

City Council Meeting
Tuesday, May 18, 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 Tim Geist, Bible Baptist Church

ROLL CALL

| | |
|------------------------------|--|
| Jim Slowik, Mayor | Paul Schmidt, City Administrator |
| Five Members of the Council, | Margery Hite, City Attorney |
| Rick AlMBERG | Doug Merriman, Finance Director |
| Jim Campbell | Steve Powers, Development Services Director |
| Scott Dudley | Ethan Spoo, Senior Planner |
| Jim Palmer | Eric Johnston, City Engineer |
| Bob Severns | Rick Wallace, Chief of Police |
| | Mark Soptich, Fire Chief |
| | Mike McIntyre, Senior Services Director |
| | Mack Funk, Harbormaster |
| | Renée Recker, Executive Assistant to the Mayor |

Councilmembers Beth Munns and Danny Paggao were absent and formally excused from this meeting. Public Works Director Cathy Rosen was absent and formally excused from this meeting.

MINUTES

MOTION: Councilmember Palmer moved to approve the 5/4/10 meeting minutes. The motion was seconded by Councilmember Campbell and carried unanimously.

ADDITIONS TO THIS MEETING'S AGENDA

MOTION: Councilmember Palmer moved to amend this meeting's agenda by adding a proclamation recognizing the Oak Harbor High School Culinary Team and an agenda bill for emergency repair of the 18-inch RBC outfall pipe. The motion was seconded by Councilmember AlMBERG and carried unanimously.

NON-ACTION COUNCIL ITEMS

Proclamation – Oak Harbor High School Culinary Team Appreciation Day

Councilmember AlMBERG read and presented this proclamation. The Wildcat Culinary team of Oak Harbor High School has been the reigning state champion for four straight years and this year returned from the national competition in Overland Park, Kansas with the second place award among a field of competitors from 36 states. They cooked a three-course gourmet meal in one hour using nothing but two butane burners. Along with the accolades of being in the top tier of high school chefs, the four students on the team also received cash prizes, gifts, and scholarships to some of the nation's best culinary schools. The culinary crew is led by teacher Louise Reuble, with mentoring by Scott Fraser of Fraser's Gourmet Hideaway Restaurant. OHHS's Restaurant Management Team is also a state champion and competed at the national level for the first time. The Management Team created a detailed business plan for starting a chain

of eco-friendly restaurants which was presented to a panel of judges. Congratulations to the culinary team: Luke Felkner, (captain), Spencer Miller, Jeffrey Bradford, and Nick Merrick; and the management team: Ashley Kutzley (captain), Brooke Alhanati, and Sydney Coughlin. The Culinary Team will produce its award-winning meal one more time as a fundraiser for the Oak Harbor Educational Foundation. The meal will be served June 6, 2010, at Fraser's Gourmet Hideaway, beginning at 6:00 p.m. Tickets are \$75 and reservations can be made by calling 675-2226.

Team Captain Luke Felkner talked about the memorable experience of competing at the national level, the menu that was prepared, and thanked Mayor and Council for this recognition. Ms. Reuble also talked about the team's hard work and thanked the City for this recognition. Mayor Slowik noted that Scott Fraser had also won first place recognition in the 2010 Children's Hero Awards.

Employee Recognitions – Oak Harbor Fire Department

Steve McCalmont, 10 years; Dean Faris, 25 years

Fire Chief Mark Soptich introduced and talked about the many achievements of Firefighter McCalmont and Firefighter (POC) Faris. Mayor Slowik thanked both for their years of commitment to the safety of Oak Harbor.

Public Comments

There were no public comments this evening. Mayor Slowik noted that students from Mr. Chargualaf's Oak Harbor High School social studies class were also in attendance.

Consent Agenda

- A. Excused Absence – Scott Dudley, Wednesday, August 4, 2010 Council Meeting.
- B. Noise Permit – Kiwanis Club – Beachcomber's Bazaar.
- C. Noise Permit – Living Word.
- D. Noise Permit – Christ the King Community Church.
- E. Approval of Accounts Payable Vouchers.

Councilmember Campbell asked that Consent Agenda Items B and C be removed for discussion.

MOTION: Councilmember Campbell moved to approve items A, D, and E with item E paying Accounts Payable check number 141450 in the amount of \$352.00, accounts payable check numbers 141451 – 141465 in the amount of \$1,605.23, accounts payable check numbers 141466 – 141475 in the amount of \$16,997.95, accounts payable check numbers 141476 – 141667 in the amount of \$509,225.25, and payroll check numbers 93828 – 93835 in the amount of \$92,290.00. The motion was seconded by Councilmember Severns and carried unanimously.

Items B and C – Noise Permits

Councilmember Campbell suggested that "facing speakers away from the campground" be standard text for all noise permits in Windjammer Park.

MOTION: Councilmember Campbell moved to approve Item B – Noise Permit for Kiwanis Club, and Item C – Noise Permit for Living Word. The motion was seconded by Councilmember Palmer and carried unanimously.

Public Hearing – North Whidbey Enterprise Area Annexation Ordinance

Development Services Director Steve Powers presented this agenda bill accompanied by a PowerPoint presentation. The proposed ordinance offers incentives for properties located in the North Whidbey Enterprise Area to annex. These incentives are contained in a new chapter (18.25) of the Municipal Code. Additionally, the ordinance adds a new Chapter 14.03 restricting sewer service outside of City limits to emergency situations (septic failure) and repeals Chapter 14.25. In 1995, the City and the County jointly adopted the “North Whidbey Community Diversification Action Plan” (“The Action Plan”). The Action Plan was an economic development strategy which designated the North Whidbey Enterprise Area for future employment growth. In addition, the Action Plan also recommended extending City services (sewer, roads, etc.) to areas outside of the City boundary but within the UGA for economic development purposes.

Subsequently, the Action Plan became the foundation for the Economic Development Goals and Policies of the City’s Comprehensive Plan. In 2002, the City and the County jointly adopted the Interlocal Agreement which established development/zoning standards for the unincorporated portions of the UGA including standards for the North Whidbey Enterprise Area. The Interlocal Agreement put policies in place encouraging “timely and orderly” annexation of the UGA. The City has already taken the first step toward eliminating barriers to economic development in the North Whidbey Enterprise Area by extending services outside the City boundary in the form of a sewer main and pump station in Goldie Road. The proposed “North Whidbey Enterprise Area Annexation Incentives” ordinance takes the next step by establishing incentives for annexation. The proposed ordinance sets up two main incentives for annexation:

- A waiver of annexation application fees. The standard fee to file an annexation application is \$2,137 plus \$142 per acre. Waiver of this fee for non-residential properties within North Whidbey Enterprise Area represents a substantial incentive for property owners.
- Cost recovery for Goldie Road sewer. Typically, the City uses what are called “special connection fees” to recover the cost of capital projects from benefiting properties. The incentives ordinance will not pursue cost recovery from properties within the annexation area.

Now that the sewer main and pump station in Goldie Road are complete, Chapter 14.25 OHMC pertaining to extension of sewer outside City limits for economic development purposes is no longer necessary. Thus, the proposed ordinance repeals that chapter of the code. Recognizing that emergency connections to the sewer are sometimes necessary, new language is added to Chapter 14.03 allowing sewer extensions outside of the City limits and prior to annexation *only* when septic system failure occurs. Even when sewer has been extended for septic failure, property owners will be required to sign a waiver of protest agreement to facilitate eventual annexation. A Fiscal Impact Analysis looked at the revenues and costs the City is projected to incur from annexation and/or development of the Goldie Road Annexation Area under two scenarios:

1. No new development after annexation. The first scenario looked at the revenues and costs to the City if annexation occurs, but no new development happens after annexation. This can be considered the “worst-case” scenario. However, even in this scenario the Fiscal Impact Analysis projects that the City will experience net revenues (positive fiscal impacts) from annexation.
2. A “reasonable” level of development occurs after annexation. The second scenario looked at the likely fiscal impacts if a “reasonable” level of development occurs after annexation. A “reasonable” level of development was defined to be development consistent with what has already occurred on developed parcels within the North Whidbey Enterprise Area. The Fiscal Impact Analysis predicted net revenues in this scenario, as well.

The Fiscal Impact Analysis predicts that the City is likely (but not certain) to experience increased revenues from annexation of the Goldie Road Annexation Area. The conclusions of the Fiscal Impact Analysis are limited to the Goldie Road Annexation Area. Nevertheless, the subject fiscal analysis is a positive indicator of what the City may encounter with future properties to be annexed in the North Whidbey Enterprise Area. Additionally, the City can require all future annexations within the North Whidbey Enterprise Area to complete a fiscal impact analysis to assess the level of risk associated with specific properties.

Mayor Slowik opened the public hearing at 6:30 p.m.

Kristi Jensen, 1380 SE 8th. Ms. Jensen asked about enterprise area map and asked if the properties indicated within the pink line would be grouped as a whole or if the enterprise area would skip around within the lined area.

There were no other comments so Mayor Slowik closed the public hearing at 6:35 p.m.

Council Discussion

Mr. Powers responded to Ms. Jensen’s question noting that the area still has to be contiguous. Discussion followed about worst case scenarios, sewer hook-up and the waiver of protest agreement, that this proposal and ordinance was staff’s idea and not driven by an annexation request, waiver of annexation fees, residential properties in the area (the majority are industrial or planned industrial park), and how annexations are initiated. Discussion continued about the annexation process and timeline, and criteria used to create the Fiscal Impact Analysis. The incentive and North Whidbey Enterprise Area annexation ordinance is meant to encourage development in the community rather than elsewhere.

MOTION: Councilmember Almberg moved to adopt the North Whidbey Enterprise Areas Annexation Incentives ordinance. 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 and introduced Erin Taylor from EnviroIssues. 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 limit of \$60,098.86 would provide for communication and public outreach support for the project. The Pioneer Way Improvements Project will completely reconstruct an existing street and utilities within the heart of the community's downtown. As such it is one of the more significant and complicated public works projects undertaken by the City in recent years. Given the complexity of the project, it is critical that effective lines of communication are in place between the City, the downtown merchants, and the overall community. This communication is essential in gaining input from business and property owners on project design decisions yet to be made, on suggestions for construction sequencing, and on co-developing a downtown marketing strategy for the construction phase of the project. Recognizing the project dynamics to date and the demands on existing staff resources, staff proposes that the public involvement firm of Envirolssues, Inc. be retained to assist with these tasks. The use of Envirolssues is the most cost-effective way to provide the enhanced level of public involvement and coordination that has been part of recent City Council discussions. On January 19, 2010, the City Council reaffirmed the decision to proceed with the final design and construction contract preparation associated with the SE Pioneer Way Street Improvements Project. With the decision on the basic street configuration, the project moves into a more intense and detailed level of work that will require a greater level of coordination with business and property owners. City staff approached the firm of Envirolssues, Inc., seeking their assistance with the communication and coordination tasks associated with the next phase of the project. Envirolssues is a firm that specializes in project-related public involvement, community outreach, and facilitation. The proposed contract with Envirolssues was originally scheduled for the April 6, 2010 meeting but staff requested it be removed from the agenda to allow time for additional discussion and scope refinement. To maintain the project's schedule, a contract under the Mayor's authority was signed with Envirolssues on April 7, 2010 in the amount of \$29,986.04. The contract scope of work provides for the development of a community involvement plan and undertaking a business survey. The contract deliverables include the community involvement plan, a database with survey results, and a summary of outreach activities with recommendations for the future. These products provide the springboard for the activities in the contract proposed with this agenda bill. Envirolssues would be responsible for a number of activities intended to foster and improve communication and outreach. In addition to the tasks from the first contract, some of the specific activities Envirolssues would be responsible for are:

- Organize and facilitate meetings with merchants and property owners and the community for input on the aesthetic features of the project.
- Gathering input on options for construction signage and economic development techniques during construction.
- Assistance to the City of Oak Harbor in pre-construction marketing and economic sustainability efforts.
- Development of community wide project newsletter prior to construction.
- Develop a project logo.
- Development of fact sheets/flyers during final design.

The products from this contract will help direct what the final street design will look like, how construction of the street may take place and what public communication and marketing activities occur during construction. This contract is only for services during final design and leading up to the start of construction. Pending City Council approval, Envirolssues could be retained for additional community outreach assistance during the

construction project. A scope of work for construction-related activities has not yet been defined. Information gathered during the pre-construction efforts will help establish the scope of work for any construction-related work. In other words, it is premature to determine what the scope of work would be for the construction-related activities without first completing most of the pre-construction tasks. During the construction of public works projects, the City typically interacts with the affected property owners, businesses and the community through its contractor, design engineers (staff and/or outside engineers) and inspectors. The amount of direct staff involvement in this process is determined by the scale of the project and staff workload. This process is sufficient for most public works projects. The scope of work proposed under this contract by EnviroIssues includes 644 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.

It was noted that a majority vote of Council (not a majority vote of this evening's quorum) would be needed to approve this contract; 4 approving votes.

Mayor Slowik called for public comments.

Frank Scelzi, P.O. Box 2249. Mr. Scelzi spoke with concern about this contract. A (City) letter was sent out at the last minute and only a few tenants were able to make comments. There has not been a letter to property owners. This shows a continuing disregard for taxpayers and money is being spent that isn't necessary. Why are we having to spend these funds? How is this public relations company going to help us with deliveries and delivery trucks stopping traffic? Council listens to a third party about downtown, but will not listen to the outcry from downtown. I have been disappointed at the way this has been handled from day one.

There were no other public comments.

Council Discussion

Discussion followed about the number of staff/project manager meetings in relation to Council presentations and that Council should be more involved. Council was concerned with this wording (bolded) in the Scope of Services and Design Public Involvement and Communications Plan, respectively:

*Support development of up to two presentations for **City Council and/or the Public Works Committee** at key points in the project.*

*At key milestones during the project, the **City Council and/or the Public Works Committee** will be briefed on project progress and to receive input and decisions on the path forward.*

Council discussion preferred that the phrase "**and/or Public Works Committee**" be **removed** and presentations and briefings be given to the entire Council. Mr. Powers clarified that Everett meetings are team meetings with staff traveling to Everett to control costs and that this is a common technique to control costs. Staff intends to regularly brief Council with no intention of keeping Council on the sidelines. Discussion continued about the scope of work and that it is flexible and presentations to Council are presently called out in the scope of work for June and October. Council asked if notes are taken during the team meetings and if Council could be provided a meeting summary. It was noted that these are typically "nuts and bolts" meetings meant to move

the City toward plans and specifications. Discussion followed with Ms. Taylor about the number of merchants who have been met/interviewed (50 businesses have been contacted with a return to some businesses and interviews with the remaining businesses), how delivery trucks will be tracked, and business hours of operation. Council asked about the construction period since this contract is only for services during final design and leading up to the start of construction. At this point, it is difficult to determine the level of assistance needed during construction. Discussion followed about the contract's cost and necessity and, with their current workload, that it would be difficult for City staff to provide this level of communication and public outreach support considering the complexity of the project. Ms. Taylor talked about the stakeholder input process, potential hours that may be needed during construction, and public involvement and communications plan. Discussion continued about the City's use of a firm to do this level of public interface and if it had been done on past projects. City Attorney Hite clarified the difference between a majority vote and quorum vote, tabling this item, and if this item could be reintroduced. Discussion continued about the timeline beginning with the \$29,986.04 contract signed by the Mayor on April 7th, removal of this \$60,098.86 contract from the April 6th meeting to allow time for additional scope refinement, and how the needed hours were determined. Discussion returned to the business surveys, the survey questions, and the introductory letter. EnviroIssues plans to reach all of the Pioneer Way businesses before completing a survey report. It was again noted that, at this stage of the project, a construction plan would not be developed. Council talked about phase 1 and phase 2 and Mr. Powers clarified that this is essentially phase 1a and 1b, that this was originally presented as a single \$90,000 contract but EnviroIssues was asked to split the contract without jeopardizing the overall project timeline. Details of City costs (printing, mailing, project logo) were also discussed. This is a not-to-exceed contract; not a lump sum contract. At the Mayor's request, Ms. Taylor also talked about a typical marketing scenario. Mr. Powers also noted that, during the October briefing, Council will be updated on community outreach achievements and Council will have that information before awarding a construction contract for the project. Council is not being asked to wait until the construction project is awarded. Discussion then returned to scheduling questions and how success would be measured.

MOTION: Councilmember Severns made a motion to table this agenda item (Professional Services Contract – EnviroIssues) to the June 1, 2010 City Council meeting. The motion was seconded by Councilmember Dudley.

City Attorney Hite noted that a motion to table is not debatable.

Councilmember Severns and Councilmember Dudley recalled the motion and second to allow for continued discussion.

Break

Mayor Slowik called for a break at 8:30 p.m. and the meeting reconvened at 8:40 p.m.

Council Discussion

Discussion followed about Ms. Taylor's credentials and the necessity to hire Envirolssues, why this outreach process was not started earlier, the contract amount which includes overhead, and that the first contract is two-thirds complete with half of that budget expended. This second contract (phase 1b) is not dependent on the results of the first phase (phase 1a). Approval of this second contract is needed to continue the process. Council discussed the impact of a two-week delay on the timeline and Ms. Taylor and Mr. Powers noted that the survey results would be scheduled at the soonest possible time.

MOTION: Councilmember Severns made a motion to table this agenda item (Professional Services Contract – Envirolssues) to the June 1, 2010 City Council meeting. The motion was seconded by Councilmember Dudley.

VOTE ON THE MOTION:

Councilmembers Severns and Dudley voted in favor of the motion. Councilmembers Almberg, Campbell, and Palmer opposed. The motion to table died.

Discussion continued about delays on this contract and the difference between this delay and the quiet title action for Right-of-Way, and that the City is criticized for spending too much money on consultants and studies without listening to the downtown merchants.

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. The motion was seconded by Councilmember Palmer.

VOTE ON THE MOTION:

Councilmembers Almberg, Campbell, and Palmer voted in favor of the motion. Councilmembers Dudley and Severns opposed. The motion did not receive the majority vote of Council (four votes).

This agenda bill will come back before City Council on June 1, 2010.

City Administrator Paul Schmidt distributed a past agenda bill (November 4, 2009) that discussed this project's sequencing and noted that he would be happy to speak to individual Council Members about this contract; this is not an issue of "making do" with existing staff.

Guest Moorage Rates and Hoist Rates for the Marina

Development Services Director Steve Powers presented this agenda bill and resolution to increase guest moorage and boat hoist rates at the Oak Harbor Marina.

Harbormaster Mack Funk was also present for Council questions. On December 15, 2009, the City Council approved an increase for several of the Oak Harbor Marina rate categories. The adopted resolution increased rates for permanent and guest moorage, storage units, parking and electricity use by five percent (5%) in 2010, 2011 and 2012. During this rate increase process, some marina customers, Marina Advisory Committee members and City Council members inquired about the proposed rate increases and if they were sufficient for the guest moorage category. Staff committed to reviewing guest rates and returning to the City Council with a report and/or proposal. There was also some concern expressed that the Marina does not presently charge a separate fee for electricity use by guests. Although not specifically requested by City Council, staff also further studied the Marina's boat hoist rates.

Guest Moorage Rates

Oak Harbor Marina guest moorage rates are on average approximately 84% of nearby marinas. Port Townsend's guest moorage rates are slightly less than Oak Harbor, but they and most other marinas charge extra for electricity.

Table 1: Guest Moorage Rates

| Marina | May 1 – Sept 15 | Sept 16 – April 30 | Electricity |
|---------------------|------------------------|---------------------------|--------------------|
| Port Townsend | \$0.65 per foot | \$0.65 per foot | \$4 per night |
| Everett | \$0.75 per foot | \$0.55 per foot | Included |
| Kingston | \$0.85 per foot | \$0.75 per foot | \$3 per night |
| La Conner | \$1.00 per foot | \$0.80 per foot | Included |
| Cap Sante | \$1.05 per foot | \$0.70 per foot | \$4 per night |
| Average | \$0.86 per foot | \$0.69 per foot | n/a |
| Oak Harbor existing | \$0.722 per foot | \$0.722 per foot | Included |

Staff proposes that the Oak Harbor Marina institute an in-season rate (from May 1 – September 15), an off-season rate (from September 16 – April 30) and a separate charge for electricity as follows:

| | |
|------------------------|------------------|
| May 1 – September 15 | \$0.80 per foot |
| September 16 – April 1 | \$0.60 per foot |
| Electricity | \$3.00 per night |

The proposed in-season guest rates are approximately 93% of the average of nearby marinas, while the proposed off-season rates are approximately 90% of the average. To be consistent with the manner in which permanent moorage rates are applied, the new guest moorage rates would be charged by actual boat length rather than by boat-length groupings. Finally, it is proposed that the new guest rates would increase by approximately 6% in 2011 and 2012.

Boat Hoist Rates

Although each hoist operation requires a different amount of time, the average time involved is approximately 45 minutes per hoist. The Marina staff operators that perform the hoist work are paid between \$18.92 and \$23.97 per hour plus benefits (ranging from \$7.86 per hour to \$9.42 per hour). Even without including the cost of maintaining the equipment, the current rate of \$15.75 per operation does not cover the Marina's labor costs for providing this service to customers. The proposed new rates are \$25 per

operation (when performed by the Marina) and \$40 for a monthly hoist contract (labor provided by the customer). Rates would increase approximately 6% in 2011 and 2012.

Council Discussion

Discussion followed about in-season footage for guest moorage and if it could be changed to 85 cents and off-season to 69 cents (Oak Harbor has always been under the average and the committee agreed with the proposed rates). If rates are changed, a new resolution would need to be presented to Council.

MOTION: Councilmember Campbell moved to adopt the resolution increasing guest moorage rates and boat hoist rates and establishing a nightly charge for guest electricity use. The motion was seconded by Councilmember Palmer and carried unanimously.

Contract Award – Regatta Water Main Extension

Councilmember Dudley had a conflict of interest with the contract and asked to be excused from this discussion and contract consideration. City Engineer Eric Johnston presented the agenda bill which recommended awarding a contract for construction of the Regatta Water Main Extension to C. Johnson Construction, Inc., in the amount of \$443, 211.21. This contract will construct a 12-inch diameter water line along Regatta Drive and SR-20 from NE 16th Avenue north to Fakkema Road. As a property owner, the project will meet the City’s obligation to comply with the annexation agreement requiring the extension of the water main. In addition, the project is consistent with the City of Oak Harbor Comprehensive Water Plan. The project was advertised for bidding in the Daily Journal of Commerce and Whidbey News Times. Staff received and opened 12 sealed bids on May 6, 2010. The bid totals are tabulated below (amounts include Washington State Sales Tax in the amount of 8.7%):

| Contractor | Location | Bid Total |
|-----------------------------------|-----------------------|---------------------|
| C. Johnson Const. Inc | Oak Harbor, WA | \$443,211.21 |
| Premium Const. | Oak Harbor, WA | \$488,430.93 |
| Colacurcio Bros. Const., Inc. | Blaine, WA | \$497,175.32 |
| D & G Backhoe | Lake Stevens, WA | \$505,671.20 |
| SRV Construction | Oak Harbor, WA | \$531,551.15 |
| B & B Utilities | Bothell, WA | \$542,385.83 |
| G & G Excavation | Anacortes, WA | \$581,421.90 |
| Kar-Vel construction. | Renton, WA | \$590,669.93 |
| Buno Construction | Lake Stevens, WA | \$597,714.13 |
| Krieg Construction | Oak Harbor, WA | \$628,687.37 |
| Seton Construction | Port Townsend | \$691,655.49 |
| B & L Utility Inc | Snohomish, WA | \$698,068.14 |
| <i>Engineer’s Estimate</i> | <i>Oak Harbor, WA</i> | <i>\$859,179.54</i> |

Staff reviewed the bid prices and is knowledgeable of the qualifications and experience of the low bidder. Most construction projects involve change orders and modifications to the contract plans. Delays in processing change order requests can result in costly

delay claims against the City. To minimize the possibility of delays and the resulting claims, staff requested that the City Engineer be authorized to administratively approve up to \$45,000.00, approximately 10% of the contract amount, for change orders. The Engineering Division will be performing the construction inspection and construction management activities for the project. The assistance of a licensed surveyor and a materials testing company will be needed as part of the construction management and the costs for these professional services are approximately \$6,000 and \$15,000, respectively. Contracts for these services will be made under the Mayor's authority for contracts less than \$30,000 as allowed for in OHMC 2.390. The funding for the project is available in the City of Oak Harbor Water Division budget. Funding is a combination of system development charges and water rate revenues.

MOTION: Councilmember Severns made a motion to:

- 1. Authorize the Mayor to sign a contract with C. Johnson Construction, Inc. in the amount of \$443,211.21 for the Regatta Water Main Extension.**
- 2. Authorize the City Engineer to administratively approve changes to the construction contract totaling not more than \$45,000.00.**

The motion was seconded by Councilmember Campbell.

VOTE ON THE MOTION:

Councilmembers Almberg, Campbell, Palmer, and Severns voted in favor of the motion. Councilmember Dudley had been excused from this agenda presentation and vote. The motion carried.

Resolution – Emergency Repair – 18-inch RBC Outfall Pipe

City Engineer Eric Johnston presented this agenda bill which requested authorization to expend up to \$75,000 from the Sewer Fund for the emergency repair of the 18-inch RBC outfall pipe. On Friday May 14, 2010, plant operators at the RBC wastewater treatment plant became aware of a break in the outfall pipe. The outfall pipe is used to discharge treated wastewater from the treatment plant to Oak Harbor Bay. The following are a few facts related to the outfall:

- The outfall was constructed in 1956 for \$16,498.75.
- The outfall is an 18-inch diameter 16-gauge asbestos bonded bituminous protected corrugated metal pipe (CMP).
- The total length of the outfall is 1,160 feet measured from the manhole on shore.
- The break is approximately 200 feet from the shore.
- The outfall at the break is approximately 4.5 feet deep below the sediment line.

The extent of the break is unknown at this point. While the cause of the break will remain unknown until crews are able to excavate down to the pipe, corrosion is the most probable cause of the failure. There are several options for repairing the break including:

- Slip lining of the entire outfall.
- Slip lining of the near shore portion of the outfall.
- Installation of a repair band.
- Removal of damaged section of pipe and installation of a new pipe section at the break.

The first step will be to try and excavate around the area of the break to assess the extent of the damage and possible repairs. Due to the difficulty of working in this environment and the complications of dewatering an excavation on the beach with an open sewer line, the assistance of an outside contractor is needed. A final solution for repair of the outfall will be determined once the area of the break has been excavated and engineers are able to see the pipe. The proposed resolution declared the repairs to the sewer line to be an emergency and authorized the Mayor to both award and execute a contract for repairs up to \$75,000.

MOTION: Councilmember Campbell moved to adopt the resolution exempting repairs to the RBC outfall from competitive bidding requirements. The motion was seconded by Councilmember Dudley.

Council Discussion

Council asked about the emergency nature of this agenda bill and if a special meeting should have been called on Friday. Mr. Johnston noted that waiving the public bidding requirements which can take several months, constituted the emergency. Council also asked about marking the outfall's low area and potentially soft sand, but the area is within the tidal change zone and marking would not be visible; there are other low areas on the beach, as well.

VOTE ON THE MOTION:

The motion carried unanimously.

City Administrator's Comments

Mr. Schmidt reviewed upcoming meeting dates noting the AWC conference in the latter part of June. The City received notice on May 13, 2010 that we were not successful in garnering \$1 million in block grant funds for Pioneer Way.

Council Members' Comments

Standing committee reports were presented. Councilmember Palmer asked about the Scenic Heights Trailhead (should be coming before Council on June 15th).

Mayor's Comments

Mayor Slowik talked about the artwork on display which was created by Helen Brown Ryder and invited the community to see her mixed media and other work in City Council Chambers.

ADJOURN

With no other business coming before the City Council, Mayor Slowik adjourned the meeting at 9:45 p.m.

Connie T. Wheeler
City Clerk