required improvements for the proposed subdivision (including: streets, curbs, gutters, sidewalks, monuments, sanitary and storm sewer, street lights, water mains, street name signs, etcetera).
- xii. These improvements provide for the physical and environmental health and welfare of the future residents of the plat, reduce potential adverse impacts on neighboring areas, allow for life-safety service, and support land values.
- xiii. As a system of improvements, the utilities provide many necessities and benefits for each of the proposed lots, including: potable water, electrical services, communication services, waste disposal, and safe and efficient connectivity to transportation networks for vehicular and pedestrian traffic.
- xiv. The design guidelines for fences, the landscape design including street trees, and the location of the tree retention/replanting areas will provide aesthetically pleasing visual assets for the site and neighboring uses.
- xv. Generally the proposed internal and existing street network will provide sufficient capacity for the traffic generated by the subdivision.
- xvi. The proposal utilizes the stormwater management system of ponds and swales located on the adjacent golf course. The drainage system plan will be engineered to help protect the natural functioning of the watershed while also avoiding flooding and stormwater damage to the site and other areas located downstream.
- xvii. To promote orderly growth and service provision by having new development

pay a proportionate share of the cost of park and recreation facilities that are needed to serve the new population, the Applicant is responsible for paying the community park impact fee and the neighborhood park fee as per OHMC 3.63.

xviii. The Applicant is subject to a transportation impact fee based upon the new trips generated by the site. Payments of the impact fees are due at the time of the final development permit.

xix. The application as submitted by Landed Gentry Development for proposed development of Fairway Point PRD meets the requirements of the subdivision ordinance of the City of Oak Harbor, as may be modified by the Planned Residential Development Process.

xx. The proposed plat meets the zoning requirements for the district in which it is located.

xxiii. The Applicant has submitted all the necessary information as per the filing requirements prescribed in the Oak Harbor Municipal Code (OHMC) for all applications.

xxiv. The proposed project utilizes the planned residential development (PRD) district provisions in Oak Harbor Municipal Code (OHMC) 19.31.

xxv. The proposed project was reviewed by staff and Planning Commission and found to be consistent with the intent of the Oak Harbor Comprehensive Plan and OHMC development regulations.

xxvi. The proposal meets the purpose of the PRD district and the associated Planning Commission review criteria for approval of the Preliminary and Final PRD as per OHMC 19.31, and includes: 1) an open space and tree retention tracts that provide passive recreation areas for the plat and contain naturalistic landscaping, 2) connections to the recreation opportunities available in the larger Fairway Point PRD 3) an on-site trail system is integrated with the sidewalks to provide passive recreation opportunities for pedestrians, 4) reduced street cross-sections that will result in a decrease in the amount of impervious surface and thus reduced stormwater runoff, 5) traffic calming measures, 6) textured crosswalks, 7) design guidelines for fences, a landscape design including street trees, and locations for tree retention/replanting to provide aesthetically pleasing visual assets for the site and neighboring uses.

xxvii. Improvements to Ft. Nugent Ave are required as part of the annexation agreement for this property.

xxviii. Based on the information provided by the Applicant and the review and analysis conducted through the application process, the Planning Commission find the Applicant has sufficiently addressed the requirements of the OHMC relating to Preliminary & Final PRD, Preliminary Plat, and that appropriate provisions for the public health, safety and general welfare have been provided for with the components of the plat, including:

- a) potable water utility improvements;
- b) drainage improvements;
- c) street system improvements including pedestrian walkways, pedestrian crossings, lighting and street connections;

- d) mitigation fees for parks as a proportional share for park services to be provided to the development;
- e) the requirements for a Traffic Concurrency certificate, including the payment of impact fees, and any associated improvements necessary to provide a safe and efficient street system; and,
- f) protecting the public and environmental health of the site and neighboring areas through restrictions placed on potential impacts to a neighboring septic system, wetland and buffer areas, and tree retention/planting areas.

Based on the above analysis, and with the proposed conditions, the Planning Commission finds that the Preliminary Plat, the Preliminary and Final PRD have met the requirements and development regulations of the Oak Harbor Municipal Code, the Comprehensive Plan and the Revised Code of Washington, and as such the public interest will be served by the platting of the subdivision.

1.4 On May 22, 2007 the Oak Harbor Planning Commission did recommend approval of the Preliminary Plat, Preliminary PRD, Final PRD application #05-00002 by Landed Gentry Development, Inc. subject to the following conditions:

- i. The development of the Fairway Point Division 4 PRD shall be in general conformance with the following submitted plans:
 - a. Preliminary Plat Drawing Set – 4 sheets, Submitted May 17, 2007.
 - b. Preliminary & Final PRD Drawing Set – 3 sheets, Submitted May 17, 2007.
 - c. Preliminary & Final PRD Landscaping & Planting Plan, Submitted April 11, 2007.
 - d. Preliminary & Final PRD Tree Retention and Planting Plan Submitted February 9, 2007.
 - e. Preliminary & Final PRD Building Elevations/Typical Streetscape shown on A1.1 Submitted June 7, 2006.
 - f. Preliminary & Final PRD Fence Details and Typical Lot Landscape Plan Submitted June 7, 2006.
- ii. Typical lot landscaping, including street trees, as indicated on the PRD drawings must be installed on each lot at the time they are developed prior to final occupancy being granted.
- iii. There shall be no parking allowed along the entrance to the plat from SW Ft. Nugent Avenue fronting lots 1, 2, 39 and 40. A note shall be provided to this effect within the Final Plat document.
- iv. Tract E will include a pedestrian connection to Fairway Point Division 2.
- v. The developer shall be required to pay the current community park impact fee prior to the issuance of any building permit for each residential lot.

- vi. The developer shall be required to pay the current neighborhood park impact fee for each residential lot prior to the issuance of any building permit.
- vii. The developer shall be required to pay transportation impact fees for each residential unit for each of the 40 new residences proposed prior to the issuance of any building permit.
- viii. The developer shall be required to successfully pass the Traffic Concurrency Test for the proposed plat prior to Final Plat approval.
- ix. All improvements deemed necessary as part of the final traffic analysis and Traffic Concurrency Test must be complete and accepted prior to Final Plat approval.
- x. Following approval of the Preliminary Plat, construction plans must be submitted to and approved by the Engineering Department prior to commencing any construction activities. These plans must include all street and frontage improvements (including sidewalk, curb, gutter, paving, traffic control, storm drainage, and street illumination) and all existing and proposed utilities including, but not limited to water, sewer, storm drainage (including a site drainage analysis), power, telephone, cable, and gas. All proposed improvements must meet the City of Oak Harbor standards for materials and installation practices. (OHMC 21.40.010).
- xi. The Applicant shall provide proof of any and all recorded easements necessary to complete the proposed development and associated utility extensions prior to approval of construction plans and/or Final Plat.
- xii. All proposed on and off site improvements associated with this project must be completed and accepted prior to final plat approval. This includes the half street improvements along Ft. Nugent Ave required as part of the annexation agreement. A Performance Bond, in the amount of 112% of the cost to construct required, uninstalled, improvements may be posted in lieu of installation of the improvements, provided, such a bond is approved by the City Engineer. (OHMC 21.30.010)
- xiii. As per the Annexation agreement, the proposal is subject to and must comply with the Golf Course Drainage Basin Stormwater Mitigation Study. Easements, where applicable, must be provided by the Owner for existing drainage facilities. Owner will be responsible for all required on-site costs of storm water drainage and retention facilities or will provide for alternative off-site drainage per the Golf Course Drainage Basin Stormwater Mitigation Study.
- xiv. As per the Annexation agreement, for each residential unit, or equivalent hereof, developed on the Property, the Owner of the Property shall pay Two Hundred Dollars (\$200.00) for development of a fire protection station in the area.
- xv. Plans and specifications for fire hydrant system shall be submitted to the fire department for review and approval prior to construction as per UFC 901.2.2.2.

1.5 Fairway Point Division 4 Preliminary Plat, PRD and Final PRD #05-00002 has been

processed in accordance with RCW Title 58, the City of Oak Harbor Zoning Ordinance Title 19, the City of Oak Harbor Subdivision Ordinance Title 21, the City of Oak Harbor Environment Ordinance Title 20, the City of Oak Harbor Street and Sidewalks Ordinance Title 11, the City of Oak Harbor Stormwater Ordinance Title 12, the City of Oak Harbor Water Ordinance Title 13, the City of Oak Harbor Sewers Ordinance Title 14, the State Environmental Policy Act RCW 43.21C and the Open Meetings Act of 1971 RCW 42.30 and the action is in accord therewith.

From the foregoing FINDINGS OF FACT, the Oak Harbor Planning Commission makes the following:

II. CONCLUSIONS OF LAW

2.1 The findings of fact as noted in the records of the City of Oak Harbor Development Services Office upon which the recommendation for approval of the Preliminary Plat, Preliminary PRD, Final PRD for Fairway Point Division 4 was made by the City of Oak Harbor Planning Commission are proper and have not been reached in an arbitrary or capricious manner nor without due process of law.

III. ORDER

On the basis of the foregoing Findings of Fact and Conclusions of Law, it is ordered that:

3.1 The City of Oak Harbor Planning Commission hereby recommends to the City Council that the Preliminary Plat, Preliminary PRD, Final PRD #05-00002 for Landed Gentry Development, Inc. be approved subject to the conditions listed in 1.4 of this document.

3.2 This order is advisory to the City Council and may be accepted by the City Council, modified by the City Council, or rejected by the City Council after public hearing.

APPROVED AND ADOPTED THE _____ DAY OF _____ 2007.

PLANNING COMMISSION
CITY OF OAK HARBOR, WASHINGTON

Chairman

Vice-Chairman

Attested:

Kathy Gifford, Administrative Secretary

DETERMINATION OF NONSIGNIFICANCE

Description of proposal Fairway Point Division 4 a plat consisting of 36 single-family residential lots on 8.2 acres.

Proponent Whidbey Westwood, LLC.

Location of proposal Approximately 500 feet east of the intersection of Fort Nugent Road and Boon Road, Oak Harbor, WA. Parcel number R13204-072-1860.

Lead Agency City of Oak Harbor

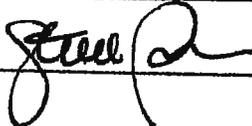
The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment and that an environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(c). All potential environmental impacts resulting from this proposal can be mitigated to a level of nonsignificance through the application of the City's development standards. This decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public on request.

This DNS is issued under WAC 197-11-340(1). There is no comment period for this DNS and the determination should be considered as final on the date listed below.

Responsible Official: Steve Powers Position/Title: Development Services Director

Telephone: (360) 679-4512 Address: 865 SE Barrington Drive, Oak Harbor, WA 98277

Date April 7, 2006

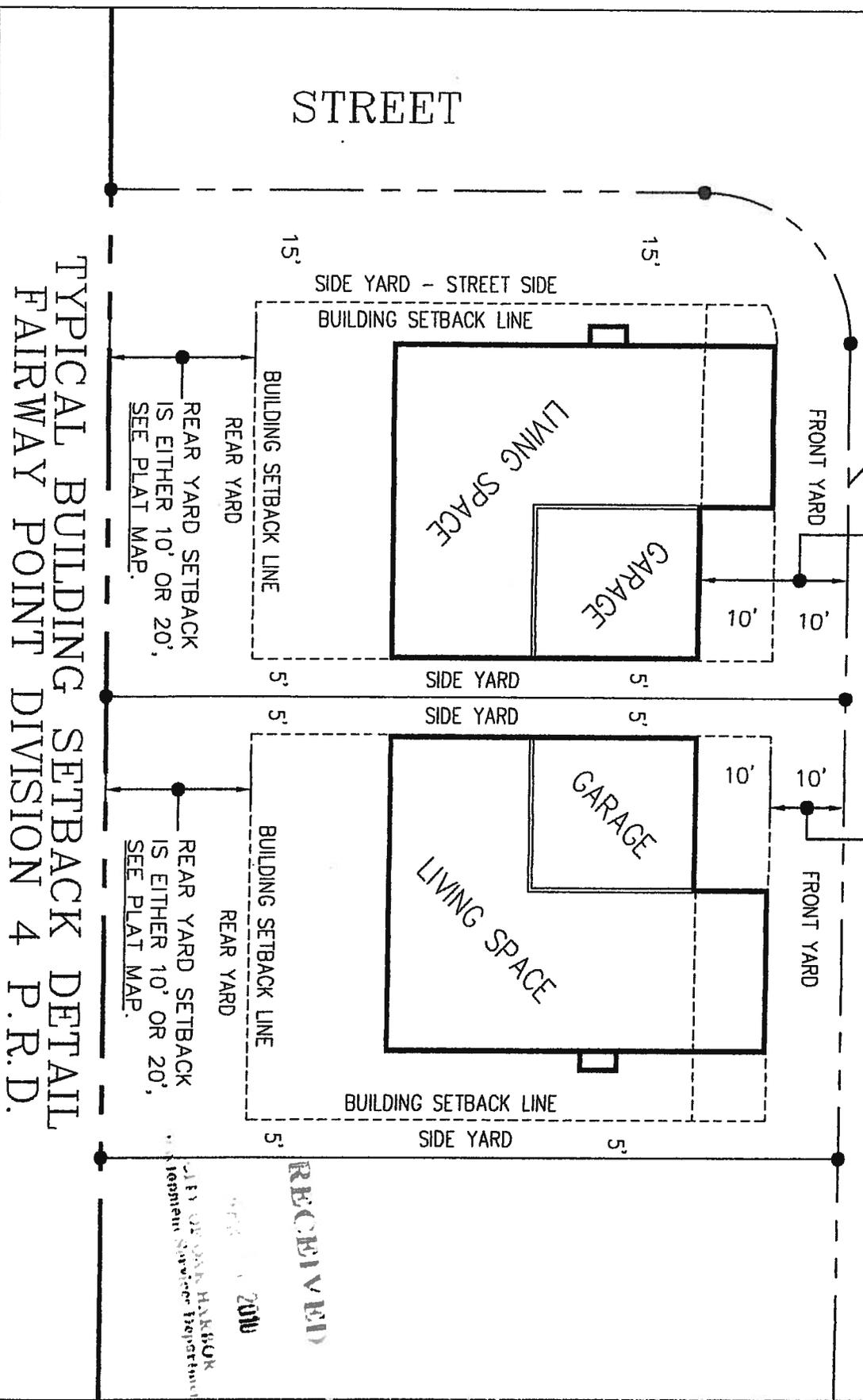
Signature 

This determination may be appealed by submitting written factual objections and the appropriate fee to the above address within fifteen days of the date of action set out above, or no later than April 22, 2006.

FRONT YARD BUILDING SETBACK
 MINIMUM 20 FEET FROM R.O.W. TO
 OUTSIDE FOUNDATION OF GARAGE
 SPACE OF RESIDENCE (TYPICAL).

STREET

FRONT YARD BUILDING SETBACK
 MINIMUM 10 FEET FROM R.O.W.
 (TYPICAL).



TYPICAL BUILDING SETBACK DETAIL,
 FAIRWAY POINT DIVISION 4 P.R.D.

RECEIVED
 CITY OF VAN HANDEL
 Planning Services Department
 2010

RESOLUTION NO. 10-18

A RESOLUTION OF THE CITY OF OAK HARBOR APPROVING THE FAIRWAY POINT DIVISION 4 PRD FINAL PLAT

WHEREAS, the City Council approved the Preliminary Plat and Preliminary and Final Planned Residential Development (PRD) plans for Fairway Point Division 4 on June 19, 2007; and

WHEREAS, this development is a continuation of the previously approved Fairway Point PRD for Divisions 1-3; and

WHEREAS the plat consists of 40 single family residential lots on 8.4 acres with lot sizes ranging from approximately 5,501 square feet to approximately 7,137 square feet; and

WHEREAS, the PRD is similar in character to the approved PRD for Fairway Point (Divisions 1-3), as the project reflects similar lot sizes, scale, architectural design and incorporated access to adjoining phases; and

WHEREAS, Fairway Point Division 4 received a Certificate of Transportation Concurrency in 2007; and

WHEREAS, a transportation mitigation fee of \$907 is required with the issuance of a building permit for each lot; and

WHEREAS, neighborhood and community park impact fees of \$430 and \$1,243 respectively are required with the issuance of a building permit for each lot; and

WHEREAS, a fee of \$200 per residential unit is required with the issuance of a building permit to contribute to the development of a fire protection station per the Annexation agreement; and

WHEREAS, the final plat meets all of the application requirements and prescribed form for final plats as listed in OHMC 21.40; and

WHEREAS, the final plat has been submitted to the City within five years of the date of preliminary plat approval per RCW 58.17.140; and

WHEREAS, the agencies listed under RCW 58.17.150 have recommended approval of the final plat as to the adequacy of sewage disposal and water supply as well as conformance with the preliminary plat and the Oak Harbor Municipal Code; and

WHEREAS, the City Council has reviewed the final plat and finds that it contains the appropriate certification, dedication, and other statements on the face of the plat as well as a full and correct description of the lands divided per RCW 58.17.160 and 58.17.165; and

WHEREAS, as required by RCW 58.17.170 the City Council finds that the proposed final plat conforms to all terms of the preliminary plat approval and that the subdivision meets the requirements of RCW Chapter 58.17 and other applicable state laws and local ordinances; and

WHEREAS, the City Council has reviewed the final plat and finds it to be in conformity with all of the City's applicable zoning and existing land use controls per RCW 58.17.195.

WHEREAS, upon City Council approval of the final plat, the City shall execute its written approval on the face of the plat per RCW 58.17.170; and

NOW, THEREFORE, the City Council hereby approves the final plat for Fairway Point Division 4 PRD and directs that its written approval shall be written on the face of the plat and filed for record with the County Auditor. Upon the final plat being filed for record, all lots shall be a valid land use notwithstanding any change in zoning laws for a period of five years from the date of filing per RCW 58.17.170.

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

ORDINANCE NO. _____

AN ORDINANCE APPROVING A PRD OVERLAY ZONE FOR THE FAIRWAY POINT DIVISION 4 PLANNED RESIDENTIAL DEVELOPMENT LOCATED ON ISLAND COUNTY PARCEL NUMBER R13204-152-1801 AND AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF OAK HARBOR TO REFLECT THE OVERLAY ZONE

WHEREAS, the City Council of the City of Oak Harbor has approved the Final Plat for the Fairway Point Division 4 Planned Residential Development ("PRD");

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

Section One: The zoning for the property generally known as the Fairway Point Division 4 PRD located on Island County Parcel Number R13204-152-1801 is hereby amended to add the Fairway Point Division 4 PRD Overlay Zone to the underlying zoning of R-1 Single-Family Residential.

Section Two: All development within the Fairway Point Division 4 PRD Overlay Zone shall be consistent with the Fairway Point Division 4 Final PRD as approved by the Oak Harbor City Council on June 19, 2007. Development standards not addressed by the Fairway Point Division 4 Final PRD shall be the same as the underlying zoning and/or other applicable provisions of the OHMC. Development shall be to a maximum of 40 residential lots to be placed within the area described by the Fairway Point Division 4 PRD Final Plat.

Section Three: The official zoning map of the City of Oak Harbor is hereby amended to reflect the planned residential development subdistrict for the above mentioned property.

Section Four: 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 Five: Effective Date. This Ordinance shall be in full force and effect five days after its passage and publication as required by law and upon recording of the Fairway Point Division 4 PRD Final Plat with the Island County Auditor.

PASSED by the City Council this 6th day of July, 2010.

- () APPROVED by its Mayor this _____ day of _____, 2010.
- () Vetoed

THE CITY OF OAK HARBOR

Mayor

Fairway Point Division 4 PRD Overlay Zone Ordinance

Attest:

City Clerk

Approved as to Form:

City Attorney

Published: _____